

Republic of Uganda

Project for the Restoration of Livelihoods in the Northern Region (PRELNOR)

Detailed design report

Main report and appendices

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Currency equivalents

Currency Unit	=	Ugandan Shilling (UGX)
US\$1.00	=	UGX 2,600

Weights and measures

1 kilogram	=	1000 g
1 000 kg	=	2.204 lb.
1 kilometre (km)	=	0.62 mile
1 metre	=	1.09 yards
1 square metre	=	10.76 square feet
1 acre	=	0.405 hectare
1 hectare	=	2.47 acres

Abbreviations and acronyms

ACCRA	Alliance for Climate Change Resilience in Agriculture (in Uganda, a consortium made up of Care International, Oxfam, Save the Children and World Vision)
ACTED	Agency for Technical Cooperation and Development
AfDB	African Development Bank
AGRA	Alliance for Green Revolution in Africa
ALIN	Arid Lands Information Network
ALM	Adaptation learning mechanism
ALREP	Northern Uganda Agricultural Livelihoods Recovery Programme
AMIS	Agricultural market information system (service)
ASAP	Adaptation for Smallholder Agriculture Programme
AWPB	Annual work plan and budget
BDS	Business development services
BoU	Bank of Uganda
CAADP	Comprehensive Africa Agricultural Development Programme
CAAIIP I,II & III	Community Agricultural Infrastructure Improvement Programme (over three phases)
CAR	Community access road
CBNRM	Community-based natural resource management
CCAF	Climate Change Adaptation Fund
CDD	Community driven development
CDKN	Climate and Development Knowledge Network
CDO	Community development officer
CFSVA	Comprehensive Food Security and Vulnerability Analysis
CIAT	International Center for Tropical Agriculture
CIG	Common interest group (in project village)
CIMMYT	International Maize and Wheat Improvement Centre
COSOP	Country Strategic Opportunities Paper
CPM	Country Programme Manager
DCCI	District Chamber of Commerce and Industry
DCO	District commercial officer
DDP	District development plans
DFA	District farmer's association
DFO	District finance officer (Responsible for project accounting)
DfID	United Kingdom Department for International Development
DLSP	District Livelihoods Support Programme (IFAD funded in Uganda)
DPSF	Decentralization Policy Strategic Framework
DPO	(District) production officer
DRR	Disaster Risk Reduction (UNISDR UN International Disaster Reduction)
DSIP	Development Strategy and Investment Plan
ECD	Environmental and Climate Division
ENRM	Environmental and Natural Resource Management Policy (IFAD—10 guiding principles)
EVI	Extremely vulnerable individuals
FAO	Food and Agriculture Organisation
FFH	Food For the Hungry
FFS	Farmer field school
GALS	Gender Action Learning System
GDP	Gross domestic product
GEF	Global Environmental Facility
GDPRD	Global Donor Platform for Rural Development
GHG	Green House Gas
GoU	Government of Uganda
HH	Household

HDI	Human Development Index
ICRAF	International Center for Research in Agroforestry
IDP	Internally displaced persons
IFAD	International Fund for Agricultural Development
IFDC	International Fertiliser Development Corporation
IPM	Infrastructure project manager (District government)
LDCF	Least Developed Country Fund
LDSF	Land Degradation Surveillance Framework
LG	Local government
LRA	Lord's Resistance Army
LSB	Local seed businesses
MAAIF	Ministry of Agriculture, Animal Industry and Fisheries
MDG	Millennium Development Goal
MFPED	Ministry of Finance, Planning and Economic Development
MGLSD	Ministry of Gender, Labour and Social Development
MoLG	Ministry of Local Government
MMC	Market management company (for local government owned market infrastructure)
MTIC	Ministry of Trade, Industry and Cooperatives
MWE	Ministry of Water and Environment
MoWT	Ministry of Works and Transport
M&E	Monitoring and evaluation
MPAT	Multi-dimensional poverty assessment tool
MSP	Market stakeholder platform
MSME	Micro, Small and Medium Enterprise
NAADS	National Agricultural Advisory Service
NAPA	National Adaptation Programme of Action
NARO	National Agricultural Research Organisation
NDP	(Uganda) National Development Plan
NEPAD	New Partnership for Africa's Development
NDP	National Development Plan
NMA	National Meteorological Authority
NRM	Natural resource management
NUDEIL	Northern Uganda Development of Enhanced Local Governance, Infrastructure and Livelihoods
NUSAF2	Second Northern Uganda Social Action Fund
OFID	OPEC Fund for International Development
OPM	Office of the Prime Minister
P4P	World Food Programme Agriculture and Market Support / Purchase for Progress
PCN	Project Concept Note
PDR	Project Design Report
PEAP	Poverty Eradication Action Plan
PHH	Post-harvest handling
PIF	Project Identification Form
PMU	Project Management Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
PPP	Public – private sector partnership
PRELNOR	Project for the Restoration of Livelihoods in the Northern Region
PROFIRA	Project for Financial Inclusion in Rural Areas
PRDP	Peace, Recovery and Development Plan
PRSP	Poverty Reduction Strategy Paper
PSF	Private Sector Foundation
PSO	Project support officer (District level)
RCT	Randomized control trial (an IFAD activity)
REDD	Reducing Emissions from Deforestation and Forest Degradation
R&D	Research and development
RIMS	Results and Impact Management System
SACCO	Savings and credit cooperative
SCCF	Special Climate Change Fund
SCDO	Sub-county community development officer

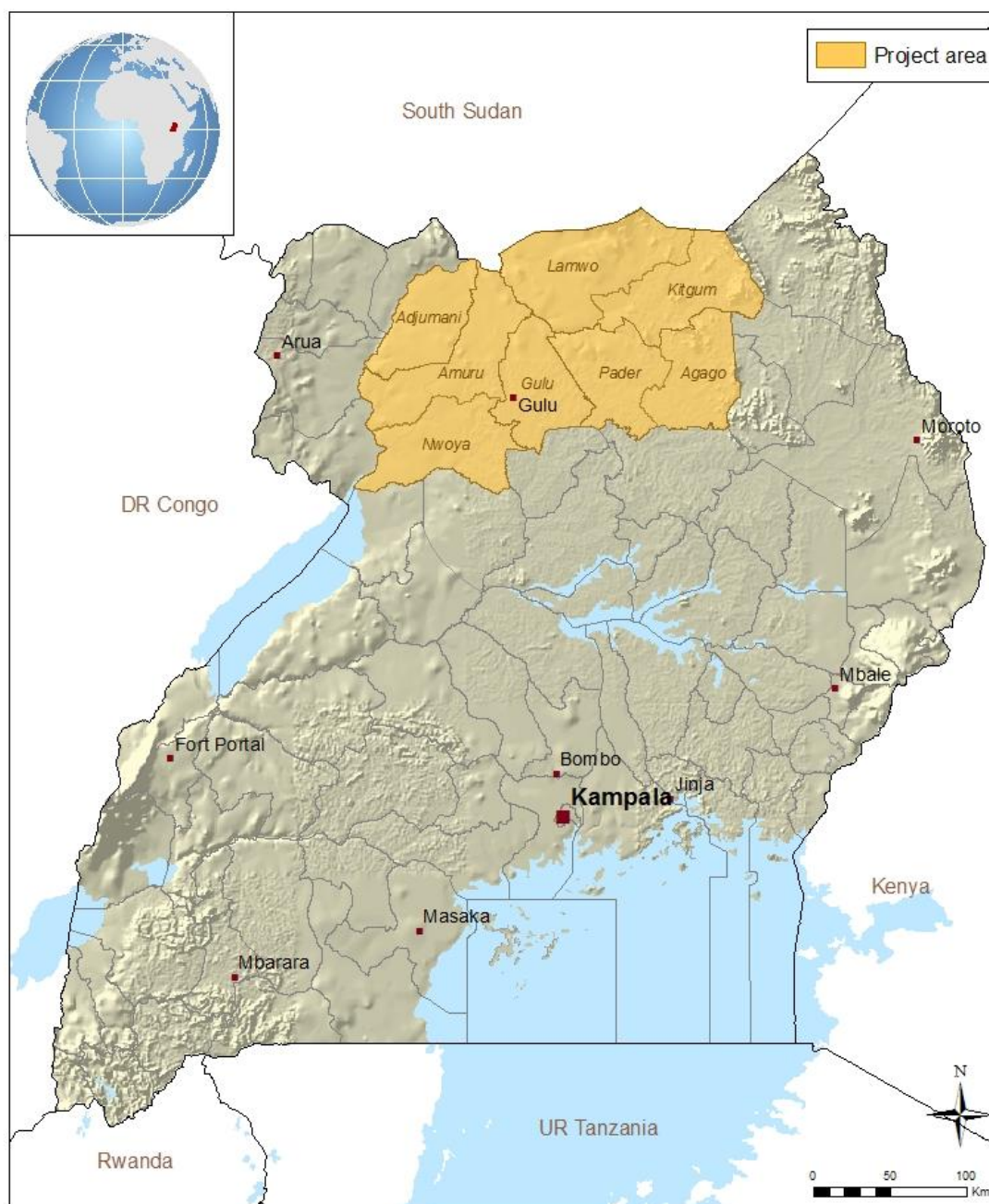
SME	Small and medium enterprises
UBOS	Uganda Bureau of Statistics
UCA	Uganda Cooperative Alliance
UNHS	Uganda National Household Survey
UNFCC	United Nations Framework Convention for Climatic Change
UNFFE	Uganda National Farmers Federation
VODP	Vegetable Oils Development Project (IFAD funded in Uganda)
VSLA	Village saving and loan association
WB	World Bank
UCA	Uganda Cooperative Association
UNFFE	Uganda National Farmers Federation
UNMA	Uganda National Meteorological Authority
UGX	Uganda shilling
USD	United States dollars
ZARDI	Zonal agricultural research and development institute (under NARO)
2WT	Two wheel hand tractor ('iron buffalo')

Map of the project area

Uganda

Project for the Restoration of Livelihoods in the Northern Region

Design report



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.
Map compiled by IFAD | 11-07-2014

Executive Summary

1. Although only 20% of the Uganda population lives in Northern Uganda, it accounts for 38% of the poor in Uganda with 26% of all the chronically poor living in the area. The Government of Uganda (GoU) recognises that, while considerable resources have been invested in the northern areas under the PRDP, further investment is required. IFAD has included Northern Uganda, particularly the Acholi region, as a high priority in the IFAD project pipeline. Most programme / project support in the region has been for emergency responses to the severe dislocation as communities were moved into internally displaced peoples' (IDP) camps for their protection and, at the conclusion of the hostilities, for reconstruction of basic village and district infrastructure to allow communities to move back to their homes. Recent projects in the region have included elements of 'development', but these initiatives have not used an integrated development approach to re-establish the northern region as a major agricultural production area.

2. The Acholi sub-region and Adjumani district has suffered more from the internal conflicts than other areas in the north. Living in the IDP camps has influenced two generations, those who were born in the camps and those who were forced to move into the camps while still young. These generations brought up in the IDP camps could not learn farming and other skills working with their farming parents and could not develop their capacity to cope once the conflicts had stopped. This has left large numbers of young people without skills and meaningful activities. Moreover, the region lost 75% of its livestock and other agricultural assets during the wars.

3. Most farmers returning from the IDP camps now rely on the natural fertility of the soils, with minimal or no inputs leading to low yields and productivity. The sub-region has excellent potential for agricultural development which is needed for lifting the rural poor out of poverty. Without significant changes and adoption of new technologies (intensifying production as well as increasing the area cropped), production will not increase substantially to increase household net incomes or provide additional production for the developing Ugandan and regional markets.

4. Market processes and structures are needed to support the current and future agricultural product movements from production areas through aggregation points at village or parish level to satellite markets at sub-county / district levels to the major sub-regional (currently informal) bulk markets in Gulu and Kitgum which are underdeveloped. While expanded traded volumes will induce more resourceful smallholders to increase their production, current limited access to relevant agro-climatic information, all-weather road conditions, improved local post-harvest handling and storage, and sustainable farming practices limit commercial production opportunities.

5. With an increasingly variable climate, the agriculture sector will be hard hit by adverse climate conditions, as agricultural production, both pre and post-harvest, is very exposed to climate change risks through drought, intense and erratic rainfall, an increasing incidence of high winds and, emerging seasonal and temperature shifts. Climate variability could cause significant economic costs on development in the region.

6. IFAD will assist farmers and other stakeholders in the market chain to address these constraints using its Ugandan and Eastern Africa experience in linking farmers to markets and having effective approaches for reaching the poorest rural households. The Adaptation for Smallholder Agriculture Programme (ASAP) funding will address climate change issues, through reduction and diversification of climate-related risks within a coordinated development project.

Project description

7. The overall goal of the **Project for the Restoration of Livelihoods in Northern Uganda** (PRELNOR) is: *Increased income, food security and reduced vulnerability of poor rural households in the project area.*

8. **Project area.** The project area will be a total of eight districts, comprised of Agago, Amuru, Gulu, Lamwo, Kitgum, Nwoya and Pader in the Acholi sub-region together with the adjoining district of Adjumani, which has similar agro-ecological conditions to Amuru and Nwoya districts.

9. **Targeting.** Each project district will select sub-counties on the basis of poverty levels, as well as production and market potential¹. The number of project villages in each district will be based on that district's share of the total rural poor.

10. **Project target groups.** PRELNOR will target four main sub-groups. For farmer group activities, the project will target three categories of households: (i) *food insecure households*, who do not have enough land or resources to produce enough to cover their food needs; (ii) *food secure households* who are still vulnerable to climatic or other shocks to their livelihoods but want to improve their agricultural productivity; and, (iii) *market oriented households* with adequate land and some skills which they wish to use to increase their surplus production available for sale. They may be members of existing or new community groups identified during the initial community consultation process. The Support to vulnerable households sub-component will target *vulnerable households*, including youth, who lack the capacity and self-confidence to join community groups, to build their food security and self-reliance to enable them to join groups and benefit from development initiatives.

11. **The project development objective is:** *Increased sustainable production, productivity and climate resilience of small holder farmers with increased and profitable access to domestic and export markets.*

12. Two components - **A. Rural Livelihoods** and **B Market Linkages and Infrastructure** through their outcomes will contribute to the project goals and development objectives. The purpose of the livelihoods component is to enable a higher proportion of farm households, who are not yet market oriented, to achieve levels of production that enable them to take advantage of the opportunities offered by Component 2. The food insecure households and the climate-vulnerable food secure households jointly account for 2/3 of the 18,000 farmer groups. With the addition of the 10,000 vulnerable households, they cumulatively account for 28,000 households, which is 78% of total beneficiaries.

Component A. Rural Livelihoods

13. The outcome for this component is: *Poor farm families and youth have increased asset base and resilience.*

Sub-component A.1 Community planning and capacity development

14. This sub-component will work in up to 600 project villages and use a focused participatory planning approach to: (i) identify and map available resources; (ii) identify farmer groups that meet the eligibility and social targeting criteria; (iii) identify vulnerable households and youth; and, (iv) identify priority livelihoods and CBNRM activities and group capacity development activities. The focus will be on capacity building of targeted communities to plan and implement group activities. Community-based facilitators (CBF) will provide a critical link between the local government administration and target groups at village level.

15. PRELNOR will scale up the household mentoring approach successfully tested under the District Livelihood Support Programme (DLSP) using household mentors to work with vulnerable households not linked with community groups and activities. Mentored households that make progress will receive a small food security grant (worth about USD100 each) to assist in boosting household food production and / or generating some cash income. The project target is to successfully mentor 10,000 poor vulnerable households and ensure they participate in agriculture related initiatives and income generating opportunities.

16. The most vulnerable youths will also be targeted by the household mentoring process, as child heads of households, or as members of their parents', relatives', or guardians' households in the case of orphans.

Sub-component A.2 Priority climate resilient crop production systems

17. The project will strengthen the capacity of rural poor farming households to increase production and productivity of food security and marketable crops through an extensive agricultural extension project. Cropping areas and yields will be increased through timely use of appropriate mechanisation, land use and cultivation practices. The aim is to improve food security and incomes of target groups

¹Note: sub-counties with low production and market potential may not be eligible even if they have the highest poverty incidence.

through resilient practices to intensify farming systems while conserving the natural resource base (soil health and water conservation). While most of the interventions will require only an investment of time and change of production practice by farmers, the main investments will be in capacity building to enhance the knowledge base of the stakeholders for sustainable agricultural development and to empower the farmers to adopt the improved practices. Activities will include: (a) group activities to increase crop production; (b) community seed production to ensure access high quality seed; (c) conservation farming incorporated into crop production systems; (d) improved access to other profit increasing technologies; (e) piloting appropriate mechanisation and assessed for the main crops; and, (f) small-scale adaptive research activities. PRELNOR will work with the ZARDIs in the project area to access and evaluate new improved crop varieties. A farmer group approach will be used with up to 1800 groups targeted.

18. DFAs will implement the activities in selected sub-counties through their network of farmer group facilitators, supported and supervised by Local Government staff. The project will train DFA and LG extension personnel to provide needed backstopping support to farmer group facilitators and, to plan, monitor and supervise the group projects in the villages. Specialized service providers and or partners will be identified as necessary to provide technical backstopping to the LGs and DFAs where there are skills gaps.

19. PRELNOR will promote best practices in community based natural resource management (CBNRM) and introduce climate change adaptation measures at both the catchment and household levels as a basis for the climate resilient crop production systems. The focus will be on capacity building of targeted communities in sustainable CBNRM practices and providing incremental financing support to assist communities in the implementation of their plans developed in component A1. Training and development in the use of harvested rainwater will be included and funded. This will be supported by investments in improved meteorological monitoring and climate information services to address the increasing climate variability identified by farmers that limits their agricultural productivity in the project area.

Component B. Market Linkages and Infrastructure

20. The outcome for this component is: Farmers with surplus crop production receive increased prices and profitably sell larger volumes of crop products through expanded access to Ugandan and regional markets.

Sub-component B.1 Improved market access processes

21. The main activities will be working with economic-oriented groups who have identified business opportunities and profitability as their priority focus. Activities will include: (a) specialised business skill and post-harvest handling (PHH) and value adding; (b) assistance to develop business plans for expanding businesses or investment; (c) training, market development and appropriate mentoring support; and (d) piloting and demonstrating new technologies and approaches.

22. **Market Stakeholder Platforms (MSP).** The project will bring together all main market stakeholders to develop a stakeholders group or a **market stakeholder platform (MSP)** in each project district. The MSP will: mobilise communities to participate in market access activities; facilitate policy dialogue; and, implement a feasibility study of and develop a business case to improve market access, particularly through investment in aggregation points / markets and / or larger sub-regional bulk markets. The MSPs at district level will be composed of the DFA, produce traders' associations, processors association, savings and credit cooperative society (SACCOS), and local governments. To introduce and increase understanding of the MSP and marketplace concepts, an early project activity will be study visits to the successful large agricultural produce markets operating using these processes in Tanzania and/or the MSPs being developed in Niger under another IFAD-supported project. The project will facilitate establishment of a sub-regional forum for the MSPs where the project will construct markets.

23. Based on market access assessments and opportunities for investments, MSPs may be able to justify project investment in the district (probably aggregation or small market facility) or a more substantial investment in a sub-regional bulk market(s). The market infrastructure will focus on improving the flow of marketed produce through the facility with investment in storage and processing being left to the private sector.

24. An autonomous market management company (MMC), largely owned by MSP stakeholders, will be formed and contracted to manage the facility with the local government which owns the market facility. The MMC will collect a market use levy to be remitted to the local government while retaining part of the levy for operational costs. If the MSP concept is successful, it will increase local taxation revenues as more agricultural products move through the formal marketing system.

25. **Post-harvest Handling (PHH).** To assist more innovative and experienced groups implement more challenging business plans, a small PHH investment grant scheme (USD 1 million) will be established to encourage investment in new PHH or value adding technologies or capacity that is not commercially available or accessible. These activities will address the climate vulnerability of the market chain – especially during harvesting, drying, post-harvest storage and transport. Access to these PHH investment grant resources would be through a competitive process guided by stringent conditions to ensure funds are invested commercially and there is appropriate cost-sharing by the investors.

26. **Market Information.** Market stakeholders will be trained to access and use **Agricultural market information services (AMIS)** for commodities by aligning and linking them with existing or a new AMIS service provider. There has been limited uptake of the AMIS systems so an important issue to be addressed initially is why the existing market information systems are not more widely used. The project will contract a suitable AMIS service provider to link with farmers, and other market stakeholders. Other AMIS activities will include: promotional activities to publicise the AMIS services; creating new tools for accessing market information; and, ensuring that the proposed AMIS links the satellite markets, bulk markets, producer associations, traders associations and farmer groups for collection and dissemination of market information

Sub-component B.2 Market access infrastructure.

27. This sub-component will improve access to markets, facilitate more competitive pricing, and increase farmers' income through improvements to community access roads (CAR) and structures that facilitate production marketing in selected strategic sites for agriculture trade. It is estimated that benefits from the investments will reach a total of about 108,000 rural households in the eight districts.

28. **Existing community access roads (CAR) upgraded/rehabilitated or new roads constructed.** An estimated 1,550 km of all-weather CARs will be constructed including all the required ancillary drainage structures. A road construction committee will be formed for each of the planned CARs with members from each village the CAR passes through.

29. Provisions are made for ASAP grant funding for improved design of climate-proofing road structures and related technical assistance and inputs from an engineer with rain harvesting experience to produce a set of guidelines for rainwater harvesting (RWH) from CARs. Ten pilot sites for demonstrating and testing the effectiveness of rainwater harvesting will be established.

30. **Aggregation and sub-regional market facilities.** Based on the MSP research and analysis, two strategic market places for bulk trading at Gulu, Kitgum and / or two existing border markets for produce may be built or upgraded together with eight smaller aggregation points and / or satellite marketplaces. The emphasis will be on facilitating the rapid receipt, sale and transshipment of agricultural products from the project area, not storing product. The location, type and capacity of structures will be identified in the framework of Component B 1 through comprehensive discussions. The local governments, as owners of the aggregation points / bulk markets, will have a major input to the needs identification and site location.

Component C: Project management and coordination

31. Component C will ensure the project is efficiently and effectively managed to achieve the expected results. The Ministry of Local Government (MoLG) will coordinate and manage the GoU and IFAD loan and ASAP grant funds which will be blended and mainstreamed through all the planned activities. Gender, youth, climate change and environmental, knowledge management and communication considerations will be mainstreamed in all aspects of project management and activities.

Project implementation

32. **Approach.** The project is combining a Livelihoods approach with a Market Linkage approach to ensure that more vulnerable households and youth are given the opportunity to develop the confidence to join the community level livelihood and production activities that will improve food security and, for an increasing proportion, increase their net income from crop production. The market linkages will link the increased production to more efficient markets, together with the more advanced households and groups that move into PHH and value adding activities.

33. **Phasing.** The process for initial community preparation, formation of farmer groups and capacity development in participating villages will be phased over in three years with 200 villages (in each of the 100 parishes) in the first year, an additional 200 in the second and 200 in the third year (a total of 600). The village preparation and community capacity development activities at sub-county and parish level will take place in the first year. Overall, agricultural production activities will be rolled out geographically, starting with areas that have adequate capacity, while activities on access roads will be initiated in all districts at the same time, given that there are adequate engineering staff in all of them.

34. **Organizational framework.** The Ministry of Local Government (MoLG) will be the project implementing agency. MoLG will provide overall general direction for project implementation, coordinate with other relevant ministries and agencies, and chair the Project Policy Committee (PPC). MoLG will ensure counterpart funds and agreed GoU contributions are adequately budgeted and provided in a timely manner.

35. **Project coordination.** The existing PPC for DSLP, chaired by the MoLG Permanent Secretary, and expanded will provide policy oversight over implementation. Representatives of ministries² with supervision and/or implementation responsibilities for PRELNOR will participate and the PPC will include representatives of the apex bodies and umbrella bodies for DFAs and traders associations. The PPC will meet once every six months to review project progress reports, annual work plans and budgets (AWPB) and provide policy guidance to implementation

36. **Project management.** A PRELNOR project management unit (PMU) to manage and coordinate the project. The PMU will be staffed with: a project coordinator; an agribusiness and partnerships management specialist; an agronomist / extension specialist; a monitoring and evaluation (M&E) / learning specialist; a sociologist / community development specialist; two infrastructure engineers; a climate change / environment specialist; a financial controller; an internal auditor / district follow-up accountant; an assistant accountant and a procurement specialist plus support staff. The PMU will be located in Gulu municipality. The PMU will undertake all project financial and procurement management activities, lead implementation and provide specialist technical inputs.

37. **District Level coordination and management.** In each district, the Chief Administrative Officer (CAO) will be responsible for project implementation and will designate appropriate officers as: (i) project support officer (PSO); (ii) finance officer/accountant; and, (iii) an infrastructure project manager. A PRELNOR sub-committee³ of the District Technical Planning Committee will assist in coordinating project activities and ensure consistency with the district development plan (DDP).

38. **Implementation, monitoring and supervision at district level.** Local government resources and district farmer associations (DFA) will lead monitoring and supervision of activities in each district. Staff from these organisations will also have some implementation responsibilities in the start-up, training and planning activities. The local government community development officers (CDO) supported by the district production (DPO) and commercial officers (DCO) and the district engineer, supported by DFA staff, will identify and prioritise the participating villages.

39. Because of their strong local presence and roots in the project region, and their experience delivering services to farmers and communities for a range of donor agencies and NGOs, the project will contract district farmer associations (DFA) to provide and manage the CBFs and additional farmer

²Representatives from the Ministry of Finance, Planning and Economic Development (MFPED); Ministry of Works and Transport (MoWT); Ministry of Agriculture Animal Industry and Fisheries (MAAIF); the Ministry of Gender, Labour and Social Development (MGLSD), Ministry of Water and Environment (MWE), particularly the new Uganda National Meteorological Authority); and, Ministry of Trade, Industry and Cooperatives (MTIC).

³Members will include: the PSO, DPO, DE, DCO, DCDO and ENRO.

group facilitators, where needed. Due to the differences in capacity, the more experienced LG and DFA staff from Adjumani, Gulu and Kitgum will train and mentor LG and DFA staff in the newer districts (Amuru, Agago, Lamwo, Nwoya and Pader).

40. **Sub-county level:** At sub-county level, the project implementation will be overseen by the sub-county chief. Sub-county production and community development officers, will coordinate the implementation and technical supervision of the project.

41. **Community level.** The livelihoods activities are based around the community participating in a simple community planning process as outlined in Sub-component A.1. The community based facilitators (CBFs) provide an ongoing contact point for the district and sub-county level coordination and supervision team and technical inputs.

Planning, M&E, learning and knowledge management

42. **Planning.** Project planning will be an ongoing process with annual work plans and budgets (AWPBs) and the log frame's quantified results-based indicators, will be the core information for monitoring project progress. The AWPBs will integrate the IFAD loan, ASAP grant and GoU funding. District AWPBs will align with the districts' DDPs, while the PMU will consolidate the AWPBs integrated into MoLG's annual work plans.

43. **Monitoring and evaluation (M&E).** The project will adapt innovative and up-to-date M&E approaches, including the mainstreaming of knowledge management, a dedicated focus on communication, as well as the establishment of beneficiary databases to track project impact. District staff, through the PSO will lead district level planning and monitoring activities. Knowledge management tools used will be the development of 'learning notes', documenting best practices, lessons learnt and failures, for policy dialogue and sharing with other projects.

44. **Financial management.** Financial management systems and processes (including audits) similar to those used under DLSP will be used for PRELNOR but approved accounting software at the PMU must be used. District governments will continue to use tools they are familiar with such as vote books. The PMU accounting team will manage financial consolidations and reporting. PRELNOR will be the first IFAD project to use the proposed GoU Treasury Single Account (TSA) system in which funds for multiple IFAD projects will flow through a single GoU intermediary, rather than a transaction, account before being disbursed to the project accounts.

45. **Procurement.** The GoU Public Procurement and Disposal of Assets Act (PPDA) standard bidding documents will be used; except where international competitive bidding (ICB) is used, then the appropriate World Bank standard bidding documents will be used. Procurement timelines included in the amended PPDA, especially for bid evaluations, will be monitored to minimise delays in the procurement processes.

46. Under the amended PPDA, PRELNOR will apply limited bidding for services up to UGX 200 million (or equivalent in USD) for services and up to UGX 500 million for supplies and works. Most PRELNOR procurement will be under limited bidding threshold which makes the pre-tender integrity prequalification exercise very important. For works tenders, the PMU will support the districts with the tender processes.

47. **Supervision.** PRELNOR will be directly supervised by IFAD with annual implementation support missions, followed initially by shorter follow-up missions as needed, organised with the participation of government. Farmers and private sector representatives may be invited to de-briefings and wrap-up meetings. The first major review will be undertaken in 2018 organised by government and IFAD, in close collaboration with the stakeholders.

Risk identification and mitigation

48. **The major risks and mitigation processes are:** (i) **Civil unrest** - the target area is just recovering from a devastating civil war that lasted for more than two decades. While the leader of LRA is at large, the possibility of a return to hostilities cannot be completely ruled out. If this was to happen, it would be difficult to achieve the target objectives; (ii) **Effects of past deprivations** - The capacity of the beneficiaries to sustainably absorb development interventions could be a limiting factor. There may need to be rehabilitation type activities to support the development activities; (iii) **Continuing dependency syndrome** - The transition between emergency and longer-term development interventions needs to be managed with care. This can be assisted with a well planned and executed

communication strategy supported by the proven individual household mentoring approach;(iv) **Limited public sector capacity** - Some districts, especially the new ones, have limited capacity in terms of staff numbers⁴, skills, experience and facilities. The project will link with local and national partner organisations with relevant implementation and technical experience in the districts and provide capacity building for both local government and district farmer organisation resources which will remain in place after the project is completed to continue to deliver services; and (v) **Conflicting policies and interventions** - Since the return of relative peace, different development interventions using different approaches that may confuse communities working with the project. The project will facilitate intensified liaison with other donor agencies at regional and national levels. The delay in allocating a budget for recruitment of staff to fill the gap left by NAADS following the move to a single-spine extension approach is likely to negatively affect extension services. The inclusion of farmers' associations in delivery of extension services will mitigate this.

Project costs, financing, benefits and sustainability

49. **Project costs.** The total cost for the project is estimated to be about USD 70.98 million over a seven year period as set out in Table 1.

Table 1: Project Cost by Component

Republic of Uganda									
Project for the Restoration of Livelihoods in Northern Uganda									
Components	Project Cost Summary	(UGX Million)			(USD '000)			%	% Total
		Local	Foreign	Total	Local	Foreign	Total	Foreign Exchange	Base Costs
A. Rural Livelihoods									
	1. Community planning and capacity development	6 414	4 276	10 689	2 565	1 710	4 276	40	7
	2. Priority climate resilient crop production systems	30 652	9 947	40 599	12 261	3 979	16 240	25	26
	Subtotal	37 066	14 223	51 288	14 826	5 689	20 515	28	33
B. Market Linkages and Infrastructure									
	1. Improved market access processes	7 694	1 057	8 752	3 078	423	3 501	12	6
	2. Market access infrastructure	81 863	30	81 893	32 745	12	32 757	-	52
	Subtotal	89 557	1 087	90 644	35 823	435	36 258	1	58
	C. Project management and oversight	12 435	2 931	15 366	4 974	1 172	6 146	19	10
	Total BASELINE COSTS	139 057	18 241	157 298	55 623	7 296	62 919	12	100
	Physical Contingencies	5 370	2	5 372	2 148	1	2 149	-	3
	Price Contingencies	38 900	4 133	43 033	5 344	572	5 916	10	9
	Total PROJECT COSTS	183 328	22 376	205 704	63 115	7 869	70 984	11	113

50. **Project financing.** The project will be financed by the GoU, IFAD Loan, ASAP grant and beneficiaries. IFAD will finance 70.7% of the project costs (USD 50.2 million) through a highly concessional loan to the GoU. In addition, IFAD through the ASAP grant will finance 14.1% of total costs (USD 10 million). GoU will finance the taxes and duties (USD 9.2 million, representing 13.1% of total costs). Beneficiaries will contribute USD 1.5 million.

Summary benefits and economic analysis

51. **Financial analysis.** Analysis of the With and Without project crop and farm budgets for the project region shows that the project can generate significant increases in farm household incomes. From the crop models presented, the household farm gross margin income will be increased from an average of UGX 817,427 to UGX 1,451,907 per year for the average one hectare farm unit. The average farm household participating will not achieve this increase in farm income in one step so the increases are phased in over a period of time.

52. **Economic analysis.** A model including benefits from production improvements plus benefits from improving the efficiency of the market linkages has been used. Project costs have been adjusted to become economic costs. The analysis (detailed in Appendix 10) shows that the project has an economic rate of return (ERR) of 12.0% over a 20-year period. Increases of 10% in costs reduce the ERR to 10.9% while a two year lag in benefits reduces the returns to 8.5%.

53. The benefits will not be the same for all direct project participants as some benefits that would accrue to different stakeholders of the different value chains. However, given that there is a significant

⁴Some districts reported that up to 1/3 of their approved staff positions were not filled because of budget limitations.

capacity building element of district based service providers who will also work with other farmers, there may be additional benefits from the investment that increase the project benefits.

Sustainability

54. The project will encourage smallholder farmers to adapt and adjust their enterprise mix to current and future requirements on family nutrition, cash income and risk management. It is expected that the community infrastructure facilities will continue to operate with local governments maintaining the access roads using funds from the Uganda Road Fund and the road maintenance units recently supplied by GoU to each district.

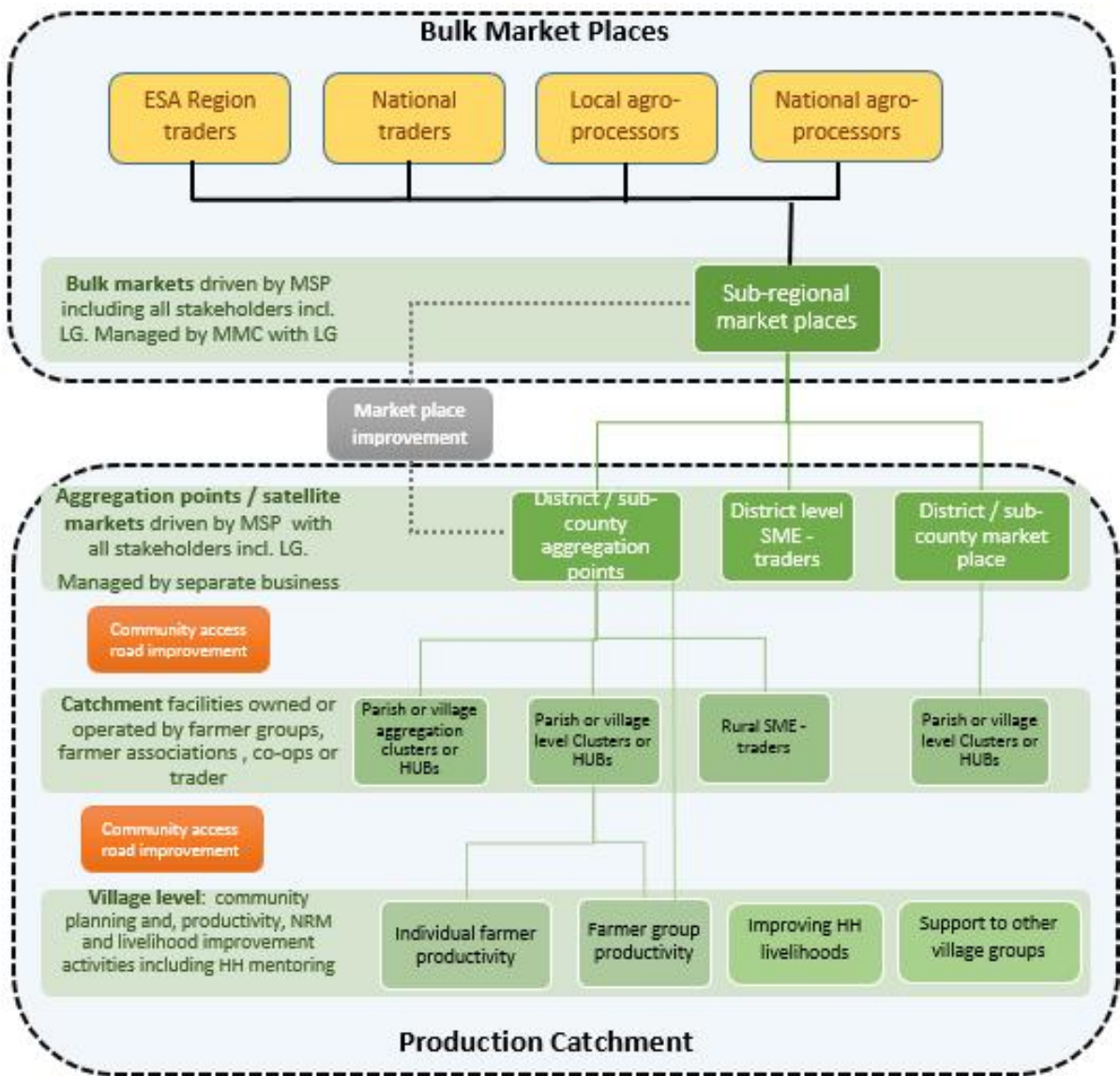
Logical framework

Results Hierarchy	Indicators	Means of verification	Risks (R)/ Assumptions (A)
Goal. Increased income, food security and reduced vulnerability of poor rural households in the project area.	0.1 Reduced poverty by XX % amongst YY % of the 140,000 target households (poverty index of food security (decreased child malnutrition); improvement in HH assets; resilience and adaptive capacity increased; women's empowerment increased) 0.2 Increased HH assets (proxy for income) – all and vulnerable households (*RIMS) 0.3 # and % of all (and also vulnerable) households reporting improved food security	- RIMS+ baseline & impact - Women's Empowerment In Agriculture Index (WEAI) - National statistics	Economic policies continue to emphasise poverty reduction and focus resources on dis-advantaged northern areas (R/A)
Development Objective. Increased sustainable production, productivity and climate resilience of smallholder farmers with increased and profitable access to domestic and export markets.	0.4 Increased value of crops sold (disaggregated by crop), in absolute terms and as % of total production 0.5 Increased total agricultural production from the project area 0.6 # and % of poor smallholder household members whose climate resilience has been increased ¹ (*ASAP) 0.7 # individuals receiving one or more project services (by gender/ type of training) (*RIMS) 0.8 # groups receiving project services (by type of training) (*RIMS) 0.9 # international and country dialogues where IFAD/IFAD-supported partners make an active contribution (*ASAP)	- IFAD's multi-dimensional poverty assessment tool (MPAT) (including specialised resilience model) - Baseline and Impact study reports - Knowledge management system	Civil unrest in the area does not reoccur. (R)
Component A: Rural Livelihoods			
Outcome A. Poor farm families have increased asset base and resilience through sustainable use of natural resources and improved productivity	A.0.1 Increased productivity, measured by yield and by area (disaggregated by crop) A.0.2 Increased farmer knowledge and usage of climate resilient farming practices A.0.3 Effectiveness of NRM and conservation projects ² (*RIMS)	- MPAT - Group/individual baseline assessment index - Case studies and stories - Perception based surveys	Limited local government and private sector capacity does not limit field implementation. (A)
Sub-component A.1: Community level planning and capacity development			
Output A.1.a. Participatory management of climate resilient agricultural systems, planned and implemented	A.1.1 # and % of groups, including women's and youth groups, involved in productivity and climate risk and natural resources management formed/strengthened (*ASAP/RIMS) A.1.2 # and % of groups with women in leadership position (*RIMS) A.1.3 % groups with sustainable organisational capacity A.1.4 # and % youth (by gender) participate in group activities	- M&E system - Group/individual baseline assessment index	Project resources at village level can strengthen group capacity (A) Suitable agricultural related income generating activities are available (A)
Output A.1.b. Vulnerable households participate in agriculture related development initiatives and income generating opportunities	A.1.5 # and % HHs (disaggregated by gender and age) graduated from HH mentoring A.1.6 # and % mentored HH members have joined groups or other community activities	- M&E system for HH mentoring	HH mentoring can resolve main issues / constraints (A)
Sub-component A.2: Priority climate resilient crop production systems			
Output A.2.a. Relevant climate resilient crop production systems with complementary livestock activities adopted by farmers using sustainable land management, improved seed material, mechanisation and cultivation practices, contribute to increased productivity	A.2.1 # and % farmers managing land under climate resilient practices A.2.2 # and % increase in hectares managed under climate resilient practices (*ASAP/*RIMS) A.2.3 # and % of farmers using multiplied improved seed	- M&E process, baseline data - Quantity of seed produce and purchased/used	GoU and donor support do not use input grant driven approaches. (R) / Groups not dependent on input grants (A) Seed produced to meet all demand (A) / substandard inputs (seed, fertilizer, pesticide) due to lack of standards enforcement (R)
Output A.2.b. Complementary natural resource management initiatives implemented through groups to strengthen crop productivity activities	A.2.5 Ha and % of non-production land sustainably managed A.2.6# and % of households (and individuals) adopting technologies that reduce or sequester greenhouse gas emissions (*ASAP/RIMS)	- District information - Group/individual baseline assessment index	
Output A.2.c. Long, medium and short term agro-meteorological information used for farming decisions	A.2.7 # and % of households with access to new or improved climate information services (ASAP/RIMS) A.2.8 # and % of farmers reporting usage of weather information	- District information - Group/individual baseline assessment index	Meteorological data is available and provides reliable predictions (A)

Results Hierarchy	Indicators	Means of verification	Risks (R)/ Assumptions (A)
Output A.2.d. Sub-regional biophysical monitoring system implemented	A.2.9 A biophysical baseline of the agro-eco systems undertaken in all 8 districts	- CIAT report	
Component B: Market linkages and infrastructure			
Outcome 2. Farmers with surplus crop production receive increased prices and profitably sell larger volumes of crop products through expanded access to Ugandan and regional markets	B.0.1 Increase in volume of crops sold (disaggregated by crop) B.0.2 # and % individuals receiving higher price (due to value addition or increased farm gate prices) B.0.3 % increase in LG tax revenue from market activities	- M&E system - Agricultural market information system - LG reports	Market linkages and resources are major limitation to increased volumes and higher prices. (A)
Sub-component B.1: Improved market access processes			
Output B.1.a. Market stakeholder platforms (MSP) facilitate and support development and management of aggregation and bulk trading facilities at district and sub-regional levels	B.1.1 # and % of MSPs operating with structured processes, regular meetings and diversified representation B.1.2 # of operating market facilities initiated / facilitated by MSPs B.1.3 #, % of market operating companies operating commercially, reporting to MSPs	- Group/individual baseline assessment index - Case studies - MSP minutes	MSP concept can address stakeholders' issues. (R) LG and private sector can negotiate satisfactory arrangement. (A)
Output B.1.b. Farmers, agribusiness groups and young rural women and men use improved post-harvest handling (PHH) practices and/or value adding (VA) to link with, or work within, inputs and product markets	B.1.4 # and % of trained farmers (and youth) implementing agricultural / market related business plans (by gender) B.1.5 # and % farmers aggregating products for marketing B.1.6 # and % farmers using improved PHH / VA activities B.1.7 # tonnes and % (and types) of crop managed with improved PHH/VA activities	- M&E system	Farmer and SME groups have capacity, need and willingness to improve business skills. (A) PHH/value add activities needed and profitable.
Output B.1.c. Relevant crop, livestock and input market information collected from production basins and used	B.1.8 Market price information system operating with data max 2 weeks old B.1.9 # and % farmers reporting using market information system for marketing decisions	- M&E system - Group/individual baseline assessment index - Perception based survey	Market intelligence is major constraint to accessing markets (A)
Sub-component B.2: Market access infrastructure			
Output B.2.a. Existing community access roads upgraded/rehabilitated or new roads constructed in underserved areas with construction standards upgraded to climate change resilient norms. Rain water harvesting for agricultural uses incorporated into CARs designs.	B.2.1 km climate change resilient roads constructed and/or rehabilitated (*RIMS) B.2.2 # and % of road construction committees contributing to road design and construction monitoring B.2.3 Contract value of new and existing rural infrastructure designed with climate-resilient features (*ASAP) B.2.4 Change in # of users and volumes of goods moved on sample of community access roads including seasonal changes B.2.5 # km and % of road length used for rain water harvesting	- M&E system - PRELNOR special surveys, before / after construction	Local government has resources to maintain upgraded or new CARs. (R) CARs complement other PRELNOR activities. (A)
Output B.2.b. Market structures constructed at selected strategic sites used for increased and more efficient agricultural trade.	B.2.6 # and % market facilities constructed (*RIMS) B.2.7 # and % of market facility construction committees contributing to market design and construction monitoring B.2.8 Volume, value of trade one year after completion end (by market, crop)	- M&E system	Stakeholders use market facilities constructed. (A)

- Note: 1. Market oriented household with adequate land and skills, are food secure and resilient towards climatic shocks. Indicators of this include: (i) plan production and harvesting with timely, appropriate climatic information; (ii) have the skills and resources to produce three improved crops including at least one staple food crop each year to meet all its basic food needs; (iii) use moisture and soil conserving cultivation and management techniques to reduce seasonal risks and variations; (iv) lose less than 10 % of production to PHH losses; and, (v) during the harvest season, have the option of delivering profitable surplus production to a parish/sub-county aggregation point for storage and/or sale, or have the market intelligence needed for negotiating with traders who come to the village (ie. wet weather road access and market information).
2. As indicated by reduced land degradation measured by CIAT bio-physical agro-ecological monitoring programme. Also A.2.2 Ha of land improved through soil/water conservation methods (*RIMS)

Project concept



Main Report

Strategic context and rationale

A. Country and rural development context

Economic and rural development

1. Since the 1990s, the Government of Uganda (GoU) has implemented a number of projects aimed at promoting economic stabilisation and growth with the overall goal of boosting household incomes and reducing poverty. The prudent macroeconomic management and structural reforms undertaken by the country, including sustained private sector-oriented reforms, have contributed to sustained Gross Domestic Product (GDP) growth. GDP growth accelerated from an average of 6.5% per year in the 1990s to over 7% during the 2000s which was well above the Sub-Saharan Africa average (World Bank). This was largely the result of the Government's Poverty Eradication Action Plan (PEAP) and the winding down of the conflicts in northern Uganda.
2. There is evidence to show that the interventions have succeeded in reversing decades of economic mismanagement and are having a positive impact on the socio-economic indices. Some of the impacts include the considerable reduction in poverty and the significant steps towards the achievement of some Millennium Development Goals (MDG). According to the Uganda Bureau of Statistics (UBOS), the proportion of people living below the poverty line was estimated at 19.5% in 2012/13; implying that Uganda has surpassed the 2015 Millennium Development Goal (MDG) of halving the 56% poverty rate recorded in 1992/93. There is also significant progress towards reducing the share of the population suffering from hunger and Uganda may achieve the MDGs of universal primary education, gender parity, and combating HIV/AIDS by 2015.
3. On the other hand, Uganda's high population growth rate (of 3.4% in 2012) has meant that real GDP growth per capita has averaged only around 4% over the past two decades. Also, a combination of domestic and external factors has contributed to a slowdown in economic activity in recent years. According to the World Bank, Uganda's GDP growth has been below historical trends since 2009/10. The Bank attributes this to subdued export performance, high inflation and subsequent tightening of monetary policy to restore macroeconomic stability. Accordingly, GDP growth as expected dropped to 3.3% in 2012 and increased slightly to 5.1% in 2013 compared to 6.7% in 2011⁵.
4. Irrespective of the good economic performance over the last two decades, the country still has a long way to go. At a per capita income of about USD 500, Uganda is still a poor country and far from its aspiration of transforming the country from a predominantly peasant-based economy to a prosperous middle-income country. More importantly, the distribution of the achievements made thus far has been uneven with the country's northern region faring the worst. Most socio-economic welfare indices are poor in the northern part of the country and this is largely attributable to the more than 20 years of a civil war, waged by the Lord's Resistance Army (LRA), that has had a disastrous impact on the people of northern Uganda in general, and those in the Acholi sub-region in particular. The war left thousands of people dead and millions displaced and traumatised while the majority of the population were deprived of education and training in vocational and professional skills; this has greatly dampened economic activity and deepened poverty in the region.
5. The agricultural sector remains the backbone of the Ugandan economy, employing 72% of the labour force and contributing 90% of export earnings. However, the sector has underperformed in recent years and presently accounts for 22.2% of national GDP. Three quarters of agriculture households (19.3 million people) derive their livelihoods from low-input rain-fed agriculture, on holdings of less than 1.5 ha. Only 1% of this land is irrigated.
6. Uganda is located on one of the main trade corridors to central Africa. This location provides it with the advantage that, particularly in the northern area, agricultural production can readily access and has the flexibility to supply some or all of the developing markets in the Democratic Republic of the Congo, South Sudan or back into Kenya or Tanzania which use the main products (maize, rice, pulses, oilseeds and cassava) produced there.

⁵<http://www.worldbank.org/en/country/uganda/overview>

7. **Agriculture and smallholder farming.** Production is carried out on farms mostly ranging in size from 0.2 ha -3 ha for subsistence and commercial purposes. Climatic conditions across the area are favourable to growing the major crops and, with good management, two grain crops per year are possible. Access to arable land is not a major constraint but availability of manual labour constrains the areas farmed. Cattle numbers are greatly reduced (now about 25% of pre-war numbers and lesser quality) limiting options for animal traction. The use of improved inputs such as improved hybrid seeds or planting material, fertilizer and pesticides, and machinery is low. Less than 10% of households even use fertilizer occasionally, quantities are low and farming practices to address reverse soil degradation, declining soil fertility and improve productivity are not widely used inappropriate. Extension services are provided by a limited number of public extension agents through the input driven NAADS program focussing on food security and market crops, with limited linkages to with research and development. Despite recent improvements, access to financial services remain limited with farmers relying mainly on costly and small-scale inadequate informal financial systems.

8. Post-harvest management and handling is limited and the majority of farmers rely on traditional systems for grain handling and storage, leading to up to 30% post-harvest losses. About 80% of rural households sell some crops, but the total production from level of 'commercial' farms production is very low. Large-scale mechanised farming is developing in the western parts of the project area but out-grower and /or contract farming models are still evolving. While physical access to markets has improved, a lack of market information and marketing options and limited bargaining power leads to means that most farmers selling at the farm gate at low prices.

9. Climate change effects on agricultural productivity are a key issue in the project area. Farmers specifically cited unreliability in the onset and cessation of the rains, uncertainty about the duration of the rainy season, and the long dry spells that fall within the season, as major constraints. Climate forecast information is mainly through radio. However, the information is sometimes inaccurate and does not reflect the localised vagaries of weather observed.

Policy, strategy and institutional context

10. The key guiding economic growth and development policy for Uganda is Vision 2040, implemented through five-year national development plans (NDP). Vision 2040 aims to 'transform Ugandan society from peasant dominated to a modern and prosperous middle income country within 30 years'. Key investments areas under the current NDP are: developing human resources and achieving gender equality; improving physical infrastructure in rural areas (roads, connectivity and power generation); ensuring the availability of inputs (including a national investment in a fertiliser plant) and the promotion of micro, small and medium enterprises in rural areas to improve value-addition; and developing national capacity for coordination and implementation of climate change adaptation activities.

11. The NDP document 'recognises that: (i) agriculture employs most of Uganda's rural population and is where most livelihoods are vested, making it an important target for addressing poverty, food security and income generation, especially of the poor and of women; and, (ii) agriculture is also the basis of growth, and thus a stimulant for other sectors i.e., industry and services as well as an important contributor to Uganda's exports' (GoU, 2013 p.10).

12. Uganda's current agricultural sector policy is guided by the Development Strategy and Investment Plan (DSIP) for 2010/11-2014/15. The DSIP is the principal mechanism for delivering the outcomes of Uganda's Comprehensive Africa Agriculture Development Programme⁶ (CAADP). The DSIP's vision is for "a competitive, profitable and sustainable agricultural sector" with the mission of "transforming subsistence farming to commercial agriculture". The six guiding principles are: (i) private sector-led and market-oriented growth; (ii) support to value chain development and the emergence of viable agro-industries; (iii) agricultural services provided to all farmer categories as individuals or in groups; (iv) agricultural extension services provided through the decentralized system of government; (v) scope for special extension services in specific areas of the country with different needs and with marginalized groups; and (vi) key agricultural resources, including soil and water, sustainably used and managed.

13. The Decentralization Policy Strategic Framework (DPSF) is a framework for coordinating the efforts of various stakeholders in decentralized service delivery and poverty reduction. The current

⁶Signed in March 2010 by IFAD and several other donors.

ten-year Local Government Sector Strategic Plan (LGSSP), 2013-2023, operationalises the DPSF. It provides a framework for guiding local government sector investments during the period 2006-2016 towards areas that are critical for improving democratization, service delivery and good governance. Among The LGSSP addresses the following reforms that are relevant to PRELNOR: (i) Local Economic Development, of harnessing the tripartite relationships between local governments, communities and private sector to stimulate economic growth and wealth creation at household level; (ii) community driven development (CDD); (iii) managing climate change; and (iv) more effective coordination and partnership management.

14. The District, Urban and Community Access Roads Improvement Plan, 2006-16, based on the Strategy for Rural District Roads Rehabilitation and Maintenance, establishes improved accessibility as the guiding principle for investment in district and community access roads. The aim is to render these roads accessible and passable to motorized vehicles most of the year, particularly during harvesting seasons.

15. **Extension services.** The National Agricultural Advisory Services (NAADS) was established about 15 years ago to implement a new model⁷ for agricultural extension services in Uganda. At Parish level, a village-based facilitator supports group mobilization. Their sustainability has been severely hampered by a dependency syndrome partially caused by the supply of free production inputs and capture by some farmers, self-selected by their own groups.

16. Due to the restricted outreach of the NAADS extension approach and its limited impacts on improving production, some donor funded programmes in the north and east with agricultural activities, have used farmer field school (FFS) approaches. These have been implemented through programmes, so the approach and supporting facilitators have not been mainstreamed into local government extension processes based on the NAADS system.

17. The GoU has been reviewing the future directions for agricultural extension and has informally announced that it is planning to recombine the two separate extension services into a 'single spine' extension service. The form, structure and implementation modalities of this combined organisation will be developed over the next 12-18 months.

18. **Climate change.** The GoU National Adaptation Programme of Action (NAPA) (2007) did not articulate policy principles and strategies but provided agreed response actions developed with a participatory approach. Several climate change policy instruments have now been adopted: the National Policy for Disaster Preparedness and Management⁸; the draft National Policy on Climate Change⁹; and the Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD) Readiness Strategy. With the rolling national development plans, these instruments articulate Uganda's climate change policy.

19. The NDP (2010) states that Uganda's development agenda must address the issue of climate change. Climate change linked with meteorology are acknowledged as an enabling sector that requires integration with other sectors of the economy for successful socioeconomic transformation. Poor management of the environment and climate change is reflects weak public sector management, which is a major constraint to Uganda's development and transformation process.

20. The NDP envisages that increasing water for production will be an important adaptation strategy to address the adverse impacts of climate change and the resultant unpredictability of weather patterns. Consequently, GoU plans a major overhaul and automation of meteorological data collection instrumentation to increase reliability of weather forecasts. These are seen as major decision support tools for agricultural production, aviation and national defence, and other sectors.

21. Consistent with the 2011 East African Community regional policy on climate change, the primary focus of Uganda's policy response to climate change is adaptation, with mitigation considered a secondary priority. This is a clear statement of policy direction that has implications not only for the institutional architecture of the climate change response but also on the current and future directions of climate change finance delivery.

⁷NAADS is responsible for building farmers capacity in group formation, identifying and prioritizing needs and contracting and monitoring service providers in co-operation with the district community development office.

⁸ Republic of Uganda (2010). The National Policy for Disaster Preparedness and Management

⁹ Republic of Uganda (2012). Uganda National Climate Change Policy (Final version for Cabinet approval). December 21, 2012. Ministry of Water and Environment. Kampala.

22. **Recovery and development in northern Uganda.** To address the disparity between the north and the rest of Uganda, the GoU and its development partners¹⁰ established a Peace, Recovery and Development Plan (PRDP) for Northern Uganda. The PRDP is a post-conflict recovery and development plan designed to eradicate poverty in Northern Uganda after more than 20 years of conflict and population displacement. It is a commitment by GoU to stabilise and rebuild the region through a set of coherent programmes within one organising framework that all stakeholders are expected to adopt when implementing their projects in the region, coordinated by the Office of the Prime Minister (OPM). The second phase of PRDP that started in 2010, and covers the entire Northern and Eastern Regions, is due to end in June 2015.

Population, poverty and gender

23. **Demographics.** The Uganda National Household survey (UNHS) 2012/13 estimated a population of 34¹¹ million people with half below 15 years old. Dependency ratios are among the highest in the world, and 31 percent of total households are headed by women (UBOS, UNHS 2012/13). In 2012/13, the literacy rate was 71% among persons aged 10 years and above, with a higher rate among males (77%) than females (66%). The total labour force increased from 10.9 million persons in 2005/06 to 13.4 million persons in 2009/10, an increase of 23.0%. In the mid north, the working population increased by 37.7% between 2009/10 and 2012/13 as people left IDP camps to return to farming. Paid employees constituted 47% of the work force in 2012/13 compared with 16.3% in 2005/06. An estimated 72% of the working population were agriculture and fishery workers¹².

24. Uganda has made various policy, legal and programmatic efforts towards gender equality and to support the youth. A National Gender Policy and a National youth policy are in place. Uganda is a signatory to various international agreements on gender equality, a principle that is enshrined and guaranteed in the 1995 constitution. In education, the introduction of universal free primary education in 1997 and free secondary education in 2007 have dramatically improved gender parity in education. It has led to a general increase in women's access to education, with the ratio of girls to boys in primary, secondary and tertiary institutions reaching 1.00, 0.84, and 0.79, respectively, in 2009/10.

25. **Poverty.** Uganda's Human Development Index¹³ (HDI) value for 2012 is 0.456 (the low human development category) positioning the country at 161 out of 187 countries. Between 1985 and 2012, Uganda's HDI value increased from 0.3 to 0.456.

26. An estimated 6.7 million Ugandans lived in absolute poverty in 2012/13, down from 7.5 million in 2009/10. The incidence of poverty is higher in rural areas (27.2%) compared to urban areas (9.1%). The proportion of the population living below the poverty line reduced from 31.1% in 2005/06 to 24.5% in 2009/10 to 19.7% in 2012/13. This represents a 6.6 percentage point decrease in the number of people living in absolute poverty between 2005/06 and 2012/13. Over the same period, the proportion of non-poor but insecure¹⁴ increased by 2.7%. These are people who, while able to meet their basic daily needs, earn incomes that are highly volatile, therefore remaining vulnerable to falling back into absolute poverty during economic troubles or illness. In 2012/13, food poverty countrywide was 2%.

¹⁰The major PRDP donor-supported projects have been: (i) the Northern Uganda Social Action Fund (NUSAF) supported by the World Bank which focused on livelihood support investment using the community driven development (CDD) approach, community infrastructure rehabilitation, and institutional development for local governments' operations. It started in November 2009 and is due to close in August 2014; (ii) The European Union funded Agricultural Livelihoods for Recovery (ALREP) supporting recovery and re-integration through agricultural production and productivity, and rebuilding productive infrastructure of farming. It started in 2010 and is due to close in March 2014; (iii) USAID's Northern Uganda Development of Enhanced Local Governance, Infrastructure and Livelihoods (NUDEIL) supporting recovery and re-integration through, rehabilitation of feeder and community access roads, water points, health and education, plus promotion of governance and democracy. It started in January 2010 and was due to close in October 2013; (iv) the World Food Project (WFP) supported Agriculture and Market Support / Purchase for Progress - P4P (April 2009-2014) focused on connecting farmers to markets with rural infrastructure support including major market and satellite collection points, market access roads and strengthening market information systems, and (v) budget (basket funding) support by Norway, Sweden, Ireland and Denmark.

¹¹ The last Ugandan population census was in 2002. UBOS has been using projections and household surveys.

¹² <http://www.africaneconomicoutlook.org/fileadmin/uploads/aeo/2013/PDF/Uganda.pdf>

¹³ UNDP Human Development Report 2013

¹⁴ As defined in the Poverty Status Report Poverty Reduction and the National Development Process: Reducing vulnerability, equalising opportunities and transforming livelihoods; May 2012

27. However poverty reduction gains in Uganda have been unevenly distributed across geographic regions, with rural areas of Northern Uganda having the highest rate of 49% living below the poverty line and the urban areas of Western region having a low rate of 4.2%. Poverty is still predominantly rural, as 23 % of the rural population fell into the lowest wealth quintile, compared with 9 % in urban areas.

28. In northern region, the number of absolute poor initially decreased from 3.5 million in 2005/06 to 2.8 million in 2009/10, but increased again in 2012/13 to 3.1 million. The increase in numbers of poor is attributed to difficulties met by former IDPs in re-establishing their livelihoods when they returned to their former home lands. Their per capita food consumption was higher in 2009 than it was in 2012 because, in the IDP camps, they still had access to food aid. In 2012/13, in 2005/06, when the last large-scale national household survey was done, 69 % of the population in the eight project districts was below the absolute poverty line of USD 1 per day. The poverty rate in the mid-north sub-region, which includes the less-poor Lango sub-region in addition to Acholiland, was 35.8 % in 2012/13.

29. Based on household consumption expenditure, 10% of the population has persistently remained poor since 2005/06. Female headed households are more likely to be chronically poor than male headed households. Although 20% of the population live in Northern Uganda, the area accounts for 38% of the poor (National Social Protection Policy, 2013). The persistence of poverty is more significant in the northern region where 26 % of all the chronically poor live. There has been a marked reduction in the proportion of the absolute poor in the north since 1992 but the proportions of absolute poor are still much higher than other regions of Uganda.

30. The multidimensional nature of poverty and vulnerability across different locations and social groups is highlighted in poverty literature and statistics in Uganda. The Uganda Participatory Poverty Assessment Programme (UPPAP) emphasised lack of basic commodities (consumption poverty) as one dimension, but noted other self-reported aspects of living in poverty include: lack of productive assets; lack of social networks and informal support systems; ill-health and illiteracy; powerlessness; lack of access to markets and village-level infrastructure; lack of productive employment opportunities (especially for the youth); vulnerability to shocks; and domestic problems such as alcoholism and domestic violence.

31. Adequate nutrition is a prerequisite for human development and socioeconomic well-being. In Uganda, 5% of children under five are wasted and 2 % are severely wasted¹⁵. 14% of children under five are underweight and 3% are severely underweight. Rural children are much more likely to be nutritionally disadvantaged than urban children. In general, the nutritional status of children in Uganda has improved slightly over the last five years. An estimated 12% of women in Uganda are malnourished.

32. Women. Uganda has a Gender Inequality Index (GII) value of 0.517, ranking it 110 out of 148 countries in the 2012 index¹⁶. 23% of adult women have reached secondary or higher level of education and female participation in the labour market is 76% both of which are only slightly lower than male participation.

33. The Gender and Productivity Survey (2008) reported that four out of every five women in Uganda are employed in agriculture. Generally, women are more dependent than men on farm self-employment than on non-farm and formal employment, due to inadequate skills, discrimination in formal labour markets, and difficulties of combining employment with family responsibilities and care-giving, particularly to children and the sick. 46% of women in the labour force are unpaid compared to only 18% of men. This means that women and men have significantly different access to income. For decision making, only 38 % of currently married women directly participate in decisions relating to their own health care, major household purchases, and visits to their family or relatives, (UNFPA: 2013).

34. Other challenges to attaining gender equality in Uganda include discriminatory cultural practices, harmful traditional practices and attitudes, the traditional division of labour according to sex that exerts greater demands on girls, family instability, religious beliefs that reinforce negative cultural

¹⁵ Children whose weight-for-height is below minus two standard deviations from the median of the reference population are considered wasted or thin.

¹⁶ The GII shows the loss in human development due to inequality between female and male achievements in the three GII dimensions – reproductive health, empowerment and economic activity

practices, an insecure environment in and outside school that reinforces the physical, social and psychological conditioning of girls, and, lastly, the different motivational force on boys and girls that is reinforced by parental, societal and school expectations.

35. Youth. Uganda has one of the world's youngest population with over 78% of its population below the age of 30 years. With just under eight million youth aged 15-30, the country also has one of the highest youth unemployment rates in Sub-Saharan Africa. Although the Uganda economy is growing quickly, it faces significant challenges in meeting young peoples' current and future needs as the population continues to grow at a rate of 3.2 % annually.

36. Youth in Uganda are at a disadvantage¹⁷ with regard to employment, careers and livelihoods, access to adequate livelihood opportunities. With the majority of youth lacking the requisite skills, the informal sector has become the major alternative source of employment and opportunity for job creation. Youth in rural areas have resorted to small scale agriculture while those in the urban setting are into the petty trade and artisanship. However, youth seeking to start their own enterprises are faced with challenges in obtaining access to credit. Overall, 12 % of all youth in the country are chronically poor. Available data also demonstrates higher poverty rates among the 12-17 year olds as compared to the 18-30 year olds. Young women experience a higher prevalence of poverty than young men.

37. Youth in Northern Uganda face unique challenging situations as a result of conflict, violence and environmental issues. They are the poorest in the country with the lowest levels of access to schools, lowest rates of wage employment and one of the lowest rates of skills training (USAID, 2011). Young women are especially vulnerable, experiencing psychological and physical hardships as a result of conflict, abuse, and traditional systems that disempower women. There is generally a mismatch between young people's needs and available interventions. To develop appropriate programmes and services for the youth, they need to be consulted, acknowledging their significant potential, and create a substantive role for youth to build their confidence and leadership skills.

Land tenure

38. The main land ownership system in the project area is customary, largely through clans and families. As most of these holdings are not formally registered, the early stages of the resettlement process were characterised by numerous land disputes given the difficulty in identifying the natural boundaries. Also the many years of marginalization and confinement to IDP camps led to development of mistrust in any attempt to formalize or register land holdings, perceiving it as the first step towards land grabbing. The traditional system is however being gradually undermined as land becomes an important resource in the market economy. The World Bank funded Competitiveness and Enterprise Development Programme (CEDP), approved in 2013, has a Land Reform and Administration component to address some of these challenges, though any form of certification or registration is not welcomed by the majority of small farmers in the sub-region. While there are still some cases of land disputes, these are being handled through the traditional chiefs (Rwot) system and local councils and the security of tenure for the majority of the project target group is not under threat.

Farmers' organisations, cooperatives and rural enterprises

39. Group activities. There is a culture in northern Uganda of informal groups working together in rural communities. These include village savings and loan associations (VSLA) and revolving labour groups in which members work on each other's farming area as a group to ensure timely land preparation, planting and weeding are undertaken quickly at the best time. This group culture should facilitate formation of common interest groups (CIG) to participate in project activities. These groups can be relatively easily formalized through registration with local governments and they can have their own bank accounts. However, most group formation has been driven by opportunities to receive government or donor assistance or training rather than community member's commitment and will, and has resulted in weak ownership and quick disintegration of groups soon after projects phase-out. The lesson is that, whenever possible, projects should avoid forming project-specific farmer groups and instead, opt to work with existing farmer groups, carefully selected through a participatory group assessment and ranking process at village level.

¹⁷AAU, DRT, UNNGOF (2012). Lost Opportunity? Gaps in Youth Policy and Programming in Uganda

40. **Farmer organisations.** At national level, the Uganda National Farmers Federation (UNFFE) is the umbrella organisation¹⁸ for district farmer associations (DFA). Based in Kampala, UNFFE has district-level farmers' associations (DFA), in five proposed project districts (Adjumani, Gulu, Kitgum, Nwoya and Pader) with those in Adjumani, Gulu and Kitgum functioning relatively effectively. These member-based associations provide a focal point for farmers' groups in the area. They have been contracted extensively as service providers for agricultural projects with international partners such as CARE International, the Food and Agriculture Organisation (FAO) and the European Union (EU). The DFAs are considered as reliable partners by district local governments and the local business sector. These service provider contracts also built the capacity of the organisations in management and training areas.

41. Weaknesses in the DFAs include very limited financial capacity which result in high donor dependency, limited value addition to justify higher membership fees, a lack of detailed information about their membership and little coordination between DFAs and, between the DFAs and their APEX federation in Kampala which is less active than the DFAs. To generate additional income to pay for member services, the three most active DFAs have commenced contract grain growing arrangements with large traders and/or end-users to supply aggregated quantities of grain. These arrangements have had varying degrees of success depending on suitable climatic conditions and market prices not moving far from the contracted prices¹⁹.

42. Farmer Forums established under the National Agricultural Advisory Services (NAADS) programme at district, sub-county and parish level exist, but are fragile, programme-driven and not representative of ordinary farmers.

43. **Chambers of Commerce and Industry (CCI).** The APEX group, the Uganda National Chamber of Commerce and Industry, supports district level CCI (DCCI) across Uganda. In the Acholi area there are DCCIs in the main towns which provide a network linking small and larger business enterprises and facilitate training and business opportunities for their members. The DCCIs will provide a link for PRELNOR to the business community in the older districts.

44. **Cooperatives.** The history of cooperatives in Uganda has seen them initially thriving in the 1960's, then declining and finally, during the economic liberalization period, become uncompetitive. Primary cooperatives in the programme area, based around cotton ginneries, are nearly dormant, with limited operational, negotiation capacity and competitiveness. Their cotton ginneries or former ginneries which have been leased out as the cooperatives try to diversify their activities from cotton to oilseeds among other crops. The APEX cooperative organisation, Uganda Cooperative Alliance (UCA) is a strong organisation with training and implementation capacity and has been developing area-based cooperative enterprises (ACE) in some areas.

45. **Rural enterprises.** Despite the disruptions to small and medium enterprises (SME) during the conflict, there are many SMEs operating businesses in districts, particularly at the district towns and other rural growth centres. Each town has a group of small grain traders who purchase grain (mainly maize and rice) to supply larger buyers or process with their own or shared equipment and resell within the towns. Some traders are aggregating grains for on-sale in other areas. These SMEs are accessing some funding through the formal banking system but are constrained by access to finance for operating as well as investment resources. There has been limited access to business development services (BDS) which could assist SMEs to manage their businesses better. Collateral for borrowing is an ongoing limitation to borrowing as are the short loan periods for investment in processing / storage infrastructure or equipment. While there are some financial service providers like SACCOs with various loan products to meet some of their needs, the limited funds available for lending make it difficult for SMEs to secure adequate finance.

¹⁸ It has five key objectives: lobbying and advocacy for favourable policies; Farmer institutional development, extension services and agribusiness development, support access to financial services (SACCOs mainly), natural resource management (NRM), HIV and gender mainstreaming, organize an agricultural show for technology dissemination.

¹⁹ If market prices after harvest move above the contracted price, contracted farmers often sell their production on the open market, rather than to the contracting company. In some cases, the contracting company has also supplied improved seed.

B. Rationale

46. Although only 20% of the Uganda population lives in Northern Uganda, it accounts for 38% of the poor (National Social Protection Policy, 2013). It is further estimated that 26% of all the chronically poor live in Northern Uganda. The GoU recognises that, while considerable resources have been invested in the northern areas under the PRDP, recent studies by UBOS indicate that the levels of poverty in Northern Uganda are still high compared to other regions. Its population has the lowest dietary diversity in the country and some households experience severe hungry periods before the next harvest.

47. The proposed project aligns with the Vision 2040 theme of: 'Growth, Employment and Prosperity for Socio-Economic Transformation'. In particular, it directly addresses three of its eight priority areas: (i) Increasing household incomes and promoting equity; (ii) Improving stock and quality of economic infrastructure, which include the quantity and quality of the network of access roads; and, (iii) Promoting sustainable population and use of the environment and natural resources²⁰.

48. One of the NDP's principles is balanced development²¹. Given that the sub-region (together with districts in the eastern districts) exhibits the highest poverty levels in Uganda, IFAD investment is justified to allow the region to catch up with the rest of the country and is consistent with the IFAD COSOP strategy²² of targeting areas which have the highest incidence of poverty. The proposed project also addresses two of the COSOP strategic objectives: *SO1. The production, productivity and climate resilience of smallholder agriculture are sustainably increased*; and, *SO2. The integration of smallholders into the markets is enhanced*.

49. Most programme / project support to date in the northern region has been for emergency responses to the severe dislocation as communities were moved into IDP camps for their protection and then for reconstruction of basic village and district infrastructure to allow communities to move back to their original villages. More recent projects in the region have included an element of 'development' activities such as farmer field schools (FFS) or community driven development²³ (CDD) grants but these initiatives have not been linked to a systematic development approach to re-establish the northern region as a major agricultural production area.

50. Most villages now have ready access to potable water supplies and rehabilitated or new education and health facilities. However, access to more remote villages is still limiting development and community livelihoods. Community access roads (CAR) or upgrading district roads to all weather access are only being funded by the African Development Bank (AfDB). An estimated 4,200 km of CARs have not been upgraded²⁴ across the proposed project area.

51. The Acholi sub-region and Adjumani²⁵ (the project area) has suffered most from the internal conflicts compared to other areas in the north. Many of the communities were displaced into the internally displaced persons' (IDP) camps located there. Living in the camps has influenced two generations, those who were born in the camps and those who were forced to move into the camps while still young. These generations brought up in the IDP camps did not have the opportunity to learn farming and other skills by working with their farming parents and spent much time in the IDP camps with no structured activities to develop their capacity to cope once the conflicts had stopped. This has left large numbers of young people without skills and meaningful activities. Most returning young

²⁰ Over the Vision 2040 period, GoU will develop appropriate adaptation and mitigation strategies on Climate Change to ensure that Uganda is sufficiently cushioned from any adverse impact brought by climate change. The use of the guidelines for incorporating climate change in sector, and local Government plans and budgets will be popularized.

²¹ Part of which is to ensure that "all regions of the country benefit from growth of the national economy by equitably using natural resources, better infrastructure and other development projects to realise higher investment levels required to fight poverty, promote social equity and harmony".

²² COSOP 2013, para 42.

²³ The CDD approach has been used by the World Bank in projects in northern Uganda, where the CCD community committees have been largely formed as a conduit for grants to improve community infrastructure, not to build the social capital of the community as would be supported in a properly structured CDD projects.

²⁴ The main upgrades are for structures to direct perennial streams or storm flows under the road surface (culverts) or, for short term storm flows, over the road through floodways that prevent damage to the road surface while leaving the road blocked for a short period. Floodways are significantly cheaper than bridges.

²⁵ Administratively, Adjumani is part of West Nile but because it is east of the Nile River, large numbers of IDPs and refugees were relocated there during the conflicts from parts of Acholi causing significant dislocation and disruptions to communities in the area.

farmers have not acquired the necessary agricultural knowledge and skills from their farmer parents. Moreover, the region lost 98 % of its livestock and other agricultural assets. Returnees from the IDP camps were severely constrained by lack of assets.

52. There was a large developed cotton industry (and other crops) before the conflicts (pre-1980) but most farmers returning from the IDP camps are now relying on the natural fertility of the soils with minimal or no inputs leading to low yields and productivity. The sub-region has excellent potential for agricultural development which is needed for lifting the poor out of poverty. This potential includes: (i) an average land holding of 4 hectares per household compared to the national average of about 2 hectares per household; (ii) reliable rainfall (despite recent climate changes) that allows two cropping seasons for some crops with good management; (iii) gentle rolling topography which, coupled with relatively friable soils, provides potential for appropriate technology, such as animal traction/mechanisation for ploughing, planting, harvesting and transportation; and, (iv) the steady increase in demand for food from the region, especially from Kenya and South Sudan.

53. Without a significant change and adoption of new technologies used in the north (intensifying production as well as increasing the area cropped), production will not increase substantially to increase household net incomes or provide additional production for the developing Ugandan and regional markets.

54. Market processes and structures are needed to support the current and future agricultural product movements from production areas (basins or catchments) through aggregation points at village or parish level to satellite markets at sub-county / district levels to the major sub-regional (currently informal) bulk markets in Gulu and Kitgum which are underdeveloped.

55. Small traders provide the link between individual farmers and larger traders who consolidate the small quantities for on-sale to agro-processors or markets in Kampala or neighbouring countries. An important negative side-effect of the fragmented, inefficient and, often informal, marketing chain is that local governments cannot collect taxes on crops produced in the district which moves through informal channels, thus limiting a major source of revenue.

56. While expanded traded volumes will induce more resourceful smallholders to increase their production, current limited access to relevant agro-climatic information, all-weather road conditions, improved local post-harvest handling and storage, and sustainable farming practices limit commercial production opportunities in spite of favourable production conditions and a spirit of group cooperation.

57. With an increasingly variable climate, the agriculture sector will be the hardest hit by adverse climate conditions, as agricultural production, both pre and post-harvest, is very exposed to climate change risks through drought, intense and erratic rainfall, an increasing incidence of high winds and emerging seasonal and temperature shifts. If not addressed, existing climate variability will impose significant economic costs on this growth, an estimated USD50-300 million per year by 2030²⁶, given the country's dependency on rain-fed agriculture. Flash flooding has become an increasingly serious problem in recent years causing extensive damage to rural feeder and community access roads in addition to bridges, making many areas inaccessible. It is reported²⁷ that farmers can be cut off from markets and access to social services such as medical care.

58. IFAD can help farmers and other stakeholders in the market chain to address these constraints using its Uganda experience of linking farmers to markets and having effective approaches for reaching the poorest rural households. Such experiences include linking oil palm out-growers to a large scale commercial investor for better inputs and markets, and smallholder oil seeds producers to millers under the Vegetable Oil Development Project (VODP); plus linking smallholder dairy farmers and matooke farmers to urban markets under the Area-Based Agricultural Modernisation Programme (AAMP). To further connect remote areas, IFAD has through various projects supported rehabilitation and or opening of 8,665 km of community access roads and 2,049 km of district feeder roads under five projects (HKICDP, AAMP, DDSP, CAIP1 and DLSP). The Adaptation for Smallholder Agriculture

²⁶Sources: The Draft Climate Change Policy (A first estimate of the costs of responding to climate change is put at UGX. 664 billion (USD 258 million) per year. This approximates to 1.6% GDP – a very considerable amount compared to current levels of spending.) then the ODI study on the Promoting of Effective Climate Finance by Godber Tumushabe, Tony Muhumuza, Edward Natamba, Neil Bird, Bryn Welham and Lindsey Jones 2013, Overseas Development Institute, London and the Advocates Coalition for Development and Environment, Kampala. Plus the USAID Vulnerability report.

²⁷ USAID Vulnerability Assessment and ACCRA Kitgum study)

Programme (ASAP) funding will ensure that climate change issues are addressed through reduction and diversification of climate-related risks within a coordinated development programme.

59. From the above projects, IFAD and MoLG have acquired rich experience in rehabilitation of community access roads overtime. While there are some weaknesses in the capacity of some construction firms, overall, there is adequate capacity to construct access roads, with robust supervision and follow-up from district engineers and project management units. The quality of works has been satisfactory. Procurement has all long followed official public procurement guidelines (handled by both District Local Governments supported by PMUs in Ministry of Local Government). While the procurement process is lengthy due to the normal GoU cumbersome procedures, it works well with proper planning. Regarding operation and maintenance, Government of Uganda (GoU) introduced a Road Fund since the mid-2000s, from taxes levied on fuel. From this fund, transfers are made to Lower Local Governments (like sub-counties) to meet simple maintenance costs. This fund was realised to be inadequate and to address the shortfall, Government has equipped each district with a road unit (comprised of graders, tippers and rollers) for use in maintenance of access roads. The recent experience with CAIP and DLSP has been that the access roads constructed and rehabilitated by these projects have been progressively upgraded to the status of District Feeder Roads, whose maintenance costs are met from the Feeder Roads Conditional grants to local governments. Having upgraded the quality of access roads to all-weather roads since 2007, the average time it takes for start of significant maintenance works is after 4-5 years as per CAIP and DLSP experience. Hence, the design of PRELNOR does not envisage investment in operation and maintenance of access roads beyond construction/rehabilitation.

60. The design process for the project has taken into consideration the current development projects and the planned interventions in the designated districts to ensure synergies and that linkages are established among all important development initiatives. These include the IFAD-supported VODP - Gulu Hub, which is developing market oriented groups in the PRELNOR area which will link with the proposed farmer groups and business development groups to be developed and supported by PRELNOR. These new PRELNOR sponsored groups will also be linked with the new IFAD supported Project for Financial Inclusion in Rural Areas (PROFIRA) for rural finance related activities building on the existing informal VSLAs in project villages through to finance related activities of the more advanced farmer and SME groups moving into post-harvest handling (PHH), value adding and marketing activities as they move up the market chain.

61. The next phases of the EU funded project (being designed under EDF 11) is planned to have a large FFS activity which will complement and broaden the impact of the PRELNOR farmer group activities and use the market linkage development activities to make better use of some marketing infrastructure already constructed by ALREP²⁸. Such collaboration will include use of the same curriculum, joint training of master trainers and facilitators, and harmonisation of incentives for group facilitators. The planned community access road (CAR) activities will complement and extend the AfDB funded CAIP activities which has been the main programme building CARs in the northern region. The new DfID private sector programme is targeting large agribusinesses in the north and the World Bank are planning market linkages / SME development activities for the northern area which the planned PRELNOR SME development activities will lead into. As the PMU will be located in the region at Gulu, it will interact closely with other programmes, particularly in collaboration at field level.

Project description

A. Project area and target group

62. **Project area.** The project area will be the seven districts of Agago, Amuru, Gulu, Lamwo, Kitgum, Nwoya and Pader in the Acholi sub-region together with the adjoining district of Adjumani, which belongs to the same agro-ecological zone as Amuru and Nwoya districts. The seven Acholi districts share a common culture and language, whereas Adjumani shares the same agro-ecological conditions as Amuru and Nwoya districts but has a different language and culture from the Acholi districts. The estimated population in this project area is 2.13 million people, of which 1.76 million are rural. The project is expected to directly reach 140,000 households.

²⁸A large storage warehouse south at the South Sudan border near Nimule that does not have supporting infrastructure or the organisations needed to make it functional.

63. As shown by the table below, there are wide differences between districts in population and numbers of administrative units. Adjumani has the highest population with over 380,000 people, accounting for 21.8% of the total project area population, whereas Nwoya has the lowest population, with 45,000 inhabitants and 2.6% of the project area population. Average population per village size ranges from a high of over 2000 in Adjumani to a low of 130 in Pader district. Poverty rates in the last large-scale household survey (UNHS 2005/06) ranged from a high of 76% poor in Amuru to a low of 62% in Adjumani. Other contrasts between project districts are given in Appendix 2. Adjumani district has the smallest land area (2,318 km²) and Lamwo the largest (5588 km²)²⁹. Population density ranges from a high of 165 people per square km in Adjumani to a low of 15 persons per square km in Nwoya district. Likewise, poverty density is highest in Adjumani with 38 poor people per square km and lowest in Nwoya with 9 poor people per square km.

Table 1 PRELNOR project area administrative units, estimated rural population and district-level poverty indicators

PRELNOR District	Administrative units 2014			Rural population 2014	Percentage	Poverty rate UNHS 2005/06	Percentage of total rural poor 05/06
	Sub- counties	Parishes	Villages				
1 Adjumani	9	54	188	383200	21.8	62%	12.1%
2 Agago	13	67	888	290600	16.5	68%	17.3%
3 Amuru	4	29	317	177700	10.1	76%	14.3%
4 Gulu	12	54	277	251000	14.3	69%	16.8%
5 Kitgum	9	46	442	200600	11.4	74%	12.8%
6 Lamwo	9	43	344	168300	9.6	67%	10.7%
7 Nwoya	4	22	130	45500	2.6	65%	3.7%
8 Pader	11	48	630	239700	13.6	68%	12.4%
Total	71	363	3216	1756600			

Targeting

64. **Characteristics of target groups.** Typical farm households in the project area barely produce enough food for subsistence. They are vulnerable to drought and floods and face declining yields due to declining soil fertility. They are risk averse and, without intensifying their production systems, cannot readily increase production. They have a focus on food-security, taking account of their perceived risks such as climate change. Even when they can become food-secure, they face issues such limited production and marketing experience, limited links to the local farming community, lack of household resources to buy seeds and inputs, and younger family members have limited skills to engage in alternative off-farm occupations.

65. **Vulnerable households.** The particularly vulnerable households are a sub-set of the chronic poor, who account for approximately 19% of the project area population (57,000 households). These households typically possess farm land but can only cultivate a few acres due to weak labour force and lack of the economic means to hire labour for bush clearing, land preparation and weeding. Many of these households are headed by women. They have low levels of education, high dependency ratio, malnourished children, poor hygiene and sanitation, and cannot afford to keep their children in school. They engage predominantly in subsistence production and are poorly integrated in social groups, making it difficult for agricultural programmes to reach them. The project will support these very poor households through a combination of household mentoring and limited food security grants. The vulnerable households will be identified by the communities during the village entry and participatory analysis through **wealth ranking and social mapping tools**. The project will assist 10,000 current socially excluded households to become more engaged with the community, particularly in production related activities that will improve their livelihoods.

²⁹Much of Nwoya District is covered by a national park, hence not all the indicated land area is available for cultivation,

66. **Youth³⁰**. The conflict in the north has disadvantaged youth severely as they spent much of their time in the IDP camps and were not able to develop productive skills. They include former IDPs, former abductees, and ex-combatants (approximately 20,000 men and women). As household members they may have access to agricultural land to cultivate but are frequently less interested in farming and tend to favour off-farm occupations (for males, commonly transport, small-scale marketing or salary employment and for young women, services employment or retail sales) although their training and experience is rarely adequate for more skilled technical work.

67. **Project target groups**. PRELNOR will target four main sub-groups described below. A common issue across the groups is the low level of social capital as the communities and individual households were displaced and have now returned to a changed environment with fewer resources and less experience to make use of these resources. The former IDPs have effectively lost 15-20 years of experience and opportunities to build their family resources and capabilities.

68. For farmer group activities, the project will target three categories of households: (i) **food insecure households**, who do not have enough land or resources to produce enough to cover their food needs and are interested mainly in increasing production for home consumption; (ii) **food secure households** who are still vulnerable to climatic or other shocks to their livelihoods but want to improve their agricultural productivity; and, (iii) **market oriented households** with adequate land and some skills which they wish to use to increase their surplus production available for sale.

69. These households will participate in the project as members of existing or new community groups, which will be selected on the basis of their cohesion, inclusiveness and demonstrated commitment to farming. These households will be identified during the initial community consultation process which will focus on ensuring that all community members have the opportunity to take part in the process, rather than just setting up farmer groups which would only interest households already producing for markets.

70. In addition, the Poor Household Support sub-component will target **vulnerable households** who lack the capacity and self-confidence to join community groups, to build their food security and self-reliance to enable them to join groups and benefit from development initiatives.

71. **Gender and youth targeting** will be treated as cross-cutting issues, with the aim of empowering women and youth both as members of farmer groups and as individual members of vulnerable households. The project will encourage at least 33% female membership in farmer groups and 40% for women's representation in group leadership and decision making committees. Participation of women may be much higher, because many farmer groups began as VSLA groups, in which women constitute 70% of members. Household mentoring will target all adult family members.

72. PRELNOR will target such youths for livelihood activities and in particular will support their skill development through mentoring and other business-related trainings. They will be linked to rural based income generation and provision of services to farmers.

73. **Targeting measures**. The first level of targeting is geographic, through selection of the poorest districts and the poorest sub-counties within those districts. The second level involves within-village targeting through the application of beneficiary selection criteria. The project also will make use of self-targeting measures, by focusing on value chain development for crops like maize, cassava, beans and rice which are both food and cash crops and whose cultivation is within the economic means of the average smallholder.

74. Each project district will select sub-counties on the basis of poverty levels, as well as production and market potential³¹. The number of project villages in each district will be determined on the basis of each district's share of the total rural poor. Two sub-counties will be included for Nwoya and Amuru districts (each with only four sub-counties) and up to four sub-counties in each of the other six districts. The targeting approach at parish and community level will combine social mapping with agro-ecological mapping and, current and planned community access roads (CAR) to identify areas where there is potential to increase production of crops required by markets. The selection will be undertaken by district stakeholders led by the district chief administration officer. Using a similar

³⁰ Those aged 18-35 years.

³¹ See Appendix 2 for details.

process at each successive administrative level, sub-county stakeholders will select participating parishes and parish stakeholders will select priority villages.

75. Data sources for the selection of the geographic sub-units will be: (i) sub-county level poverty statistics; (ii) maps showing the sub-county and parish agro-ecological conditions and agricultural production potential and current district road and CAR networks plus CARs planned for construction under the district development plans (DDP); and (iii) the market potential for the main crops with most potential for expanded production grown in each of the areas.

76. **Enabling measures.** Procedural measures have also been examined to ensure that the timing and location of training facilitates women's participation and that proposed technical innovations are affordable for the intended beneficiaries. Measures aimed at creating and sustaining a policy and operational environment favourable to poverty targeting amongst partners and stakeholders will include: (i) establishment of a post within the PMU for a sociologist/ community development specialist with responsibility for targeting; and (ii) sensitization of public and private service providers on issues identified such as gender-based violence (GBV), unequal division of labour, women's land rights, alcohol abuse and HIV/AIDS. There will be leadership training, particularly for women, youth and men from poorer households

B. Development objective and impact indicators

77. The overall goal of the project is: *Increased income, food security and reduced vulnerability of poor rural households in the project area.*³²

78. The project development objective is: *Increased sustainable production, productivity and climate resilience of small holder farmers with increased and profitable access to domestic and export markets.*³³

79. By the end of the PRELNOR project, a *climate resilient household* will: (i) plan production and harvesting with timely, appropriate climatic information; (ii) have the skills and resources to produce three improved crops including at least one staple food crop each year to meet all its basic food needs; (iii) use moisture and soil conserving cultivation and management techniques to reduce seasonal risks and variations; (iv) lose less than 10% of production to PHH losses; and, (v) during the harvest season, have the option of delivering profitable surplus production to a parish/sub-county aggregation point for storage and/or sale, or have the market intelligence needed for negotiating with traders who come to the village (i.e. wet weather road access and market information)

C. Outcomes/Components

Two components - **A. Rural Livelihoods** and **B. Market Linkages and Infrastructure** through their outcomes will contribute to the project goals and development objectives.

Component A. Rural Livelihoods

80. The outcome for this component is: *Poor farm families have increased asset base and resilience through sustainable use of natural resources and increased agricultural productivity.* The outputs that will contribute to this outcome follow.

Sub-component A.1 Community planning and capacity development

81. **Output A.1.a Participatory management of climate resilient agricultural systems planned and implemented.** This sub-component will use a focused participatory planning approach to: (i) identify and map available natural resources; (ii) identify farmer groups that meet the eligibility and social targeting criteria; (iii) identify vulnerable households; and, (iv) identify priority agricultural enterprises and natural resource management initiatives; and (v) map group capacity development needs. Actual investment in identified enterprises and initiatives is budgeted under sub-component A.2.

³²Key impact indicator will be reduced poverty amongst the participating population. Poverty defined as food security; decreased child malnutrition; improvement in HH assets; resilience and adaptive capacity increased; women's empowerment increased)

³³Key impact indicators will include: number of poor smallholder household members whose climate resilience has been increased (disaggregated by gender, youth) (*ASAP); and number of individuals receiving one or more project services (disaggregated by gender and type of training) (*RIMS).

82. Activities will include: (a) public information, mobilization and sensitization at district, sub-county and parish level; (b) project sub-county, parish and village selection following the process described in Appendix 2; (c) community-level participatory planning; (d) group capacity building to address the identified needs in areas such as: group governance, leadership and group dynamics, visioning, gender action learning system (GALS), business action planning, basic financial literacy, record keeping and savings mobilization.

83. Community mobilization and sensitization as well as participatory planning will be undertaken by the sub-county CDO supported by agricultural extension staff, the parish chiefs and village executive committee members. Where required, specialized service providers will be recruited to train local government staff in these areas, as well as in project monitoring and supervision.

84. Group capacity building activities will be delivered by District Farmers Associations (DFA) in collaboration with relevant local government staff. Community Based Facilitators (CBF) will be recruited and managed by the DFAs and serve as a critical link between the lowest level of the local government administration in the relevant sectors and target groups at village level. Their role in project implementation is three-fold: (a) to facilitate a socially inclusive and democratic participatory process at village entry, including situation analysis, participatory resource mapping, wealth ranking and beneficiary selection; (b) to facilitate farmer group and other project activities on a day-to-day basis, thereby providing continuity between the periodic visits by agricultural and community development staff attached to the district and sub-county; and (c), to enhance sustainability after the district or implementing partner staff are withdrawn, by remaining in the community as a positive role model and as resource person to whom villagers can turn for advice and to help them link to outside sources of advice.

85. **Output A.1.b. Vulnerable households participate in agriculture related development initiatives and income generating opportunities.** PRELNOR will scale up the household mentoring approach successfully tested under the District Livelihood Support Programme (DLSP). This targets vulnerable poor households that meet the criteria for individual mentoring and within those raise the awareness of the most disadvantaged household members, in particular women and youth. The mentoring will also assist these households to work through stress and traumas stemming from the conflict period and the time spent in the IDP camps.

86. The focus will be on mentoring poorer households through a five step process involving visioning their current situation and what they would like to achieve at the end of the mentoring period through an agreed action plan including assisting them to graduate to agricultural and other community groups to benefit from other development activities. After 5-9 months of successfully implementing some elements of its action plan, the household will be encouraged to join a farmer group. At the start of the planting season, the mentored households making satisfactory progress will receive a small food security grant³⁴ to assist in boosting household food production and / or providing opportunities to generate some cash income. The governance arrangements for food security grants (USD 100 each) to poor households are already in place as successfully applied in DLSP. These are in-kind grants (planting material or small animals) that are selected by the households and procured through the local government system, following public procurement procedures. During implementation, consideration will be given to testing cash transfers instead of in-kind transfers.

87. The project will identify and train one female and one male volunteer household mentors in each of the 100 project parishes. The project will also train around 50 local government CDOs to support the household mentoring process. The start-up in each village will be phased over 3 years with each household mentor supporting ten vulnerable households each year for a period of up to 18 months. The target is to have successfully mentored 10,000 poor vulnerable households by the end of the seven year project period, or 50 households on average per mentor. It is expected that at least 85% of the mentored households will successfully graduate from the process. Where possible, existing agencies with youth social and skills development activities³⁵ will be used to provide priority capacity building for the youth.

³⁴The grant will be valued at about USD 120 and could include seed, other inputs, small animals and other priority household necessities.

³⁵For example, the Northern Farmers' Community Initiative based in Gulu.

88. During the mentoring process or after graduation, women and youths in particular will be encouraged to become members of the already existing farmer groups or form their own groups to benefit from improving production methods using improved technologies and inputs. Youth farmers may also select other income generating activities within the crop value chains (seed multiplication, oxen-ploughing, providing contract agricultural services such as crop protection, marketing, transport, processing, etc.) in which the project, under sub-component B.1, will train them further on and help in facilitating linkages to access financial services.

Sub-component A.2 Priority climate resilient crop production systems

89. **Output A.2.a** *Relevant climate resilient crop production systems with complementary livestock activities adopted by farmers using sustainable land management, improved seed material, mechanisation and cultivation practices, contribute to increased productivity.* Cropping areas and yields will be increased through timely use of appropriate mechanisation, land use and cultivation practices. The project will strengthen the capacity of rural poor farming households to increase production and productivity of food security and marketable crops. The overall aim is intensify farming systems through resilient practices while conserving the natural resource base (soil and water). While most of the interventions will require only an investment of time and change of production practice by farmers, the main investments will be in capacity building to enhance the knowledge base of the stakeholders for sustainable agricultural development and to empower the farmers to adopt the improved practices. Initially, the main crops addressed through the project will be the main crops in the area, namely maize, cassava, beans, pulses and sorghum but PRELNOR will respond to changes in market demand for these and other crops grown in northern Uganda.

90. Activities have been designed to achieve the desired output and include: (a) agricultural extension services to farmer groups to increase crop production and productivity; (b) community seed production to ensure availability of affordable high quality seeds; (c) conservation farming incorporated into crop production systems; (d) access for farmers to profit increasing inputs including labour saving technologies (pilot testing for mechanization); (e) small-scale adaptive research activities can be undertaken to address identified production constraints (crop micro-nutrients, etc.); and, (g) capacity building for implementing agencies (LG, DFA and other service providers) and supervising partners to ensure the activities are delivered effectively.

91. The project will use appropriate participatory extension methodologies including: (i) demonstrations with participatory evaluation of technologies by households; (ii) mother-baby trails to build on these demonstrations; (iii) lead farmer demonstrations; (iv) farmer to farmer exchange visits; and, (v) farmer field schools. No extension approach will be prescribed by PRELNOR. The community prioritisation and CBNRM approach in Component A will define the technologies that groups are interested in evaluating. If for example, groups want to evaluate new disease tolerant/resistant varieties, ZARDI with DFAs will, conduct demonstrations that communities will evaluate. Alternatively, if groups are interested in more knowledge intensive technologies like pest control, mechanisation or being linked to markets then a Farmer Field School or Farmer Business School approach will be used. The community structure, level of productivity, and presence of capacities to deliver will also be some of the guiding factors in selecting the appropriate extension approach.

92. DFAs will implement the activities in selected sub-counties through their network of farmer group facilitators and project CBFs, supported and supervised by Local Government staff. PRELNOR will train district farmer association (DFA) and LG extension officers to provide needed backstopping support to farmer group facilitators and, to plan, monitor and supervise the group programmes in the villages. Specialized service providers and TA agencies will be identified as necessary to provide technical backstopping to the LGs and DFAs where there are skills and/or resourcing gaps. These will include FAO for FFS, the Integrated Seed Sector Development (ISSD) programme for community-based seed multiplication; and the Farm Mechanization and Conservation Agriculture for Sustainable Intensification across Eastern Africa programme³⁶ to pilot small-holder mechanisation demonstration.

93. PRELNOR will work with the zonal agricultural research and development institutes (ZARDI) responsible for the main crops grown in the project area (Ngetta, Soroti and Abi) to access and evaluate new crop varieties that are pest/disease resistant, drought tolerant, etc. and associated growing technologies. Adaptive on-farm research will be carried out by research institutes such as

³⁶ Implemented by International Maize and Wheat Improvement Centre (CIMMYT).

NARO's ZARDI at Ngetta and universities. Support will also be provided to the ZARDIs in the project area to address constraints to the supply of breeder and foundation seed and planting material needed in the seed multiplication system.

94. **Output A.2.b. *Complementary natural resource management initiatives implemented to strengthen/support crop productivity activities.*** Best practices in community based natural resource management and climate change adaptation measures will be introduced at both catchment and household level as a complement to the climate resilient crop production systems activities outlined in output A.2.a. Focus will be on the resilience of targeted agricultural livelihoods in areas of water management, afforestation and better land-use. These include: (i) natural regeneration of trees in farmed and communal areas; (ii) multi-purpose vegetated bunds for improved soil and water management; (iii) tree nurseries and woodlots to provide alternative sources of domestic energy and reduce rates of deforestation; (iv) demonstrations of rainwater harvesting for potable water or for supplementary irrigation of vegetable gardens; and, (v) promotion of improved cooking stoves and, if livestock number increase, demonstration of appropriate biogas technologies. These activities will be supported by one-off incremental grants of up to USD \$6,000 to village groups to help implement these initiatives, including rain water harvesting activities planned for the community access road (CAR) program. For these innovation grants (each up to a maximum of USD 6,000 each), the project will build on the approach developed under the World Bank funded Northern Uganda Social Action Fund (NUSAF). Innovative CBNRM interventions will be approved by the DTTC sub-committee for PRELNOR and recommended to the CAO (of the respective District Local Government) and PMU for funding. Further elaboration of the governance arrangements for CBRM innovation grants and PHH grants, will be done in the initial stages of project implementation.

95. **Output A.2.c. *Long, medium and short term agro-meteorological information used for farming decisions.*** Investments in improved meteorological monitoring and climate information services to address the increasing climate variability identified by farmers as a constraint to the agricultural productivity in the Acholi sub-region. PRELNOR will support the meteorological services at district and national level to improve climate data collection, analysis and dissemination to farmers to enhance farmers' coping and adaptive capacities, complementing ongoing initiatives. Seven automatic synoptic weather stations supported by a further 25 automatic weather stations located at parish level will be installed to contribute valuable localised weather information for developing more localised climate models and scenarios. The project will upgrade and use innovative communication approaches to widen the outreach of these improved long, medium and short term weather forecasts and increase farmer use in managing their cropping programme.

96. **Output A.2.d. *Sub-regional biophysical monitoring system implemented.*** Seven sentinel sites, based on the "Land Degradation Surveillance Framework", will be established across the project area supported by high resolution imagery to complement the initial site in Nwoya District established through the CCAFS-CIAT programme. This investment will provide the basis of a long term biophysical monitoring and evaluation system for each district.

Component B. Market Linkages and Infrastructure

97. The outcome for this component is: *Farmers with surplus crop production receive increased prices and profitably sell larger volumes of crop products through expanded access to Ugandan and regional markets.* PRELNOR will develop agricultural produce marketing capacity in the project area to increase the volumes of quality agricultural produce traded in the region and facilitate fair prices leading to better profits and income to smallholder farmers.

Sub-component B.1 Improved market access processes

98. **Output B.1.a *Market stakeholder platforms (MSP) have facilitated and supported the development of market facilities for aggregation and bulk trading at district/sub-county and sub-regional levels.***

99. To facilitate local ownership and inclusivity the project will bring together all main market stakeholders in each district to develop market stakeholder platforms (MSP) in each district where aggregation or market facilities may be constructed. The MSPs will include the DFAs, produce traders' associations, processors association, savings and credit cooperative society (SACCOS), and local governments.

100. The MSP roles will include: (a) mobilising the communities to participate in the market access activities including development of aggregation points or bulk markets; (b) leading the process of selection of the appropriate sites and structure for the market facilities; (c) facilitating dialogue with the local government and other actors; (d) undertaking a feasibility study of and developing a business case for project investment to improve market access, particularly through investment in aggregation points / markets and/or larger sub-regional bulk markets; and, (e) ensuring the accountability of the market facilities established,

101. The project will also facilitate the establishment of a sub-regional MSP forum bringing together the MSPs from the different districts. The MSP forum will enable interaction and knowledge sharing between the individual MSPs and facilitate dialogue amongst all members, especially policy dialogue with the local and central governments. The MSP forum could include other relevant regional or national organisations involved in agricultural product markets.

102. Based on market access assessments and opportunities for investments to support flows of traded agricultural products, MSPs will be supported to identify and justify in a detailed business plan, investment in the district (probably aggregation or small market facility) or a more substantial investment in a sub-regional bulk market(s). The MSPs would work with local governments (or the MSP forum for a larger sub-regional facility) to secure suitable sites for the market infrastructure that meet the requirements of the market stakeholders. The market infrastructure proposed will focus on improving the flow of produce through the market with investment in storage and processing being left to the private sector. After agreement on funding arrangements and securing the land, a MSP market construction sub-committee (MCSC) will provide oversight over the design consultants contracted by the project and local governments and then the construction firm to ensure that the market design and final structures meet the functional requirements specified by the MSP.

103. A specialized service provider will be recruited to assist the MSPs in undertaking the necessary feasibility studies and to facilitate the overall process of selection and design of the market facilities, including their management structures. There exist capable agencies in Uganda with the expertise to facilitate these markets processes, such as Kilimo Trust, Private Sector promotion centres, SNV and Enterprise Uganda.

104. Two main types of facilities are envisaged, satellite markets and bulk markets. A satellite market is a small produce aggregation centre located in the vicinity of a production area at sub-county or district level, from which the produce can be taken to a bulk market or sold to small buyers. Ideally, satellite markets will feed into a bulk market. A bulk market on the other hand is larger and able to collect produce from satellite markets and other locations, primarily to serve larger buyers. The destination of produce collected from bulk markets is larger cities and regional markets outside Uganda. Bulk markets will be located at key cross-roads or sub-regional centres like Gulu and Kitgum.

105. For bulk markets, PRELNOR will support the creation of an autonomous market management company (MMC) with shareholding by the main MSP stakeholders, which will then be contracted by the local government to manage the facility. The contract will stipulate the crop/market levy to be charged, the modality of payments and duration of the contract. The market use levy will be remitted to the local government under the management contract with the MMC retaining a proportion of the levy (about 30%) for operational costs which will be quantified in the annual business plan. This is expected to increase local taxation revenues as more agricultural production moves through the formal marketing system and can be efficiently taxed at the point of sale. For satellite markets, a less formal and lighter management structure will be set up, always involving the main MSP stakeholders, perhaps under the leadership of a strong local organization such as a DFA, a local DCCI or other.

106. To introduce and increase understanding of the MSP and marketplace concepts, an early project activity will be study visits to the successful large agricultural produce markets operating using these processes in Tanzania and/or the MSPs being developed in Niger under IFAD-supported programmes. The Learning Routes approach developed by IFAD will maximise the impact and sharing of knowledge from these study tours.

107. **Output B.1.b** *Farmers, agribusiness groups and young rural women and men use improved post-harvest handling (PHH) practices and/or value adding to link with or work within inputs and product markets.* The target under this output will be economic-oriented farmer groups who have identified business opportunities and profitability as their priority focus. Activities will include: (a) specialised training in entrepreneurship, market identification and development, business planning,

simple PHH improvement and financial management; (b) assistance to develop business plans for expanding businesses or investment in advanced PHH and / or value adding equipment; (c) facilitation of linkages with business development service (BDS) providers, local financial service providers, input and transport service providers, agro-dealers, contract farming/production organisations, traders and end-users; (d) technical training, market development and appropriate mentoring support to develop PHH and value adding (V/A) activities, including piloting and demonstrating new PHH and V/A technologies and approaches; and, where necessary, (e) capacity building for implementing service providers and supervising agencies. A specialized service provider will be recruited to implement the above activities under the supervision of Local Government officers and the PMU.

108. Project support will be designed to provide a development pathway so that the groups gain confidence in successfully and profitably operating their own simple businesses before graduating to more challenging and sophisticated activities. For youths that are already using social media, information and communications technology training including web based marketing and business related software will be conducted to encourage them to tap their ICT creativity into agriculture and agribusiness³⁷. Examples of the types of PHH and/or value adding activities and the development pathway that could be used for different value chains is provided in Appendix 5.

109. To assist more innovative and experienced groups implement more ambitious business plans, a small PHH investment grant scheme (USD 1 million) will be established to encourage investment in new PHH or value adding technologies or capacity that is not commercially available or accessible. These activities will address the climate vulnerability of the market chain – especially during harvesting, drying, post-harvest storage and transport. Access to these PHH investment grant resources³⁸ would be through a competitive process guided by stringent conditions to ensure funds are invested commercially and there is appropriate cost-sharing by the investors. Detailed guidelines will be developed by the PMU at project start-up with support from IFAD.

110. **Output B.1.c** *Relevant crop, livestock and input market information collected from production basins and used.* One of the major issues for market users when undertaking their transactions is the lack of data on prices and volumes which leads to risky, unfaithful and unfair commercial relationships between market stakeholders. PRELNOR will train market stakeholders to access and use agricultural market information systems (AMIS) for commodities and linked with existing AMIS service providers.

111. As there are at least two (or more including the eSoko system) AMIS providers³⁹ in northern Uganda, it is unlikely that a new AMIS system will need to be developed. However, on the ground and amongst farmers and other market stakeholders in the north the services are not well known and used only to a limited extent. The project, through an appropriate procurement process, will contract one of the established service providers in the area to link with farmers and other market stakeholders through their associations and the MSPs that will be facilitated in the course of project implementation.

112. Other AMIS activities will include: (a) promotional activities to publicise the services and link the services to the newly established bulk and satellite markets; (b) creating new and visible tools for accessing market information such as market boards posted in the newly established bulk and satellite markets for increasing transparency; and, (c) ensuring that the proposed AMIS links the satellite markets, bulk markets, producer associations, traders associations and farmer groups for collection and dissemination of market information. Market management companies at the newly established aggregation centres and bulk markets will facilitate collection and dissemination of market information.

³⁷See “Youth in Agricultural Trade and Enterprises (YATE)” business model developed by Farm Concern International. <https://www.facebook.com/pages/Youth-In-Agriculture-Trade-and-Enterprise-YATE/349962851791639>

³⁸ These activities could be possibly linked with the Agribusiness Initiative (aBI) that supports investment in this area and will be based on the guidelines in the IFAD Matching Grant handbook. IFAD 2012.

³⁹ Several projects have developed market price information services for crops across northern Uganda including AgriNet (funded through ALREP) and the AMIS implemented by FIT Uganda, both operating in most of the Acholi districts.

Sub-component B.2 Market access infrastructure (MAI)

113. This sub-component will improve access to markets, facilitate more competitive pricing, reduce transaction costs and increase farmers' income through improvements to community access roads (CAR) and market infrastructure at selected strategic sites. The identification of infrastructure investments will be undertaken in a participatory and demand-driven manner based on a set of criteria⁴⁰ that will ensure that the project resources reach the intended target groups.

114. Following these investments, disadvantaged communities will have increased opportunities for economic growth and improved livelihoods through improved market access. It is estimated that benefits from the investments will reach a total of about 108,000 rural households in the eight districts.

115. **Output B.2.a. Existing community access roads upgraded or new roads constructed in underserved areas with construction standards consistent with climate change resilient norms.** An estimated 1,550 km of CARs will be constructed or rehabilitated, including all the required ancillary structures as per the requirements of the District Class III roads standard of the Ministry of Works and Transport (MoWT). CARs that will be eligible are those selected from the project area sub-counties (excluding town councils and municipalities). In addition to integrating emerging climate parameters and projections into road design, the project will work with the MoWT to update road construction standards to take climate change considerations into account. The activities designed under the MAI Sub-component will target pre-existing sites, routes and alignments and therefore are not expected to lead to any major environmental disruption. The estimated unit cost per kilometre is USD 18,000.

116. To ensure that the communities benefiting from construction of the CARs participate fully in the design and construction process, a road construction committee will be formed for each of the planned CARs with members drawn from villages that the CAR passes through.

117. Evidence from available climate projections for the Northern region points to a potential increase in the number of severe rainfall events, interspersed with lengthened dry periods, leading to larger volumes of runoff around road infrastructure. Projections based on Global Climate Models indicate potential 10-20% increase in run-off for the whole country. Provisions are made for ASAP Grant funding for improved design of climate-proofing road structures and related technical assistance. While designs will be specific for each road to address its peculiarities, the general standards will include provisions for full gravel to make the roads all-weather plus all the ancillary structures as per the requirements of District Class III roads standards set by the Ministry of Works and Transport.

118. There are opportunities to harvest rainwater off the CAR alignments for crop irrigation and watering livestock without leading to significant increases in construction costs. The project will fund a short consultancy by an engineer with rain harvesting experience to produce a set of guidelines for rainwater harvesting (RWH) from CARs. The consultancy will focus on how consideration of RWH opportunities should be included at the design stage including consultations with farmers along the proposed road alignment. Ten pilot sites for demonstrating and testing the effectiveness of rainwater harvesting will be established across the project area.

119. The implementation arrangements for the construction and rehabilitation of CARs will follow those already successfully used by MoLG in implementing two IFAD-supported projects, DLSP and CAIIP. The technical design of the selected roads will be done by contracted consulting companies. Private service providers (construction companies) will also be contracted for the actual construction of roads. The procurement processes for both types of contracts will be managed by the Local Governments with support and supervision by the PMU. The Local Government engineers and the PMU engineers will be responsible for the technical supervision of the companies contracted for the construction.

120. **Output B.2.b Supplementary connected market structures constructed at selected strategic sites for the benefit of increased agricultural trade.** Rehabilitation/construction of 10 strategically located market facilities is planned based on the consultations with the MSP members including market users and local government needs. The location, type and capacity of structures required in each marketplace will be identified in the framework of output B.1.a through comprehensive dialogue with all interested stakeholders led by MSP in each district.

⁴⁰ See Annex 7 in Appendix 5.

121. It is anticipated that two strategic marketplaces for bulk trading, Gulu and/or Kitgum, or two existing border markets for produce will be built or upgraded. Eight satellite market places, will be built or upgraded in other districts. The emphasis is on facilitating the rapid receipt, sale and transshipment of agricultural products from the project area. Construction of storage and/or value adding facilities will be a private sector responsibility. Investment will include wholesale grain and produce markets with required technical, logistics and public health facilities.

122. Local governments⁴¹ will be the owners of the aggregation and bulk markets and will have a major role in the needs identification and site locations to ensure that the markets are located where stakeholders will use them. The local governments will be responsible for securing the land required to build the structures and necessary roads and parking areas suitable for large trucks. The project may be able to contribute to the provision of utilities (electricity and water) to the preferred site.

123. Specialized companies will be contracted for the design and construction of the market facilities. The construction will be supervised by the PMU, District Local Governments as well as MSPs through their sub-committees on infrastructure construction.

Component C. Project management and coordination

124. Component 3 will ensure the project is efficiently and effectively managed to achieve the expected results. The Ministry of Local Government (MoLG) will coordinate and manage the GoU funding, IFAD loan and ASAP grant funds, which will be blended and mainstreamed through all the planned activities. Gender, youth, climate change and environmental, knowledge management and communication considerations will be mainstreamed in all aspects of project management, and the activities of MoLG and the implementing partners. Performance indicators of this component include quality and timely execution of annual work plans and budgets, timely submission of progress reports and annual audit reports, participatory M&E able to document key indicators and actual levels of disbursements in line with planning. Details of the component are provided in Section III and Appendices 5-8.

D. Lessons learned and adherence to IFAD policies

125. The project design is guided by the lessons from the country programme included in the recent COSOP, as well as the experiences of other development projects in Uganda interventions. These lessons, elaborated in Appendix 3, include:

126. Lesson 1. Concentrating limited resources, so significant impact are achieved and can be measured. Spreading limited resources thinly across wide areas limits impact and are difficult to coordinate. The review and re-design of the DLSP highlighted that it is better to focus projects on a few strategic interventions than to attempt to tackle all development issues in one project. PRELNOR will focus interventions on a few specific objectives and components, in one geographic sub-region.

127. Lesson 2. The political imperative of ensuring a balanced spread of project benefits could undermine the equity objective of a project in prioritising the most vulnerable groups and areas. One potentially negative consequence of political interest was in the case of NUSAF at the local level when Gulu District Council passed a resolution to ensure that each sub-county will have at least one sub-programme under its jurisdiction. The challenge is to ensure that political commitment is retained while respecting projects' distributional objectives. The principal risk in the short term is from politicians' intent on deriving political capital and commandeering resources from project investments which could skew community priorities and resource allocations

128. Lesson 3: Similar to the above, the allocation of resources for public economic investment should not be driven by administrative and/or political decision-making, but should instead be primarily determined by the economic conditions and opportunities. An example is the location of markets and agro processing facilities. In the AfDB and IFAD funded CAIP1 project, markets were initially built where land was available and owned by sub-county local governments, rather than consulting the market users (vendors, buyers) on their preferred locations. This led to some of the market places not being used as not properly located.

⁴¹Ownership is always by the lower local government in this case a sub-county though revenue generated is shared according to the GoU established formula. While we are prioritising rural local governments, for markets, we can't rule out having some located in urban areas given their central locations (not necessarily in middle of towns) and also have other better amenities like power and water.

129. Lesson 4. Specialised approaches for effective social inclusion are critical for reaching the very poor. The evaluation of the first phase of NAADS highlighted that the majority of poor farmers are outside existing groups. The DLSP household mentoring approach to empowering very poor households will be further developed under PRELNOR to increase the outreach and impact of the participating households.

130. Lesson 5. Implementation in conflict and post-conflict environments requires integration of project management with local government planning and administrative systems, Community level capacity for planning and monitoring micro-programmes also needs to be built. PRELNOR implementation will be well anchored within the local government decentralisation system. More effort will be placed on strengthening the community ownership compared to the 'community driven development approach used by the World Bank supported NUSAF which funded grants for village infrastructure without enhancing community planning systems.

131. Lesson 6. The Danida programme in northern Uganda showed that support to commodity platforms offers opportunities for valuable coordination, networking and improved understanding of the roles of all stakeholders in a marketing chain but sustaining platforms is challenging. For example the important role of middlemen, often seen as exploiting others, was made clear. For many market chain stakeholders it may be the first time they understand and see themselves as part of a chain delivering goods to the final buyer.

132. Lesson 7. When supporting commodity platforms, whether at national or district level, it is important to understand the balance between the needs for self-managed and self-sustaining platforms and the need for financial support to get the platforms started. Sustainability is impossible where there is no source of income and if there is a culture of expecting costs to be covered by government or an external funder. PRELNOR will build on experiences of platforms such as the Oil Seed Subsector Uganda Platform (OSSUP) in the vegetable oil sector, plus other initiatives in Tanzania and Niger that have successful commodity platforms.

133. **Compliance with IFAD policies.** The proposed project addresses two of the three Uganda COSOP strategic objectives: (i) *The production, productivity and climate resilience of smallholder agriculture are sustainably increased;* and, (ii) *The integration of smallholders into the markets is enhanced.* The project complies with relevant IFAD policies on targeting, gender, rural finance, environment and climate change, and private sector development. Further details are provided in Appendix 11 which includes the Environment and Social Review Note.

Project implementation

A. Approach

134. The project will facilitate synergies and cooperation at local level between public sector agencies, private sector operators, and community-based organisations and/or non-governmental organisations. Agricultural development in the designated districts frequently relies on inputs and services provided by the private sector and many off-farm employment opportunities in the sub-region are generated by small private business outfits. It will support public sector agents (especially local governments) to focus on areas where their coordination and regulatory presence is required or where their comparative advantage in implementation can be used.

135. The Rural Livelihoods component will enable a higher proportion of farm households, who are not yet market oriented, to achieve levels of production that enable them to take advantage of the opportunities offered by the second component, Market Linkages and Access. The food insecure households and the climate-vulnerable food secure households jointly account for 2/3 of the 18,000 farmer groups. With the addition of the 10,000 vulnerable households, they cumulatively account for 28,000 households, which is 78% of total beneficiaries. The Market Linkages will link the increased production to markets which operate more efficiently, together with the more advanced households and groups that may move into PHH and value adding activities as their businesses develop.

136. The project embodies several important concepts: (i) inclusiveness of both the vulnerable and the more resourceful households for balanced local development with tangible livelihood impact; (ii) cooperation among public and private sectors in recognition that rural economic growth is primarily driven by commercial forces; (iii) most project support activities being time-limited for purposes of effectiveness with more vulnerable households enjoying longer periods of assistance; (iv) facilitating a

change in mind-set of the target community groups from a subsistence farming approach to an approach that makes all farmers more food secure and allow a significant group (>35 %) produce marketable surpluses of those crop products that the market requires; and, (v) safeguarding the sustainability of project initiated developments by mainstreaming climate change and resilience into their implementation.

137. The key approach for market access will be based on the spatial improvement of the trade flows through adapted infrastructure from the main production areas (the catchment areas) supplying satellite collection centres in each sub-county or district, and from there to bulk markets located in economic development clusters such as the major sub-regional urban centres of Gulu and Kitgum. MSP based at each satellite or bulk market will focus on market development and link the main market stakeholders.

138. To improve **climate resilience**, the project will increase the preparedness among farmers through facilitation of better weather forecasting techniques and information dissemination while simultaneously stimulating households to regularly engage in adaptive agricultural trials and tests to increase their production flexibility.

139. **Village selection and planning.** The initial process of selecting targeted villages will be facilitated by the PMU at meetings of all stakeholders in each district. Initial community meetings in each village selected will be followed with a facilitated participatory process to ensure all community members have the opportunity to participate in their preferred project activities.

140. **Phasing.** The process for initial community preparation, formation of farmer groups and capacity development in participating villages will be phased over in three years with 200 villages in the first year, an additional 200 in the second, 200 extra in the third year, making a total of 600. The village preparation and community capacity development activities at sub-county and parish level will all take place in the first year for cost-effectiveness. This will start project activities in all the selected parishes, but allow experiences from work in the first two villages to be shared with the following four villages. This will make better use of village and farmer facilitators by spreading their workloads and also allowing time for households participating in the household mentoring activities to graduate to joining in farmer groups and other community activities. Overall, agricultural production activities will be rolled out geographically starting with areas that have adequate capacity, while activities on access roads will be initiated in all districts at the same time, given that there are adequate engineering staff in all of them

141. Based on these concepts, the project approach has the following features:

- Builds on the farmer groups developed during the emergency response phase as avenues for interaction on members' preferences, transfer of technical skills, and transfer of improved technologies among the affiliated households;
- Uses local government and existing farmer association resources to facilitate initial formation or re-establishment of groups and to facilitate advice to households on farm practices, training in agricultural business operations and back-stopping to young entrepreneurs; and,
- Fosters linkages to complementary on-going development initiatives. These include: financial and grant services under the aBi Trust and the new EU/IFAD challenge fund; links to groups working with VODP in the sub-region; and, links to the agro-dealer development initiatives being managed by other projects.

142. The project will supplement its reliance on group strategy with tested approaches like the household mentoring methodology, to reach individual households or members not linked to existing or new groups, for example, women headed households and youth with preferences for work outside the local village.

B. Organizational framework

143. The Ministry of Local Government (MoLG) will be the implementing agency for the project. MoLG will provide overall general direction for project implementation, coordinate with other relevant ministries and agencies, and chair the Project Policy Committee (PPC). MoLG will ensure counterpart

funds and agreed contributions from government are adequately budgeted and provided in a timely manner.

144. **Project coordination.** The existing PPC for DSLP, chaired by the MoLG Permanent Secretary, and expanded will provide policy oversight over implementation. It will be expanded to include representatives of ministries⁴² with supervision and/or implementation responsibilities for PRELNOR as well as representatives of the district and apex bodies for DFAs and traders associations (UNFFE, UNCCI, DLGs, DFAs and DCCIs) to provide a strong link with local stakeholders in the project area. The PPC will meet once every six months to review project progress reports, annual work plans and budgets (AWPB) and provide policy guidance to implementation.

145. **Project management.** A PMU will be established within the MoLG to manage the project. It will be staffed with: a project coordinator; an agribusiness and partnerships management specialist; an agronomist / extension specialist; a monitoring and evaluation (M&E) / learning specialist; a sociologist / community development specialist; two infrastructure engineers; a climate change / environment specialist; a financial controller; an internal audit / district support accountant; and a procurement specialist. Support staff will include a secretary, an administrative assistant, M&E assistant, assistant accountant, and five drivers. To facilitate closer supervision, coordination, technical support and collaboration with other development interventions in the eight project districts, the PMU office will be located in Gulu municipality.

146. The PMU will have the following responsibilities to: (i) liaise with line ministries and other agencies to ensure smooth project implementation; (ii) manage project activities and IFAD loan and grant funds; (iii) procure, contract and manage service providers for different activities; (iv) prepare project AWPBs for MoLG and IFAD approval; (v) disburse and control the flow of funds; (vi) develop and implement a knowledge management and communication strategy; (vii) manage for performance all activities under the project; (viii) report through a participatory M&E system; and, (ix) submit required project implementation progress and financial reports to GoU, IFAD and other stakeholders.

147. Bi-annual project review and planning meetings will be held before each PPC meeting. These will review the proposed project AWPB each year before it is submitted to the PPC in addition to reviewing project implementation, effectiveness and efficiency at each meeting. It will provide an opportunity for the project stakeholders to share implementation experiences.

148. IFAD has a relatively long history of supporting projects within MoLG, among which the recently closed CAIP1 and DLSP, due to close in June 2015. In order to take full advantage of the relevant experience and expertise accumulated under these projects, for the selection of the PRELNOR PMU priority will be given to those CAIP1 or DLSP staff which are interested and suitable for the new project's tasks and positions. The following process is therefore envisaged, managed by the HR department of MoLG: performance assessment of interested CAIP1 or DLSP staff; assessment of suitability of such staff for PRELNOR position, against the new job descriptions; advertisement for unfilled PROFIRA positions for recruitment from the market.

149. **District Level coordination and management.** In each district, the Chief Administrative Officer (CAO) will be responsible for project implementation and will designate appropriate officers as: (i) project support officer (PSO), to coordinate implementation and technical supervision activities at district level; (ii) finance officer/accountant to ensure that project expenditure ledgers are kept up to date, reconciliations are regularly made for audit purposes and funds are properly accounted for; and, (iii) an infrastructure project manager (who may be the district engineer or his designated representative) to be the focal point for all civil works design and construction activities in the district.

150. A PRELNOR sub-committee⁴³ of the District Technical Planning Committee (DTPC) will assist in coordinating project activities and link with the larger DTPC to ensure consistency of project activities with the DDP. The CAOs will be encouraged to co-opt representatives of DFAs and DCCIs into this sub-committee. The first subcommittee activity will be to assist the local governments to prioritise the parishes and villages included in the first two year's activities including the CARs

⁴²Representatives from the Ministry of Finance, Planning and Economic Development (MFPED); Ministry of Works and Transport (MoWT); Ministry of Agriculture Animal Industry and Fisheries (MAAIF); the Ministry of Gender, Labour and Social Development (MGLSD), Ministry of Water and Environment (MWE); Ministry of Trade, Industry and Cooperatives (MTIC).

⁴³ Members will include: the PSO, DPO, DE, DCO and DCDO.

construction / rehabilitation project. This sub-committee will lead the district PRELNOR AWPB preparation at local level.

151. The district local governments will: (i) select locations and beneficiaries of projects activities in accordance with the set criteria, with PMU assistance and working with other stakeholders (DFAs and DCCIs); (ii) prepare district AWPBs, linked to district development plans (DDP), for consolidation by the PMU; (iii) implement project activities included in the AWPBs, maintain the project accounts and records, process eligible project expenditures and evaluate tender documents with the PMU for review and consolidation; (iv) prepare district quarterly progress reports and consolidated annual progress reports and financial statements for the PMU; (v) monitor implementation partner performance; and, (vi) monitor project performance and participate in the mid-term and project completion reviews.

152. **Implementation, monitoring and supervision at district level.** Local government resources and district farmer associations will lead monitoring and supervision of activities in each district. Staff from these organisations will also have some implementation responsibilities in the start-up, training and planning activities. The local government community development officers (CDO) supported by the district production (DPO) and commercial officers (DCO) and the district engineer and DFA staff, will lead the process to identify and prioritise the villages to participate in the project. After the villages are selected the CDOs, supported by parish chiefs, will introduce the village facilitators to each community and participate in the selection process of the poorest households that will be offered household mentoring. The CDOs and DPOs would also participate in identifying and selecting community based facilitators (CBF) and household mentors who will be trained by LG staff having undergone the training of trainers (ToT) course or outside trainers. The local government and DFA staff may also be able to provide specialised technical training for facilitators or to groups.

153. Because of their strong local presence and roots in the project region, and their experience delivering services to farmers and communities for a range of donor agencies and NGOs, the project will contract district farmer associations⁴⁴ to provide and manage the CBFs and additional farmer group facilitators, where needed. Due to the difference in capacity, the more experienced LG and DFA staff from Adjumani, Gulu and Kitgum will train and mentor LG and DFA staff in the newer districts (Amuru, Agago, Lamwo, Nwoya and Pader). The projects in these districts may start up more slowly to allow time for the training and orientation of the less experienced LG and DFA staff.

154. **Sub-county level.** At sub-county level, project implementation will be overseen by the sub-county chief. Under the guidance of relevant district officials, the sub-county production and community development officers, will coordinate the implementation and technical supervision of the project. Working with other stakeholders, they will facilitate communities to select locations and beneficiaries of projects activities in accordance with the set criteria; provide support supervision to community facilitators including household mentors and trainers of farmer field schools; and prepare quarterly and annual progress reports to their district governments.

155. **Community level.** The livelihoods activities are based around a simple community planning process as outlined in Sub-component A.1. The CBFs provide a contact point for the district and sub-county level coordination and supervision team.

156. **Community level facilitators and mentors.** CBFs and household mentors will lead project activities such as capacity building of the groups, farmer groups and household mentoring at village level. They will be trained using both specialist trainers for technical areas or through a cascade training approach implemented by LG or DFA trainers with regular update/review sessions. They will receive a monthly allowance for acting as facilitators or mentors to partially compensate them for the time inputs.

157. **Strategic partnerships.** Strategic partnerships will be established with proven partners of GoU and IFAD in the project area, other parts of Uganda and the wider East African region to provide specialised technical skills and experience to implementation. These partnerships will include working with established and developing farmer associations to deliver village level facilitation and technical

⁴⁴Danida and other donors have invested substantial resources over the past 10 years developing the capacity of the DFAs. Although the resources have depended on donor funding, there is a strong core of experienced management and field staff which can be utilised by the project. The other alternative considered, NGOs, do not have a strong ongoing presence.

skills, supported by the resources of local governments across the project area, to the planned village groups. These partners include: *established NGOs* with specialised skills, such as SNV, in supporting post-harvest handling activities, simple marketing and simple value adding; *higher level organisations* such as the Kilimo Trust which will provide higher level and regional perspectives to agricultural marketing; the Gulu University and ZARDIs in the northern region which have extensive experience in and are developing farming systems for the northern region; and the Food and Agriculture Organisation (FAO) with its long history in Uganda of supporting and developing farmer field schools, will also work with the project. The Uganda Chapter of the African Forum for Agricultural Advisory Services (AFAAS) will provide requested support.

158. **Alignment and harmonisation.** The design takes into account of the existing and planned interventions in the area to ensure synergies and linkages are established. These will include the IFAD-supported Vegetable Oil Development Project (Gulu Hub) and PROFIRA, plus on-going and planned interventions by EU, DFID, DANIDA, JICA, USAID and AfDB and the GoU-UNDP programme on Climate Early Warning Systems. Close linkages will be maintained with the ZARDIs across the northern region for support to adaptive trials on crops, livestock and soil management in the sub-region.

159. IFAD will continue to liaise with other donor agencies on support to northern Uganda through the existing Donor Working Group for Northern Uganda (NUD). Policy, design and operational implications of the actions by the project to mitigate and alleviate climate change will be shared with the Climate Change Unit in the Ministry of Water and Environment and the Donor Working Group on Climate Change.

C. Planning, M&E, learning and knowledge management

Planning

160. Project planning will be an ongoing process with annual work plans and budgets (AWPBs) forming the backbone of the planning. These together with the Log frame's quantified results-based indicators, will be the primary basis for monitoring the project's progress. AWPBs which will integrate the IFAD loan, ASAP grant and GoU funding, will be output-based and form the basis for progress monitoring.

161. For the activities to be implemented at local government levels, the project plans will be integrated in the districts' development plans (DDPs), while the PMU will be developing a consolidated AWPB for the entire project and integrate it in MoLG's annual work plans.

Monitoring and evaluation

162. The project will adopt innovative and up-to-date M&E approaches, including the mainstreaming of knowledge management, a dedicated focus on communication, as well as the establishment of beneficiary databases to track project impact. GPS tools (such as smartphones and mobile data collection methodologies) will be mainstreamed both within the PMU and amongst service providers. Information generated by the project will be shared widely amongst stakeholders, contributing to filling the data gaps of the project area.

163. Monitoring requirements in the eight districts pertain to activities among public sector actors, commercial organisations, NGOs and CBOs together with those of groups/associations/co-operatives and individual households. A system will be designed that will complement and support existing district monitoring and evaluation guidelines to monitor the activities and outputs of public agencies while introducing special monitoring routines for the commercial and community based organisations.

164. As part of project monitoring and evaluation, gender analysis will be integrated into the baseline survey. The Women Empowerment in Agriculture Index (WEAI) will be used to track the project's contribution to women's empowerment in the region.

165. M&E activities will be led by a Monitoring, Evaluation and Learning specialist based in the PMU, supported by an M&E assistant with a data management background. The M&E / Learning specialist will support the PMU technical staff in planning, M&E and communications, and maintain an up-to-date database of project interventions. District staff, through the PSO, will lead district level planning and monitoring activities which will align with local government procedures.

Learning and knowledge management

166. Knowledge management tools used will be the development of 'learning notes', documenting best practices, lessons learnt and failures, for policy dialogue and sharing with other programmes. A regular short e-newsletter to project implementers and trainers will be developed to share experience and highlight new learning notes. The study trips will use the learning route methodology and e-libraries will be put in place for easy information sharing within and outside the PMU. Communication activities will primarily be for targeting beneficiaries with sensitisation methods, interacting with implementing partners and supporting dissemination of climate change related information. The communications role will be built into the terms of reference for the M&E assistant, supervised by the M&E / Learning specialist.

167. The learning from PRELNOR's experiences will contribute to policy dialogue at national and local government levels. The improved designs of CARs including introduction of RHW will be shared with MoWT and MWE with a view of recognising and designating roads as sources of rain water for both home use and for agriculture. The proposed MSP and marketing arrangements will provide platforms for market stakeholders to draw lessons from their own experiences and inform both local and central governments on the best way to organising smallholder agricultural produce marketing. The PPC will serve as a the core forum to facilitate policy dialogue.

D. Financial management, procurement and governance

Financial management

168. Based on a Financial Management Assessment (FMA) undertaken following IFAD guidelines, the PRELNOR fiduciary risk at design is assessed as medium. Mitigation measures proposed to reduce the risk to low level are discussed in Appendix 7. Similar financial management systems and processes (including audits) as used under DLSP will be used for PRELNOR; with exception that installation of approved accounting software at the PMU will be a mandatory start-up activity. District governments will continue to use tools they are familiar with such as vote books as opposed to imposing accounting software/processes on them. The PMU accounting team will manage financial consolidations and reporting. The replenishment system between IFAD and the project will cascade downwards from the PMU to the districts.

169. **GoU Treasury single account system.** The GoU, under a proposed Treasury Single Account (TSA), is negotiating with development partners (DPs) to replace project specific bank accounts for loan or grant funds with one holding account for all loan or grant funds from each partner. This single holding account per partner means that funds for multiple programmes will flow through the single account (TSA). Therefore the TSA is an intermediary, rather than a transaction account.

170. PRELNOR will be the first IFAD project in Uganda using this arrangement. Details of the changes in disbursement procedures are presented in Appendix 7. The GoU is assuring that the earmarking of funds within the GoU Integrated Financial Management System (IFMS) is enough safe guard to protect project funds even when comingled with other GoU funds in the Uganda Consolidated Fund (UCF). There are many benefits of the TSA from a conventional project accounting perspective, but also some risks. For instance, it will not be possible after the funds are put in the UCF to obtain project specific bank statements showing the transactions; project ledgers from IFMS will serve that purpose. IFAD will have to adjust its disbursement systems and procedures from a conventional replenishment system to AWPB/ report based disbursement.

171. Initially the use of TSA system will be limited to the central government ministries and agencies, there are no plans to roll this out to districts in the medium term. There will still be operational bank accounts at the districts and also for PMU given its location. These sub-accounts will receive advances from the TSA system. With the TSA system, the ASAP grant will be fully mainstreamed across all project activities and co-mingling of funds will occur at all levels: TSA, PMU, and district level. The PMU based accounting software (chart of accounts) will be structured to effectively identify the respective expenditures by both category and component, and therefore, the balances attributable to each respective funding source. The proposed funds flow is given in Appendix 7. IFAD will field a financial management mission to Uganda in November 2014 to guide on whether or not to use the TSA.

172. Other financial management aspects including for implementation partners such as the district farmers associations, community based expenses such as the payment to CBFs at village level and, internal and external audits are discussed in Appendix 7.

Procurement

173. A procurement assessment of the operations of DLSP and two districts (Gulu and Nwoya) resulted in a medium risk assessment. The gaps noted during the assessment range from inadequate procurement planning, difficulties by the districts to fully adapt the standard bidding documents (SBD), undocumented communication with bidders, flaws in contract administration. For PRELNOR, the procurement plan will follow the templates available in the IFAD procurement handbook. The GoU Public Procurement and Disposal of Assets Act (PPDA) standard bidding documents will be used; except where international competitive bidding (ICB) is used, then the appropriate World Bank standard bidding documents will be used. Procurement timelines included in the amended PPDA, especially for evaluations, will be monitored to minimise delays.

174. With the amended PPDA, thresholds have been increased. PRELNOR will apply limited bidding for services up to UGX 200 million (or equivalent in USD) for services and up to UGX 500 million for supplies and works. Most PRELNOR procurement will therefore be under limited bidding which makes the integrity prequalification exercise very crucial. IFAD No Objection will be required prior to finalising the prequalification exercise. As for DLSP, under works tenders, the PMU will support the districts with development of bidding documents, attend bid openings (as observers only) and provide constructive comments to evaluation reports and contract award decisions.

E. Supervision

175. PRELNOR will be directly supervised by IFAD with annual supervision and implementation support missions, followed initially by shorter follow-up missions as needed, organised with the participation of government. Farmers and private sector representatives will be invited to de-briefings and wrap-up meetings where necessary. Continuous implementation support will be provided to programmes from ICO-based staff and, at times, staff from other on-going IFAD supported projects in the country. Supervision will be used as an opportunity to assess achievements and lessons jointly, and to reflect on ways to improve implementation and impact. The focus of these missions will be on: (i) development impact based on progress measured against agreed indicators, joint identification of implementation challenges and solutions with implementers and beneficiaries, and agreement on actions to achieve project objectives; and, (ii) ensuring compliance with loan covenants, procurement and efficient use of project funds.

176. A mid-term review will be undertaken in 2018, jointly organised by GoU and IFAD in close collaboration with the stakeholders. The review will be undertaken to provide a new perspective of project achievements and learning.

F. Risk identification and mitigation

177. **Civil unrest.** The target area is just recovering from a devastating civil war that lasted for more than two decades. While the leader of LRA is at large, the possibility of a return to hostilities cannot be completely ruled out. If this was to happen, it would be difficult to achieve the target objectives. This is because implementation of the different activities would be in jeopardy as beneficiaries and representatives of the implementing agencies would not feel secure.

178. The recently emerged instability in Southern Sudan will affect the sub-region with the movement of refugees and asylum seekers into the area creating the risk of disrupting the effective implementation of planned activities. This would also affect the cross-border economic activities, thereby dampening the demand for the different products produced in the target area. This could be mitigated against through intensified attention to the established markets for commodities (pulses, cereals, oilseeds and tubers) in central and southern Uganda and in Kenya.

179. **Effects of past deprivations.** The capacity of the beneficiaries to sustainably absorb development interventions could be a limiting factor. This is associated with the conditions to which the majority of the target group were subjected during the course of the civil war while confined to IDP camps. Community development capacity building supported by counselling / mentoring for the worst affected community groups will be provided to the most affected households in each community.

Thus, there might be a need for rehabilitation type activities in conjunction with the development activities. The project can assist such activities by supporting close collaboration with ongoing interventions focusing on peace building and reconciliation (like that of religious leaders).

180. Continuing dependency syndrome. The transition between emergency interventions and longer-term development interventions needs to be managed with care. Emergency interventions are associated with humanitarian assistance geared towards survival in the immediate to short-term. Longer-term development interventions, on the other hand, facilitate the target group to be active participants in and beneficiaries from economic activities in a sustainable manner. However, the dependency syndrome could make the target group less willing to participate in the different development activities, especially considering that the emergency humanitarian assistance has been going on for over two decades. This can be countered by a well planned and executed communication strategy supported by the proven individual household mentoring approach to assist households struggling with the transition.

181. Limited public sector capacity. The district and sub-county local governments will have important roles in planning, coordination and supervising project implementation. Some districts, especially the new ones, have limited capacity in terms of staff numbers⁴⁵, skills, experience and facilities. The project will link with local and national partner organisations with relevant implementation and technical experience in the districts. Where appropriate, the project will provide capacity building for both local government and district farmer organisation resources which will remain in place after the project is completed to continue to deliver services.

182. Conflicting policies and interventions. Since the return of relative peace, different development interventions using different approaches have been taking place in the sub-region. The differences in approaches may confuse communities working with the project. The project will address this problem by facilitating intensified liaison within the donor agencies and regional and national levels. A major complication would be if a new programme started to distribute free farming inputs.

183. Uncertainty on the policy environment for extension services. While GoU has decided to re-orient NAADS towards agricultural inputs distribution and re-conduct the responsibility for delivery of extension services to the public sector ('single-spine system'), so far no budget allocation has been assured to cover for the gap left by NAADS and no new staff have been recruited. The delay to streamline extension is likely to render many local governments remain with inadequate staff capacities to deliver agricultural extension services. The project has addressed this by including district farmers associations in the key agencies that will deliver extension services.

Project costs, financing, benefits and sustainability

A. Project costs

184. The total project investment and incremental recurrent costs, including physical and price contingencies, are estimated at US\$ 70.98 million (UGX 205.7 billion). Taxes represent approximately USD 9.3 million. The total baseline costs are USD 62.9 million, while price contingencies account for USD 8 million, equivalent to 13% of the project costs. Table 1 below presents a breakdown of the costs by PRELNOR components and sub-components. The detailed cost tables and additional summary tables are presented in Appendix 9, Annexes 1 and 2.

⁴⁵ Some districts reported that up to 1/3 of their approved staff positions were not filled because of budget limitations.

Table 1: Project Costs by Component

Republic of Uganda Programme for the Restoration of Livelihoods in Northern Uganda Components Project Cost Summary								
	(UGX Million)			(USD '000)			% Foreign Exchange	% Total Base Costs
	Local	Foreign	Total	Local	Foreign	Total		
A. Rural Livelihoods								
1. Community planning and capacity development	6,414	4,276	10,689	2,565	1,710	4,276	40	7
2. Priority climate resilient crop production systems	30,652	9,947	40,599	12,261	3,979	16,240	25	26
Subtotal	37,066	14,223	51,288	14,826	5,689	20,515	28	33
B. Market Linkages and Infrastructure								
1. Improved market access processes	7,694	1,057	8,752	3,078	423	3,501	12	6
2. Market access infrastructure	81,863	30	81,893	32,745	12	32,757	-	52
Subtotal	89,557	1,087	90,644	35,823	435	36,258	1	58
C. Programme management and oversight	12,435	2,931	15,366	4,974	1,172	6,146	19	10
Total BASELINE COSTS	139,057	18,241	157,298	55,623	7,296	62,919	12	100
Physical Contingencies	5,370	2	5,372	2,148	1	2,149	-	3
Price Contingencies	38,900	4,133	43,033	5,344	572	5,916	10	9
Total PROJECT COSTS	183,328	22,376	205,704	63,115	7,869	70,984	11	113

185. The base cost investment in Component A. Rural Livelihoods totals USD 20.5 million (33% of total base costs) while Component B. Market Linkages and Infrastructure, accounts for USD 36.3 million (58% of total base costs). Project management accounts for 10% of base cost or USD 6.1 million, including provision for monitoring and evaluation and knowledge management.

186. **Start-up costs.** Expenditures for start-up costs can be incurred between the entry into force of the agreement and the satisfaction of the conditions of withdrawal, in order to facilitate preparation for the project. The amount and eligible categories for start-up costs will be agreed at negotiations. The request of withdrawal for start-up costs shall be accompanied by a simple budget detailing the forecasted expenditures, including a procurement plan, to be approved by IFAD.

B. Project financing

187. The project will be financed by the GoU, IFAD Loan, ASAP grant and beneficiaries. IFAD will finance 70.7% of the project costs (USD 50.2 million) through a loan to the government, on highly concessionary terms over a period of seven years. The ASAP grant will finance 14.1% of total costs (USD 10 million). The government will finance the taxes and duties (USD 9.3 million, representing 13.1% of total costs). Beneficiaries will contribute USD 1.5 million. The details of financing arrangements are shown in Table 2.

Table 2: Financing Plan by Components (USD'000)

Republic of Uganda Programme for the Restoration of Livelihoods in Northern Uganda Components by Financiers (USD '000)											
	GoU		IFAD Loan		Beneficiaries		ASAP Grant		Total		Local
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	(Excl. Duties & Taxes)
A. Rural Livelihoods											
1. Community planning and capacity development	669	14.3	3,996	85.7	-	-	-	-	4,665	6.6	1,866
2. Priority climate resilient crop production systems	1,423	8.4	4,432	26.1	1,321	7.8	9,774	57.7	16,949	23.9	4,253
Subtotal	2,092	9.7	8,428	39.0	1,321	6.1	9,774	45.2	21,615	30.5	6,119
B. Market Linkages and Infrastructure											
1. Improved market access processes	550	14.2	3,152	81.3	173	4.5	-	-	3,875	5.5	474
2. Market access infrastructure	6,028	15.4	32,908	84.0	-	-	226	0.6	39,163	55.2	13
Subtotal	6,579	15.3	36,060	83.8	173	0.4	226	0.5	43,038	60.6	487
C. Programme management and oversight	620	9.8	5,712	90.2	-	-	-	-	6,332	8.9	1,263
Total PROJECT COSTS	9,291	13.1	50,200	70.7	1,493	2.1	10,000	14.1	70,984	100.0	7,869

C. Summary benefits and economic analysis

188. The project will directly target about 81,000 individuals in about 3,600 groups across 600 villages (75 per district) through capacity building and an additional 80,000 through market access infrastructure. Indirectly, about half the households in villages where CARs will be rehabilitated will also benefit from the project. In all, the project is expected to reach 400,000 people. Expected benefits include: (i) increases in production and quality of marketable produce; (ii) reduced unit production costs through improved labour efficiency, economies of scale and productivity; (iii) higher prices due to aggregation of products and improving the market processes; (iv) increased local government tax

revenues; and, (v) consumer benefit through lower prices due to reduced inefficiencies along the market chain.

189. **Financial Analysis.** Analysis of the With and Without project crop and farm budgets for the project region shows that the project can generate significant increases in farm household incomes as set out in Table 3. From the three farm models presented, the household farm gross margin income will be increased from an average of UGX 817,427 to UGX 1,451,907. The average farm household participating will not achieve this increase in farm income in one step so the increases are phased in over a period of time. The without-project yields are based on the results of the census for agriculture-averages for northern Uganda and, where available, from the participating districts. For the with-project situation, very recent reports such as Development of Inclusive Markets in Agriculture and Trade (DIMAT) value chain analysis on cassava in Uganda and the DIMAT Situation analysis for the rice, dry beans and cassava sub-sectors in Uganda have been used (references are available on PLF). These reports show potential yields per hectare that are much higher than the increase used in this analysis. A conservative stand has been taken and restricted the yield increase to a prudent 50%, in consideration of the capacity of the farmers the project will support. For price increases, reduction of transaction costs along the marketing chain translates into higher farm-gate prices as seen in the report. This is also included in the DIMAT studies mentioned above.

Table 3: Farm Financial Models⁴⁶ With and Without Project Benefits (UGX)

Farm Models	Without Project	With Project	Increase
Maize (0.5 ha + Beans (0.3 ha) + Rice (0.2 ha)	648,780	1,234,680	585,900
Maize (0.5 ha) + Cassava (0.5 ha)	977,500	1,554,850	577,350
Beans (0.5 ha) + Cassava (0.3 ha)+ Rice (0.2 ha)	826,000	1,566,190	740,190
Simple Average	817,427	1,451,907	634,480

190. **Economic Analysis.** Project costs have been adjusted to become economic costs. The analysis (detailed in Appendix 10) shows that the project has an economic rate of return (ERR) of 12.0% over a 20-year period.

191. The benefits will not be the same for all direct project participants as some benefits that would accrue to different stakeholders of the different value chains. However, given that there is a significant capacity building element of district based service providers who will also work with other farmers, there may be additional benefits from the investment that increase the project benefits.

192. **Sensitivity analysis.** A number of scenarios were tested to establish the economic viability of the total project in the event of adverse factors. The ERR is relatively stable even with cost increases, benefits reductions and time lags.

Table 4: PRELNOR ERR sensitivity analysis

	ERR
PRELNOR Project- Base Case	12.0 %
Benefits decrease by 10%	10.9 %
Costs increase by 10%	11.1 %
Benefits lag by two years	8.5%
Benefits decrease by 10%, benefits lag by two years and costs increase by 10%	5.4 %

⁴⁶Farm models were: (i) Maize, Beans, rice 1 ha, 0.5 ha, 1 ha, (ii) Maize and cassava (1,1.5) and (iii) Beans, cassava, rice (0.5,1,1)

D. Sustainability

193. The project will encourage smallholder farmers to adapt and adjust their enterprise mix to current and future requirements on family nutrition, cash income and risk management. It is expected that any new skills on improved agronomic practices acquired through the project's activities will continue to serve farmers as they adapt other crops to changing needs. Similarly, commercial skills acquired by farmers through training in commodity marketing and through the entrepreneurship training in off-farm occupations, are expected to be applicable to other types of enterprises in the future.

194. The operators of seed multiplication sites, tree nurseries and animal breeding stock will similarly be trained to adjust their output to changing market demands and thus be able to maintain their operations after the end of the project support period. It is expected that the community infrastructure facilities will continue to operate with local governments maintaining the access roads using funds from the Uganda Road Fund and the road maintenance units recently supplied to each district. For market structures, vendors committees or contracted management companies will continue ensuring their smooth operations and maintenance of hygiene plus simple repairs, with part of the markets dues collected.

Appendices

Appendix 1: Country and rural context background

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Appendix 1: Country and rural context background

A. Country Overview

1. **Uganda is a land-locked country** which adds to the cost of doing business with the outside world. The country is positioned over 1 000 kilometres from the nearest seaport in Mombasa in Kenya which is both a constraint and an asset for Uganda. It raises the cost of imports by about 20% and of exports by about 25% relative to Tanzania and Kenya. However, domestic industries have an advantage relative to its inland neighbours, which are even more distant from the ocean. Regional trade accounts for about half of exports, with accelerating trade with South Sudan, Kenya and Democratic Republic of Congo providing opportunities for rural growth in northern Uganda. Exports account for about 16% of Gross Domestic Product (GDP) and imports about 21%. The advantages of location also come with some risks. Uganda's location among poor neighbouring countries prone to conflict has led to spill over of conflicts into the country. However, with peace coming to the north in 2008, Uganda has become more secure and stable.

2. **Since 1986 Uganda has made substantial economic and social gains.**⁴⁷ Annual economic growth has averaged about 7% per year for the past two decades, with wide disparities between regions. Government's revenue raising capacity is low at about 13% of GDP. About 30% of the government budget continues to be financed by development partners. However, substantial oil reserves were discovered in the Lake Albert Rift Basin in 2006. Oil production is expected to start in 2016, generating revenue of about USD 2 billion per year for 20 years. This is likely to enhance GDP by about 15-20%. The future challenge is to use oil revenue to reduce poverty and rural-urban inequalities and ensure lasting growth for a rapidly increasing population in the post-oil economy. International debt is about 25% of GDP. With the global recession and elections in 2011, inflation reached 25% per annum in September 2011 but in 2014 dropped to under 20%.

3. **Agriculture.** The agricultural sector accounts for about 15% of GDP and employs about 66% of the total labour force.⁴⁸ About 40% of the land area of the country is considered arable and about 30% is currently being cropped, mostly in the southern parts of the country. Rainfall along Lake Victoria reaches about 2 200 mm and declines to 400 mm in the north eastern parts of the country. With bimodal rainfall (long and short rains), most of the country has two crop seasons; production in some parts of the north is limited to one long growing season.

4. Agriculture provides about 50% of exports and a large share of the raw materials for industry. Food crops (maize, plantains, cassava and sweet potato) dominate, followed by cash crops (coffee, sugar, tobacco, tea, oil seeds and cotton), while non-traditional export crops (cut flowers and fish) are also important. About three quarters of agricultural households derive their livelihoods from subsistence rain-fed agriculture, with holdings of less than 1.5 ha. Returns to farmers fluctuate sharply as a result of rainfall variation and other climate change related factors, as well as due to price fluctuations on regional and international markets. In spite of problems of low soil fertility and high soil nutrient loss, the use of fertilizers is among the lowest in the region. Low productivity in agriculture undermines the growth potential of the economy.

5. **Basic geographic features and climate change.** Uganda is one of three countries bordering Lake Victoria and about 20% of the area of the country is covered by internal water bodies. The topography varies from mountain ranges to hilly terrain, with extensive grasslands and flatter areas in the north.

6. There has been an increase in the variability of rainfall over the past ten years, and a rise in extreme climate events, which have included both drought and flooding, with landslides, collapsing road infrastructures and windstorms. Climate change analysis for the past ten years shows a decrease in rainfall of about 8% and an increase in temperature of 0.7-1.5^o C. These changes are a result of human activities which have reduced the resilience of the ecosystem, rather than being a consequence of global climate change.⁴⁹ Uganda is considered to be amongst the most vulnerable

⁴⁷ See Annex 1 for the country economic data sheet.

⁴⁸ Uganda Bureau of Statistics 2012.

⁴⁹ A climate trend analysis of Uganda, USAID, June 2012

and least climate resilient countries due to poverty and low income diversity.⁵⁰ Its problems are further compounded by poor soil fertility, land degradation and land tenure patterns.

B. National Policy Context

7. **National policy.** The key guiding economic growth and development policy for Uganda is Vision 2040, implemented through five-year national development plans (NDP). Vision 2040 aims to 'transform Ugandan society from peasant dominated to a modern and prosperous middle income country within 30 years'. Key investments areas under the current NDP are: developing human resources and achieving gender equality; improving physical infrastructure in rural areas (roads, connectivity and power generation); ensuring the availability of inputs (including a national investment in a fertiliser plant) and the promotion of micro, small and medium enterprises in rural areas to improve value-addition; and developing national capacity for coordination and implementation of climate change adaptation activities.

8. The NDP document 'recognises that: (i) agriculture employs most of Uganda's rural population and is where most livelihoods are vested, making it an important target for addressing poverty, food security and income generation, especially of the poor and of women; and, (ii) agriculture is also the basis of growth, and thus a stimulant for other sectors i.e., industry and services as well as an important contributor to Uganda's exports' (GoU, 2013 p.10).

9. **Agricultural policy.** Uganda's current agricultural sector policy is guided by the Development Strategy and Investment Plan (DSIP) for 2010/11-2014/15. The DSIP is the principal mechanism for delivering the outcomes of Uganda's Comprehensive Africa Agriculture Development Programme⁵¹ (CAADP). The DSIP's vision is for "a competitive, profitable and sustainable agricultural sector" with the mission of "transforming subsistence farming to commercial agriculture". The six guiding principles are: (i) private sector-led and market-oriented growth; (ii) support to value chain development and the emergence of viable agro-industries; (iii) agricultural services provided to all farmer categories as individuals or in groups; (iv) agricultural extension services provided through the decentralized system of government; (v) scope for special extension services in specific areas of the country with different needs and with marginalized groups; and (vi) key agricultural resources, including soil and water, sustainably used and managed.

10. **Decentralisation policy.** The Decentralization Policy Strategic Framework (DPSF) is a framework for coordinating the efforts of various stakeholders in decentralized service delivery and poverty reduction. The current ten-year Local Government Sector Strategic Plan (LGSSP), 2013-2023, operationalises the DPSF. It provides a framework for guiding local government sector investments during the period 2006-2016 towards areas that are critical for improving democratization, service delivery and good governance. Among The LGSSP addresses the following reforms that are relevant to PRELNOR: (i) Local Economic Development, of harnessing the tripartite relationships between local governments, communities and private sector to stimulate economic growth and wealth creation at household level; (ii) community driven development (CDD); (iii) managing climate change; and (iv) more effective coordination and partnership management.

11. **District and Community access roads.** The District, Urban and Community Access Roads Improvement Plan (DUCARIP), 2006-16, based on the Strategy for Rural District Roads Rehabilitation and Maintenance, establishes improved accessibility as the guiding principle for investment in district and community access roads. The aim is to render these roads accessible and passable to motorized vehicles most of the year, particularly during harvesting seasons.

12. **Climate change agenda.** The GoU National Adaptation Programme of Action (NAPA) (2007) did not articulate policy principles and strategies but provided agreed response actions developed with a participatory approach. Several climate change policy instruments have now been adopted: the National Policy for Disaster Preparedness and Management⁵², the draft National Policy on Climate Change⁵³, and the Reducing Emissions from Deforestation and Forest Degradation in Developing

⁵⁰ International Panel on Climate Change, 2000 and Centre for International Governance Innovation, 2007.

⁵¹ Signed in March 2010 by IFAD and several other donors.

⁵² Republic of Uganda (2010). The National Policy for Disaster Preparedness and Management

⁵³ Republic of Uganda (2012). Uganda National Climate Change Policy (Final version for Cabinet approval). December 21, 2012. Ministry of Water and Environment, Kampala.

Countries (REDD) Readiness Strategy. With the rolling national development plans, these instruments articulate Uganda's climate change policy.

13. The NDP (2010) states that Uganda's development agenda must address the issue of climate change. Climate change linked with meteorology are acknowledged as an enabling sector that requires integration with other sectors of the economy for successful socioeconomic transformation. Poor management of the environment and climate change is reflects weak public sector management, which is a major constraint to Uganda's development and transformation process.

14. The NDP envisages that increasing water for production will be an important adaptation strategy to address the adverse impacts of climate change and the resultant unpredictability of weather patterns. Consequently, GoU plans a major overhaul and automation of meteorological data collection instrumentation to increase reliability of weather forecasts. These are seen as major decision support tools for agricultural production, aviation and national defence, and other sectors.

15. Consistent with the 2011 East African Community regional policy on climate change, the primary focus of Uganda's policy response to climate change is adaptation; mitigation is considered a secondary priority. This is a clear statement of policy direction that has implications not only for the institutional architecture of the climate change response but also on the current and future directions of climate change finance delivery.

16. **Recovery and development in northern Uganda.** To address the disparity between the north and the rest of Uganda, the GoU and its development partners⁵⁴ put in place a Peace, Recovery and Development Plan (PRDP) for Northern Uganda. The PRDP is a post-conflict recovery and development plan designed to eradicate poverty in Northern Uganda after more than 20 years of conflict and population displacement. It is a commitment by GoU to stabilise and rebuild the region through a set of coherent projects within one organising framework that all stakeholders are expected to adopt when implementing their programmes in the region, coordinated by the Office of the Prime Minister (OPM). The second phase of PRDP that started in 2010, and covers the entire Northern and Eastern Regions, is due to end in June 2015

C. Donor Strategies and Harmonization

17. The development partners and the government signed partnership principles in 2003 which have since guided harmonisation and alignment with government policies and plans. The Local Development Partners Group is the overarching body of 15 development partners for coordinating positions, which are mirrored by sector working groups with the relevant government ministries and stakeholders. At design, all IFAD-financed interventions have been developed on the basis of the relevant government policy framework and taking into account the interventions of other donors. IFAD regularly participates in the sector working groups for agriculture, decentralisation and private sector development. Since 2012, a Uganda IFAD COSOP Team (UCT) has been formed to provide regular reviews and inputs in the design of new interventions and portfolio implementation. It's comprised of representatives from key Government ministries plus civil society (including farmers' representatives) and the private sector.

18. Uganda's Comprehensive Africa Agriculture Development Programme (CAADP) was signed in March 2010 by Government and its development partners, including IFAD. The Development Strategy and Investment Plan (DSIP) of the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) is the principal mechanism for delivering the outcomes of CAADP. For better harmonisation and alignment with other donors supporting investments in Northern Uganda, IFAD recently joined the Northern Uganda Recovery and Development (NURD) donor group. It is also liaising closely with Dfid and EU that are designing new interventions in the north.

⁵⁴The major PRDP donor have been: (i) the Northern Uganda Social Action Fund (NUSAF) supported by the World Bank which focused on Livelihood Support Investment using the Community Driven Development (CDD) approach, community infrastructure rehabilitation, and institutional development for local governments' operations; (ii) The European Union funded Agricultural Livelihoods for Recovery (ALREP) supporting recovery and re-integration through agricultural production and productivity, and rebuilding productive infrastructure of farming; (iii) USAID's Northern Uganda Development of Enhanced Local Governance, Infrastructure and Livelihoods (NUDEIL) supporting recovery and re-integration through, rehabilitation of feeder and community access roads, water points, health and education, plus promotion of governance and democracy; and, (iv) the World Food Project (WFP) supported Agriculture and Market Support / Purchase for Progress (P4P) focused on connecting farmers to markets with rural infrastructure support including major market and satellite collection points, market access roads and strengthening market information systems.

Annex 1 Country Data Sheet - Uganda

Land area (km²) 2011 3/	241,550	GNI per capita (USD) 2009 1/	460
Total population (million) 2012 2/	34.1	GDP per capita growth (annual per cent) 2009 1/	4
Population density (people per (km²) 2011	141	Inflation, consumer prices (annual per cent) 2009 1/	13
Social Indicators		Economic Indicators	
Population growth (annual %) 2009 1/	3.3	GDP (USD million) 2011 3/	18 242
Crude birth rate (per thousand people) 2009 1/	46	GDP growth (annual %) 1/	
Crude death rate (per thousand people) 2009 1/	12	2000	5.6
Infant mortality rate (per thousand live births) 2011 3/	54	2009	7.1
Life expectancy at birth (years) 2009 1/	53	2011 3/	5.9
Total labour force (million) 2009 1/	14.13	Sector wise distribution of GDP 2011 3/	
Female labour force as % of total 2009 1/	47	% agriculture	23
Education		% industry	26
School enrolment, primary (% gross) 2010 3/	84.9%	% manufacturing	8
Adult illiteracy rate (% age 15 and above) 2012 3/	73%	% services	50
Nutrition		Consumption 2009 1/	
Daily calorie supply per capita	1971	General government final consumption expenditure (as % of GDP)	11
Malnutrition prevalence, height for age (% of children under 5) 2006 1/	39	Household final consumption expenditure, etc. (as % of GDP)	76
Malnutrition prevalence, weight for age (% of children under 5) 2006 1/	16	Gross domestic savings (as % of GDP)	13
		Balance of Payments (USD million)	

Health		Merchandise exports 2009 1/	2 478
Health expenditure, total (as % of GDP) 2009 1/		Merchandise imports 2009 1/	4 310
Physicians (per thousand people) 2008 1/	8.2	Balance of merchandise trade	-1 832
Population using improved water sources (%) 2008 1/	n/a	Current account balances (USD million)	
Population using adequate sanitation facilities (%) 2008 1/	67	before official transfers 2009 1/	-1 964
	48	after official transfers 2009 1/	-451
Agriculture and Food		Foreign direct investment, net 2009 1/	604
Food imports (% of merchandise imports) 2008 1/	13	Government Finance	
Fertilizer consumption (kilograms per ha of arable land) 2008 1/	1	Cash surplus/deficit (as % of GDP) 2009 1/	-1
Food production index (1999-01=100) 2009 1/	112	Total expense (% of GDP) a/ 2009 1/	14
Cereal yield (kg per ha) 2009 1/	1 539	Present value of external debt (as % of GNI) 2009 1/	8
Land Use		Total debt service (% of GNI) 2009 1/	0
Arable land as % of land area 2008 1/	29	Lending interest rate (%) 2009 1/	21
Forest area as % of total land area 2006 1/	18.0	Deposit interest rate (%) 2009 1/	13
Agricultural irrigated land as % of total agric. land 2008 1/	Negligible		

1/ World Bank, *World Development Indicators* database CD ROM 2011-2012
 2/ Demographic estimates based on the Census 2002 final results. UBOS 2012
 3/ Uganda Bureau of Statistics (UBOS) 2012.

Appendix 2: Poverty, targeting and gender

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Appendix 2: Poverty, targeting and gender

I. Context

A. Background

1. Following the end of the insurgency and conflicts in the northern districts and restoration of relative peace, Uganda has registered an impressive economic performance. Nonetheless its high population growth rate of 3.2% per annum – one of the highest in the world – could neutralize this achievement. The Uganda Bureau of Statistics (UBOS) estimates that Uganda has a population of 33.9⁵⁵ million people. Over half of this population is below 15 years. The dependency ratio in Uganda is 119. About three in ten households are headed by a woman. The population pyramid (Figure 1) reveals a shortage of males relative to females in the age groups 15-24, due mainly to war-related casualties in the north. Figure 2 show the distribution of households by residence.

Figure 1: Uganda Male and Female Population by age, 2012/2013

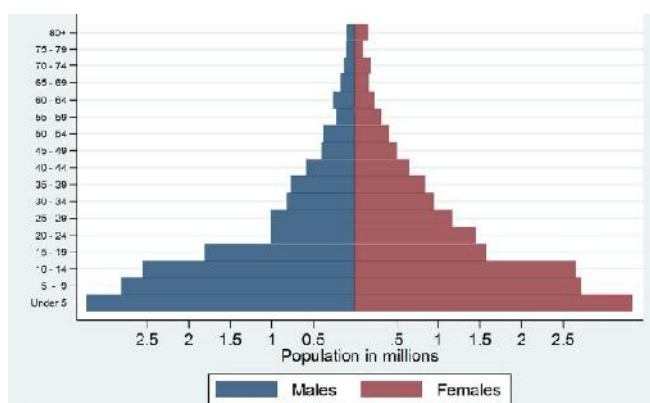
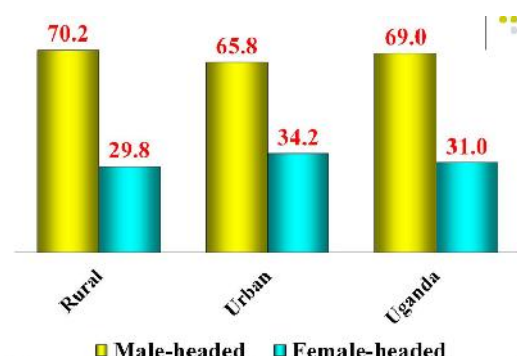


Figure 2: Distribution of HH Heads by Residence (%)



Source: UBOS UNHS 2012/2013

2. The total number of households in Uganda has increased from 5.2 million in 2005/06 to 6.2 million in 2009/10 and is currently estimated to be 7.0 million (UNHS 2012/2013).

3. According to the Uganda National Household Survey 2012/2013, 69% of households are male headed while 31% are female headed, up from 27% in 2005/06 and 30 % in 2009/10. There was an increase in the proportion of female-headed households in both rural and urban areas (up from 26% to 29% in rural areas). In Northern Uganda, 67.3% of households are male-headed while 32.7% are female headed (UBOS, UNHS 2009/2010).

4. According to the UNDP's Human Development Report 2013, Uganda's HDI value for 2012 is 0.456 (which is in the low human development category) positioning the country at 161 out of 187 countries. The rank is shared with Haiti. Between 1985 and 2012, Uganda's HDI value increased from 0.3 to 0.456, an increase of 52% or an average annual increase of about 1.6%.

5. The Ugandan population is still predominantly rural, with 77 % living in rural areas. Although the urban population increased from 15% in 2009/10 to 23% in 2012/13, the increase was partly

⁵⁵The last population census in Uganda was in 2002 and UBOS has been using projections and household surveys to make updated estimates.

attributable to the gazetting of many new town councils and municipalities when new districts were carved out of old districts.

6. Northern Uganda has been affected by conflict and major community disruptions for over 25 years with many communities relocated to internally displaced persons (IDP) camps, especially in the Acholi sub-region and Adjumani district. During the conflict and displacement period, rural households lost most of their livelihood assets. Ninety-eight percent of existing livestock were lost; homesteads and stored crops were destroyed; and the majority of farm households were unable to access their land or grow crops for over ten years. During the period in the IDP camps, children were unable to attend school and families were forced to depend on food aid for their survival. The owners of areas closest to IDP camps benefited from a high demand from less poor IDPs to rent land, but these areas came under heavy environmental stresses from over-population, firewood collection and continuous cropping without replacement of soil nutrients. The areas distant from the camps were empty, unprotected and exposed to vandalism and threats of land grabbing.

7. The population in Northern Uganda is characterized by high growth rate, high dependency ratio, high infant mortality rate, high maternal mortality ratio, high rate of adolescent pregnancies, low level of utilization of family planning services, low level of education and abundant unskilled labour, high rate of HIV/AIDS prevalence, high rate of sexual and gender based violence, insufficient household food security and income, and high rate of unsustainable utilization of natural resources.

B. Poverty

8. An estimated 6.7 million Ugandans lived in absolute poverty in 2012/13, down from 7.5 million in 2009/10. The incidence of poverty is higher in rural areas (27.2%) compared to urban areas (9.1%). The proportion of the population living below the poverty line reduced from 31.1% in 2005/06 to 24.5% in 2009/10 to 19.7% in 2012/13. This represents a 6.6 percentage point decrease in the number of people living in absolute poverty between 2005/06 and 2009/10 and a further reduction of 4.8% points in 2012/13. However poverty reduction gains in Uganda have been unevenly distributed across geographic regions, with rural areas of Northern Uganda having the highest rate of 49 % living below the poverty line and the urban areas of Western region having a low rate of 4.2%. In northern region, the number of absolute poor initially decreased from 3.5 million in 2005/06 to 2.8 million in 2009/10, but increased again in 2012/13 to 3.1 million. The increase was attributed to difficulties met by former IDPs when they returned to their former home lands and struggled to rebuild their houses and to clear land that had overgrown with bush to re-establish farming. Their per capita food consumption was higher in 2009 than it was in 2012 because, in the IDP camps, they still had access to food aid.

9. Table 1 below compares poverty rates for the last three household consumption surveys for the geographic areas most relevant to PRELNOR – namely rural Uganda, northern Uganda region, and the mid-north (or Acholi/Lango) sub-region of the north. Rural poverty declined countrywide from 34.2 % in 2005/06 to 27.2% in 2009/10 to 22.8% in 2012/13. During the same period, in northern Uganda, poverty declined from 60.7% to 46.2% to 43.7%. In rural areas of the north, 64% of the population was below the poverty line in 2005/06 compared with 49% in 2009/10⁵⁶. In urban areas of northern Uganda, the poverty rate decreased from nearly 40% to less than 20% over the same period.

Table 1: Poverty head count rate 2005/06, 2009/10 and 2012/13 (%)

	UNHS 2005/06	UNHS 2009/10	UNHS 2012/13
Uganda	31.1	24.5	19.7
Rural Uganda	34.2	27.2	22.8
Northern Uganda	60.7	46.2	43.7
Northern Rural	64.2	49.0	Not available (NA)
Northern Urban	39.7	19.7	NA
Mid-north (Acholi / Lango)	NA	NA	35.4

Source: UNHS various.

⁵⁶There is no comparable figure for UNHS 2012/13, because the survey designers opted to disaggregate the results by sub-regions within the north rather than rural/urban.

10. According to the most recent poverty survey (UNHS 2012/13), poverty levels in Northern Uganda (43.7%) remain the highest in the country (national average 19.7% poor). With only 20% of the Ugandan population, Northern Uganda accounts for 38% of the poor (National Social Protection Policy, 2013). It is further estimated that 26% of all the chronically poor live in Northern Uganda. Moreover, in the north, the absolute number of poor people increased from 2.8 million in 2009/10 to 3.1 million in 2012/13, whereas it decreased in the rest of the country. Northern region also has the highest food insecurity, with an average food consumption of 1999 Kcal/person/day region-wide. The agricultural sector is home to most of the poor and the movement in and out of poverty is highly volatile. The 2009/10 survey results show that the Northern region has the highest proportion of households engaged in agriculture (27%) compared to other regions.

11. In 2005/06, when the last large-scale national household survey was done, 69% of the population in the eight project districts was below the absolute poverty line of USD 1 per day. Since 2005/06, in the absence of a new population census, UNHS surveys have had too small a sample to update poverty figures at district level and below. The only regional disaggregated poverty data available since 2006 have been between rural and urban population for the entire Northern region (2009/10) or for mid-northern sub-region (urban and rural combined) in 2012/13.

12. The poverty rate in the mid-north sub-region, which includes the less-poor Lango sub-region in addition to the seven project districts in the Acholi sub-region, was 35.8% in 2012/13. The Acholi/Lango sub-region is the 3rd poorest after the neighbouring north east (Karamoja) sub-region and West Nile sub-regions.

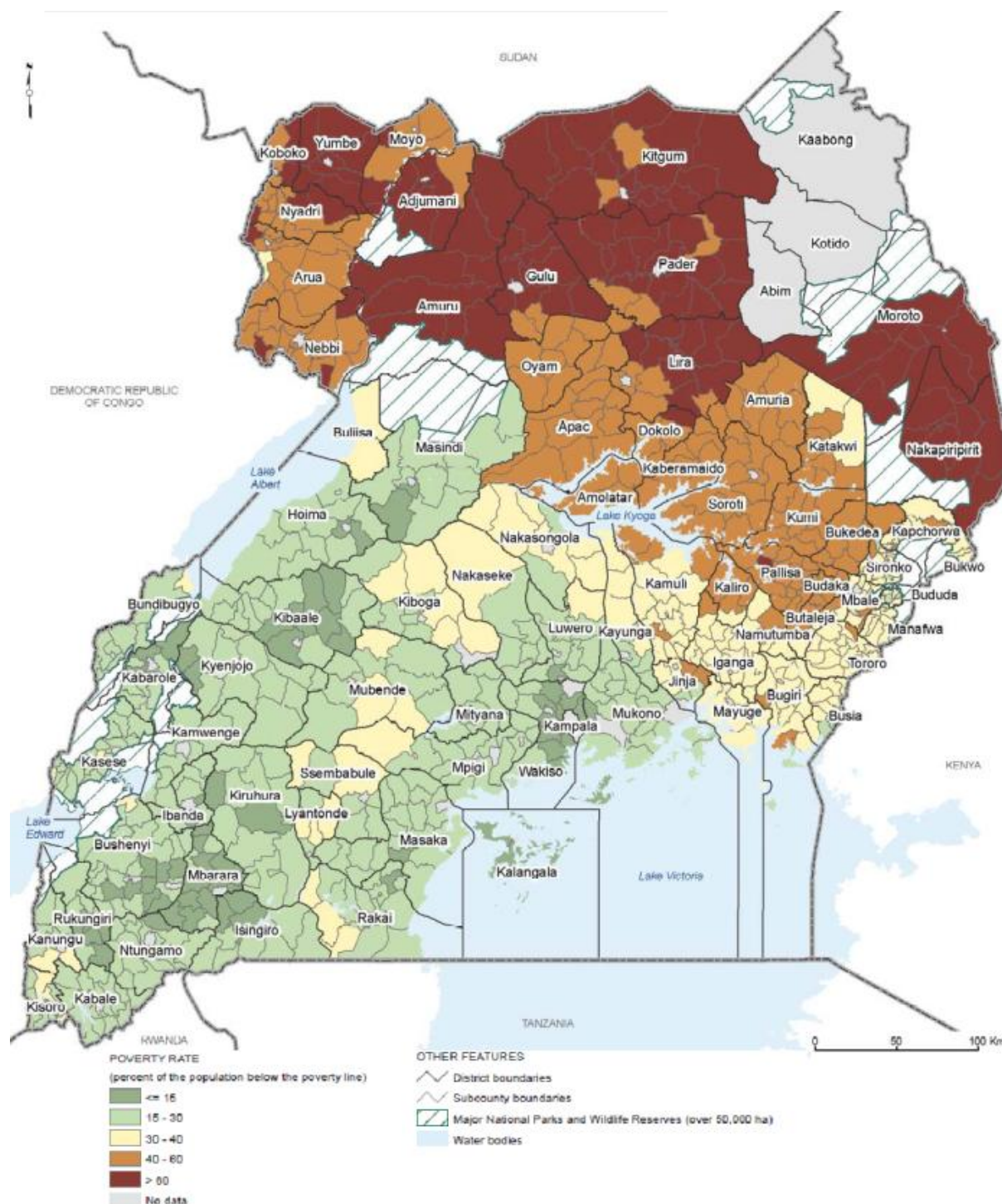
Table 2: Poverty characteristics

	Poverty Rate ¹ (p0 – headcount)	Depth ² (p1 – poverty gap)	Severity ³ (p2 – (poverty gap) ²)
National	19.7	5.2	2.0
Kampala	0.7	0	0.1
Central I	3.7	0.2	0.4
Central II	7.3	2.0	0.4
East Central	24.3	2.7	1.4
Eastern	24.7	11.3	2.0
Mid-North	35.4	18.9	3.9
North-East	74.2	22.0	17.0
West-Nile	42.3	21.2	4.7
Mid-West	9.8	13.9	0.6
South-West	7.6	4.6	0.4

- Notes:**
1. Percentage of individuals living in households with consumption per adult below the poverty line
 2. Per capita cost of eradicating poverty (in percentage of poverty line) if targeting were perfect, and there were no admin costs or incentive effects)
 3. Sum over all individuals; greater shortfall more are the further below the poverty line

13. It is likely that the aggregated poverty rate for mid-north sub-region understates the poverty situation in the project area by including the Lango sub-region, which did not suffer the long years of displacement to IDP camps that were experienced in Acholi sub-region. The 2005/06 poverty map Figure 3 (below) shows most of the project area as brick red – denoting 60-80% poor, whereas the Lango sub-region (Oyam, Apac and Lira) had a poverty rate of 40-59% (yellow ochre).

Figure 3: Percentage of rural sub-county population below the poverty line, 2005



14. According to the Poverty Status Report (May 2012), summarised in Table 3, although absolute poverty decreased between 2005/06 and 2009/10, the number of "insecure non-poor" persons increased from 33.4% of the population to 43.0%, or about 13.2 million people. These are people who, while able to meet their basic daily needs, earn incomes that are highly volatile, therefore remaining vulnerable to falling back into absolute poverty during economic troubles or illness. 3In Northern Uganda, of the 61% found to be poor by the 2005/2006 household survey, 45% escaped poverty, but 26% fell back in to poverty by the time of the 2009/2010 survey (UBOS 2013.) The proportion of the population who moved in and out of poverty in the region was 49%.

Table 3: Poverty dynamics 2005/06-2010/11 (%)

		Poverty Group (% in group)			Total
		Non-poor all 3 years	Moved in and out of poverty	Poor all 3 years	
Household Head	Female	45.9	41.5	12.6	100
	Male	47.2	43.1	9.0	100
	Kampala	88.4	11.6	0.0	100
	Central	71.8	25.9	2.3	100
	Eastern	35.0	55.0	10.0	100
	Northern	24.7	49.2	26.0	100
Region	Western	51.6	43.0	5.3	100

Source: UBOS, Statistical Abstract 2013

15. The multidimensional nature of poverty and vulnerability across different locations and social groups in Uganda is highlighted in poverty literature and statistics in Uganda. Uganda's Participatory Poverty Assessment Programme (UPPAP), for example emphasised lack of basic commodities (consumption poverty) as one dimension, but noted other self-reported aspects of living in poverty include: lack of productive assets; lack of social networks and informal support systems; ill-health and illiteracy (35% nationally, but 50% among the poor); powerlessness; lack of access to markets and community-level infrastructure; lack of productive employment opportunities (especially for the youth); vulnerability to shocks; and domestic problems such as alcoholism and domestic violence.

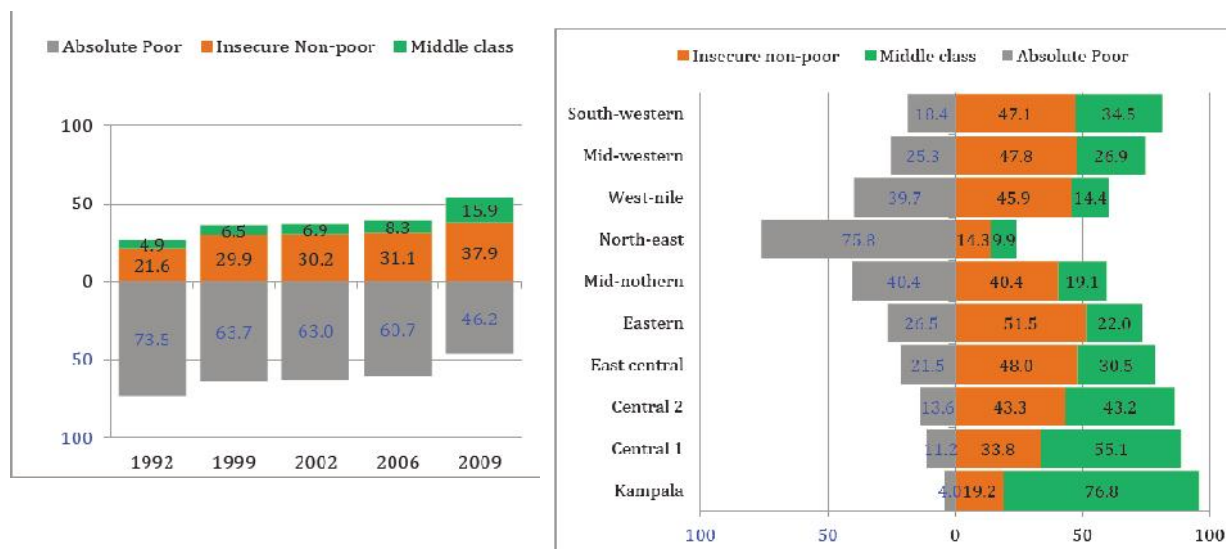
16. Literacy. In northern Uganda in 2012/13, only 48% of females over age ten were literate compared with 74% of males. The mid-north has a somewhat higher literacy rate but the gender gap remains, with a 58% literacy rate for females compared with 83% for males.

17. Employment. Countrywide, the Ugandan labour force increased from 10.9 million persons in 2005/06 to 13.4 million persons in 2009/10, an increase of 23.0%. In the mid north, the working population increased by 37.7% between 2009/10 and 2012/13 as people left IDP camps to return to farming. 79.4% of the working population in 2009/10 was self-employed. Paid employees constituted 47.4% of the work force in 2012/13 compared with 21.7% in 2009/10 and 16.3% in 2005/06. An estimated 60% of the working population were agriculture and fishery workers⁵⁷.

18. In terms of household consumption expenditure, 10% of the population has persistently remained poor since 2005/06. Female headed households are more likely to be chronically poor than male headed households. The persistence of poverty is more significant in the northern region where 26% of all the chronically poor reside. Figures 4 and 5 show the high poverty levels in Northern Uganda whereby the absolute poor are more than in the other regions and there are very few people in the middle class.

⁵⁷<http://www.africaneconomicoutlook.org/fileadmin/uploads/aeo/2013/PDF/Uganda.pdf>

Figure 4 Poor, non-poor and middle class – Northern Region (1992-2009) **Figure 5 Poor, non-poor and middle class (1992-2009)**



Source: Poverty Status Report (2012)

19. **Nutrition.** Adequate nutrition is a prerequisite for human development and socioeconomic well-being. 33% of children under five are stunted or short for their age and 14% are severely stunted (Uganda Nutrition Action Plan 2011-216). In Uganda, 5% of children under five are wasted and 2% are severely wasted⁵⁸. 14% of children under five are underweight and 3% are severely underweight. Rural children are much more likely to be nutritionally disadvantaged than urban children. Among regions, children in Karamoja have the poorest nutritional status indicators. Children whose mothers have no education are more likely to be stunted, wasted, or underweight than children whose mothers have attended school. In general, the nutritional status of children in Uganda has improved slightly over the last five years. 12% of women in Uganda are malnourished.

C. Status of Women and the Youth

20. **Women.** Like women in many African countries, Ugandan women do not receive a fair share of their immense contribution, actual and potential, to the socioeconomic development of the country. According to the Gender and Productivity Survey (2008), four out of every five women in Uganda are employed in agriculture. Many women engage in small scale farming or business - activities which normally earn little. Few women know the market for what they are selling and often under-price their produce –a clear case of poor returns for the months of labour spent in the fields. Even worse, some women will work in the family fields without any support, sell the produce and then be forced to surrender the money to their husbands, who may or may not use the money for the benefit of the family. Generally, women are more dependent than men on farm self-employment than on non-farm and formal employment, due to inadequate skills, discrimination in formal labour markets, and difficulties of combining employment with family responsibilities and care-giving, particularly to children and the sick.

21. Uganda has a Gender Inequality Index (GII) of 0.517, ranking it 110 out of 148 countries in the 2012 index. The score reflects gender-based inequalities in three dimensions – reproductive health, empowerment, and economic activity. In Uganda, 35% of parliamentary seats are held by women, and 23% of adult women have reached a secondary or higher level of education compared to 23.9% of their male counterparts. For every 100,000 live births, 310 women die from pregnancy related causes; and the adolescent fertility rate is 126.4 births per 1000 live births. Female participation in the labour

⁵⁸Children whose weight-for-height is below minus two standard deviations from the median of the reference population are considered wasted or thin.

market is 76% compared to 79.5% for men. Figure 6 compares Uganda's GII and other gender measures compared to Tanzania and the Sub-Saharan Africa.

Table 4: Uganda's GII for 2012 relative to selected countries and groups

	GII value	GII Rank	Maternal mortality ratio	Adolescent fertility rate	Female seats in parliament (%)	Population with at least secondary education (%)		Labour force participation rate (%)	
						Female	Male	Female	Male
Uganda	0.517	110	310	126.4	35	23	23.9	76	79.5
Tanzania (United Republic of)	0.556	119	460	128.7	36	5.6	9.2	88.2	90.3
Sub-Saharan Africa	0.577	—	475	105.2	20.9	23.7	35.1	64.7	76.2
Low HDI	0.578	—	405	86	19.2	18	32	56.4	79.9

Source: UNDP, 2013; Human Development Report

22. As for decision making, only 38% of currently married women participate in decisions relating to their own health care, major household purchases, and visits to their family or relatives, (UNFPA: 2013).

23. Other challenges to attaining gender equality in Uganda include discriminatory cultural practices, harmful traditional practices and attitudes, the traditional division of labour according to sex that exerts greater demands on girls, family instability, certain religious beliefs that reinforce negative cultural practices, an insecure environment in and outside school that reinforces the physical, social and psychological conditioning of girls, and, lastly, the different motivational force on boys and girls that is reinforced by parental, societal and school expectations. Even when they are able to attain some education, women still face challenges in employment. A survey on Gender and Productivity by the Uganda Bureau of Statistics (2008) indicated that 46% of women in the labour force are unpaid while only 18% of men in the labour force are classified as unpaid. This means that women and men have significantly different access to income.

24. Awareness of gender issues among district staff in the project area was found to be high and the issues are captured in the district development plans (DDP). Appendix 3 highlights selected gender issues from the Adjumani DDP.

25. Gender roles in farming. According to a rapid rural appraisal⁵⁹ (RRA) of farming and livelihood systems undertaken in 2014 to inform the design of PRELNOR, 70% of households surveyed were male headed, 25% female headed, and 5% were child-headed. The average household size was ten members. Agricultural labour is largely supplied by family members, and was cited as inadequate for the amount of labour required on the farm. Availability of hired labour is also limited due to competition with other farms. Most land is held under customary tenure with access based on the membership of a community, clan, or family. Customary land rights are generally patrilineal and women access land through their husbands. Upon the husband's death, in some cases, the husband's relatives expel the widow from the land that she previously farmed with her deceased husband. Presently, there are some land conflicts following the return of communities from the IDP camps. Disputes are mainly related to boundaries and ownership at an individual, family, and clan level. These conflicts are currently being resolved largely through the traditional cultural institution- the Rwot.

26. Vegetable production is associated with women while rice, cassava and maize are associated with men. In general, crops grown for cash are perceived as male crops and those grown for home consumption as women's crops. Generally across the districts in Northern Uganda, women participate less in marketing, even for crops that they manage such as simsim. Once the crop is ready for marketing, men take control. Men also have control over production and marketing of crops perceived as lucrative. However, in Adjumani, women were found to have more room for decision-making concerning crop suitability and crop allocation.

⁵⁹Rapid Rural Appraisal Report of Northern Uganda. Mwongera, C., K. M. Shikuku, J. Twyman, L. Winowiecki, A. Ampaire and M. Koningstein. 2014.

27. There were gender differences in the perception of the most important crops. For example, the male group in Gulu selected cassava, groundnut, and sesame, all cash crops. The women group selected beans (a subsistence food crop), cassava, and sesame. Cassava is valued as enhancing household food security, because it can survive in poor soils and low rainfall, therefore women classified it as a very important crop.

28. Status of the Youth. The Uganda National Youth Policy (2001) defines the youth as all young persons, female and male, aged 12 to 30 years. By this definition, this group makes up over 80% of Uganda's population. However, the legislative definition of the youth given by the 1995 Constitution of the Republic of Uganda and UBOS indicates the age bracket of 18-30 years. Uganda has the world's youngest population with over 78% of its population below the age of 30 years. Although Uganda is making strides economically, it faces significant challenges in meeting its young peoples' needs today and their challenges tomorrow as the population continues to grow at a rate of 3.2% annually.

29. Youth in Uganda are disadvantaged with regard to employment, careers and livelihoods, access to adequate livelihood opportunities. With the majority of youth lacking the requisite skills, the informal sector has become the major alternative source of employment and opportunities for job creation⁶⁰. Youth in rural areas have resorted to small scale agriculture while those in the urban setting are into the petty trade and artisanship. However, youth seeking to start their own enterprises are faced with challenges in obtaining access to credit. Overall, 12% of all youth in the country are chronically poor. Available data also demonstrates higher poverty rates among the 12-17 year olds compared to the 18-30 year olds. Young women experience a higher prevalence of poverty than young men.

30. Youth in Northern Uganda face unique challenging situations as a result of conflict, violence and environmental issues. They have remained the poorest in the country with the lowest levels of access to schools, lowest rates of wage employment and one of the lowest rates of skills training (USAID, 2011). Young women are especially vulnerable, experiencing psychological and physical hardships as a result of conflict, abuse, and traditional systems that disempower women. There is a generally a mismatch between young people's needs and available interventions. In order to develop appropriate programmes and services for the young women and men, there is need to consult them, acknowledge their significant potential as well as seek to create a substantive role of youth to build their confidence and leadership skills.

Within PRELNOR, poor youths will be reached as members of their parents' households or as young heads of households through the mentoring approach. After building their food security and self-reliance, young women and men will be encouraged to become members of the already existing farmer groups or form their own groups. In addition to supporting youths as members of farmer groups, PRELNOR will offer technical support to youths interested in value addition and provision of agricultural services. Youth farmers can also opt for additional income generating activities within the value chain (seed multiplication, oxen-ploughing, transport, processing, etc.).

II. Policy and Institutional Response

31. With the development of a National Gender Policy (NGP) in 1997, and its revision in 2007, the Government of Uganda put in place a framework to ensure that all Government policies and programmes, in all areas and at all levels, are consistent with the long-term goal of eliminating gender inequalities. The aim of this policy is to guide all levels of planning, resource allocation and implementation of development projects with a gender perspective. The emphasis on gender is based on the recognition that "gender" is a development concept useful in identifying and understanding the social roles and relations of women and men of all ages, and how these impact on development.

32. Uganda is a signatory to various international agreements on gender equality, a principle that is enshrined and guaranteed in the 1995 constitution. These include the Convention on the Elimination of all forms of Discrimination against Women, the Beijing Platform of Action and the Millennium Development Goals (MDG). Uganda has some of the best policy and legal frameworks on gender equity in Africa and the developing world. However, the practice, implementation and enforcement of the mechanisms are lacking.

⁶⁰ AAU, DRT, UNNGOF. (2012). Lost Opportunity? Gaps in Youth Policy and Programming in Uganda

33. The introduction of universal free primary education in 1997 and free secondary education in 2007 have dramatically improved gender parity in education. It has led to a general increase in women's access to education, with the ratio of girls to boys in primary, secondary and tertiary institutions reaching 1.00, 0.84, and 0.79, respectively, in 2009/10. The past two decades have also seen women take an increased role in the public sphere. The number of women in parliament reached 130 in the current parliament, out of a total of 375 members. There were 98 in the previous assembly. Moreover, parliament appointed a female speaker for the first time in 2011.

34. Uganda has enacted legislation against domestic violence including two major pieces of legislation which came into force in 2010: The Domestic Violence Act and the Prohibition of Female Genital Mutilation Act. However implementation remains a major issue, especially in rural communities, where ensuring societal cohesion and harmony often overrides seeking justice from the impersonal, costly criminal justice system. This means many cases of violence against women never make it to the local police station. Other obstacles to implementation include the adoption of required implementing regulations and the allocation of an adequate budget for enforcement.

35. Land is central for access to finance, especially in Africa's collateral-based banking systems, and is a key resource for enterprise development. Some customary land laws explicitly give land rights to men, some are gender-neutral, and others recognize the rights of women to own land. In many cultures, intestate succession laws exclude customary or lineage land from property that can be inherited by the widow on the death of her husband. Instead, the land follows customary rules of inheritance, usually to a male heir. Ninety percent of the land in the project area is held under customary tenure.

36. Recognizing the plight of the youth, the Government of Uganda has made efforts to support them. The country wide Youth Livelihood Programme recently commenced and will be implemented in a phased approach starting in 27 districts. The project will be coordinated by the Ministry of Gender, Labour and Social Development (MGLSD). The project has two main components namely; skill development and livelihood support.

III. Target Group and Targeting Approach

A. Project area and geographic targeting process

37. The project area has eight districts including Agago, Amuru, Gulu, Kitgum, Lamwo, Nwoya, and Pader in the Acholi sub-region together with the adjoining district of Adjumani, which belongs to West Nile sub-region. The estimated population in this project area is 2.13 million people, of which 1.76 million are rural, or about 300,000 households. The project is expected to reach 140,000 households, representing about 400,000 people.

38. The seven districts in Acholi sub-region share a common ethnicity (Acholi), culture and language (*luo*). Adjumani district, which is located on the opposite side of the Nile from the rest of the West Nile sub-region, shares similar agro-ecological characteristics with Agago and Nwoya districts in Acholi sub-region, but has a different dominant ethnic group (Madi), language and culture from the districts in Acholi sub-region.

39. All eight districts were severely affected by armed conflict between the Lord's Revolutionary Army and central government forces from 1986 to 2006. Most of the rural population was displaced into IDP camps during much of the period. During the whole period, most households – except those whose homes were within 2-3 km of the camps, were prevented from accessing their farm land, and were forced to rely on food aid for their subsistence. The IDPs began to move from the central IDP camps to smaller satellite camps in 2007/08 and from the satellite camps to their original villages in 2009/10.

40. As shown by Table 5 below, there are wide differences between the eight districts in their population, land area and numbers of administrative units. Adjumani has the highest population with over 380,000 people, accounting for 21.8% of the total project area population, whereas Nwoya has the lowest population, with 45,000 inhabitants and 2.6% of the project area population. Poverty rates at the time of the last large-scale household survey ranged from a high of 76% poor in Amuru district to a low of 62% in Adjumani district.

Table 5:PRELNOR project district population and selected poverty indicators at the time of the last large scale household survey

District	UNHS 2005/06		Share of project area population	Poor individuals (UNHS 2005/06)	Rural poverty rate (UNHS 2005/06)	District share of rural poor in all project districts
	Total population House holds	Individuals				
Adjumani	27429	144705	13%	89172	62%	12%
Agago	36297	185293	17%	126897	68%	17%
Amuru	28920	137352	13%	105011	76%	14%
Gulu	36526	180002	17%	123323	69%	17%
Kitgum	23363	126236	12%	93906	74%	13%
Lamwo	25210	116957	11%	78490	67%	11%
Nwoya	9618	41108	4%	26838	65%	4%
Pader	27372	134305	13%	91181	68%	12%
All districts	214735	1065958	100%	734818	69%	100%

41. As shown in Table 6 below, Adjumani district has the smallest land area (2,318 km²) and Lamwo district the largest (5588 km²). Population density ranges from a high of 165 people per km² in Adjumani to a low of 15 persons per km² in Nwoya district. Likewise, poverty density is highest in Adjumani with 38 poor people per km² and lowest in Nwoya with 9 poor people per km².

Table 6: Land area, population density and poverty density in PRELNOR districts

Project District	Rural population estimate 2014	District land area km ²	Population density/km ² 2014	Poverty head count UNHS 2005/06	Poverty Density (poor people/km ² 2005/06)
Adjumani	383,200	2318	165	89172	38
Agago	290,600	3494	83	126897	36
Amuru	177,700	3602	49	105011	29
Gulu	251,000	3448	73	123323	36
Kitgum	200,600	3957	51	93906	24
Lamwo	168,300	5588	30	78490	14
Nwoya	45,500	3005	15	26838	9
Pader	239,700	3359	71	91181	27
All Districts	1,756,600	28770	61	734818	26

42. There are also considerable differences between project districts in the number of sub-counties, parishes and villages, as shown in Table 7 below. In the total project area there are 71 sub-counties, 363 parishes and over 3200 villages, with an average of 5 parishes per sub-county and 9 villages per parish. The number of sub-counties per district ranges from a low of 4 in Nwoya and Amuru districts to 13 in Agago district. The number of villages range from a low of 130 in Nwoya to 888 in Agago. Adjumani district, with 21% of the project area population, has only 188 villages, with an average population of 2038 inhabitants per village. Agago district, on the other hand, has the highest number of villages (888) and the smallest population per village (327).

Table 7: PRELNOR project area administrative units and estimated rural population 2014

PRELNOR	Number of administrative units 2014				Rural population 2014	Average parishes per sub-county	Average villages per parish	Average population per village
	District	Sub county	Parishes	Villages				
1	Adjumani	9	54	188	383200	6.0	3.5	2038
2	Agago	13	67	888	290600	5.2	13.3	327
3	Amuru	4	29	317	177700	7.3	10.9	561
4	Gulu	12	54	277	251000	4.5	5.1	906
5	Kitgum	9	46	442	200600	5.1	9.6	454
6	Lamwo	9	43	344	168300	4.8	8.0	489
7	Nwoya	4	22	130	45500	5.5	5.9	350
8	Pader	11	48	630	239700	4.4	13.1	380
	Average	71	363	3216	1756600	5.1	8.9	546

43. In response to evaluation findings that previous IFAD projects in Uganda spread resources too thinly, under PRELNOR, project resources will be concentrated in a limited number of sub-counties, parishes and villages, to maximize their potential contribution to poverty reduction. Each project district will select sub-counties on the basis of poverty levels, as well as production and market potential⁶¹. The number of administrative sub-units to be covered in each district will be determined on the basis of each district's share of the total rural poor. Two sub-counties will be included for Nwoya and Amuru districts (each with only 4 sub-counties) and up to four sub-counties in each of the other six districts. The targeting approach at parish and community level will combine social mapping with agro-ecological mapping and, current and planned community access roads (CAR) to identify areas where there is potential to increase production of crops required by markets.

44. The assumptions used in costing capacity building on the various administrative levels are illustrated in Table 8 below. In total, the project would cover 25 sub-counties, 100 parishes and 600 villages. If all districts were to cover an equal number of villages, the average for each district would be 75 villages. There would be an average of 4 parishes per sub-county and 6 villages per parish.

Table 8: PRELNOR planned coverage of administrative sub-units (estimated for costing purposes)

Total Units in District				PRELNOR planned coverage ¹		
District	Sub-counties	Parishes	Villages	Sub-counties	Parishes	Villages
Adjumani	9	54	188	3	12	72
Agago	13	67	888	4	16	96
Amuru	4	29	317	2	8	48
Gulu	12	54	277	4	16	96
Kitgum	9	46	442	3	12	72
Lamwo	9	43	344	3	12	72
Nwoya	4	22	130	2	8	48
Pader	11	48	630	4	16	96
Total	71	363	3216	25	100	600

Note:1. Used as the basis for costing of capacity building at sub-county, parish and village level

⁶¹Note: sub-counties with low production and market potential may not be eligible even if they have the highest poverty incidence.

45. To maximize the project's contribution to poverty reduction, resource allocation between districts will be adjusted on the basis of the number of poor people found in each district. The adjustment process is illustrated below in Table 9. As a result of its relatively low population and number of poor, in Nwoya district the project will work in only 25 villages, whereas in Adjumani, Amuru, Kitgum, Lamwo and Pader the project will cover 75 villages and in Gulu and Agago the project will cover 100 villages. The selection criteria and setups to be followed for selection of project sub-counties, parishes and villages are outlined in Appendix 4 – Detailed Project Description. For a fuller description of data sources to be used and which stakeholders are to be involved in the selection process on each administrative level, see Appendix 5 – Institutional Aspects and Implementation Arrangements.

Table 9: Adjusted targets for PRELNOR coverage of administrative sub-units and villages based on the number of poor rural people

District	Rural poor headcount (UNHS 2005/06)	District share of rural poor	Number of project villages based on poverty	Adjusted number of administrative units for PRELNOR (rounded off)		
				Villages	Parishes	Sub-counties
Adjumani	89172	12.1%	73	75	12	3
Agago	126897	17.3%	104	100	16	4
Amuru	105011	14.3%	86	75	12	3
Gulu	123323	16.8%	101	100	16	4
Kitgum	93906	12.8%	77	75	12	3
Lamwo	78490	10.7%	64	75	12	3
Nwoya	26838	3.7%	22	25	8	2
Pader	91181	12.4%	74	75	12	3
All districts	734818	100.0%	600	600	100	25

46. Table 10 below suggests targets for each project district in terms of the numbers of farmer groups, farmer group members and numbers of household to be covered by household mentoring. These targets are calculated on the basis of the district share of the rural poor in the project area. The project aims to cover 18,000 farmer groups with 54,000 members, plus 10,000 vulnerable households, for a total of 64,000 households, or roughly 21% of total rural households in the eight districts.

Table 10: Targets for PRELNOR coverage of farmer groups, group members and mentoring of vulnerable households by district (on the basis of poverty)

District	Poor rural people	District share of rural poor	Target farmer groups	Farmer group members	Mentee HHs	Total HHs covered
Adjumani	89172	12.1%	218	6553	1214	7767
Agago	126897	17.3%	311	9325	1727	11052
Amuru	105011	14.3%	257	7717	1429	9146
Gulu	123323	16.8%	302	9063	1678	10741
Kitgum	93906	12.8%	230	6901	1278	8179
Lamwo	78490	10.7%	192	5768	1068	6836
Nwoya	26838	3.7%	66	1972	365	2337
Pader	91181	12.4%	223	6701	1241	7942
Total	734818	100.0%	1800	54000	10000	64000

47. The targets for number of villages in Table 8 are based on the assumption that an average village has a population of 550 and around 100 households. However, in Adjumani, where the average village has 400 households, it would be acceptable for the project to support fewer villages and to cover proportionately more farmer groups and mentored households per village. Conversely, in Agago, Nwoya and Pader districts, where the average village is six times smaller than in Adjumani, the project will need to cluster 2-3 adjacent villages with at least 100 households per cluster in order to reach the desired level of coverage.

48. The allocation of resources between districts on the basis of poverty will need to be adjusted at the Mid-term Review, on the basis of the new population figures emerging from the planned 2015 population census. It is expected that the new population census will be followed by another large-scale household consumption survey, which may have a large enough sample to enable UBOS to update its estimates of the percentage of the population below the poverty line at district and sub-county level.

B. Characteristics of the Target Group

Definition of target groups

49. PRELNOR will target four main sub-groups as described below. A common issue across the groups are low levels of social capital because of the severe dislocation as the communities and individual households were displaced and have now returned to a changed environment with fewer resources and less experience to make use of these resources. They have effectively lost 15-20 years of experience and opportunities to build their family resources and capabilities.

50. For farmer group activities, the project will target three categories of households: (i) **food insecure households**, who do not have enough land or resources to produce enough to cover their food needs and are interested mainly in increasing production for home consumption; (ii) **food secure households** who are still vulnerable to climatic or other shocks to their livelihoods but want to improve their agricultural productivity; and, (iii) **market oriented households** with adequate land and some skills which they wish to use to increase their surplus production available for sale. These households will participate in the project as members of existing or new community groups, which will be selected on the basis of their cohesion, inclusiveness and demonstrated commitment to farming. These households will be identified during the initial community consultation process which will focus on ensuring that all community members take part in the process, rather than just setting up farmer groups which would only be of interest to households already producing for markets. Options to participate in common interest groups (CIG) or start-up farmer field school (FFS) should make participation more attractive and allow households to understand the opportunities that may be available with more advanced FFSs or SME groups without a need to for early commitment.

51. In addition, the livelihoods component will target **vulnerable households** who are currently isolated from community groups, with the aim of building their food security and self-reliance to enable them to join groups and benefit from development initiatives.

52. **Gender and youth targeting** will be treated as crosscutting issues, with the aim of empowering women and youth both as members of farmer groups and as individual members of vulnerable households. The project will set a lower limit of at least 33% female for membership in farmer groups and 40% for women's representation in group leadership and decision making committees. Actual participation of women is likely to be much higher, because many farmer groups began as VSLA groups, in which women constitute 70% of total members. Household mentoring will target all adult family members including husbands, wives and children of working age.

Characteristics of target groups

53. Typical farm households in the project area barely produce enough food for subsistence. They are vulnerable to climate shocks (drought and flood) and face declining yields due to declining soil fertility. They are risk averse and, without intensifying / improving their production systems, cannot readily increase production. They have a focus on food-security, taking account of their perceived risks such as climate change. Even when they can become food-secure, they face issues such limited production and marketing experience, limited links to the local farming community, lack of household resources to buy seeds and seedlings, and inadequate skills among the younger family members to engage in alternative off-farm occupations. While some poor farmers may rely on animal traction

services through their neighbours, many households are handicapped by lack of access to oxen and suitable equipment. (For details see Appendix 4 – Household Characteristics by Wealth Group).

54. The vulnerable households targeted for household mentoring correspond to a subset of the chronic poor, who account for approximately 19% of the project area population (57,000 households). There are two categories of chronic poor, those who have no active labour and depend on social protection for their survival, and the “poorer of the active poor,” who have some farm land and some labour force, but are still poor in spite of their efforts to make a living. The active poor among the chronic poor typically possess farm land but can only cultivate a few acres due to weak labour force and lack of the economic means to hire labour for bush clearing, land preparation and weeding. Many of these households are headed by women. They have low levels of education, high dependency ratio, malnourished children, poor hygiene and sanitation, and cannot afford to keep their children in school. They engage predominantly in subsistence production and are poorly integrated in social groups, which makes it difficult for agricultural programmes to reach them. The project will support this category of households through a combination of household mentoring and a small, one-off food security grant. The vulnerable households will be identified by the communities during the village entry and participatory situation analysis through wealth ranking and social mapping.

C. Targeting Mechanisms

55. The first level of targeting is geographic, through selection of the poorest districts and the poorest sub-counties within those districts. The second level involves within-village targeting through the application of beneficiary selection criteria. The third level of targeting is intra-household targeting of women and youths. The project also makes use of self-targeting measures, by focusing on value chain development for crops like maize, cassava, beans and rice which are both food and cash crops and whose cultivation is within the economic means of the average smallholder. Procedural measures have also been examined to ensure that the timing and location of training facilitates women's participation and that proposed technical innovations are affordable and low risk for poor smallholders. Enabling measures aimed at creating and sustaining a policy and operational environment favourable to poverty targeting amongst partners and stakeholders have also been adopted. For an overview of targeting mechanisms see Appendix 1: PRELNOR gender checklist for design (at the end of this Appendix).

56. **Geographic Targeting:** Within the eight districts, resources for the Livelihoods component will be distributed according to each district's share in the total number of rural poor at the time of the last large scale poverty survey (2005/06). To avoid spreading resources too thinly – as happened with the District Livelihoods Support Programme (DLSP) – the project will target 600 villages in 100 parishes of 25 sub-counties (out of a total of 71 sub-counties, 363 parishes and 3,216 villages). Project sub-counties will be selected by district stakeholders through a participatory ranking process on the basis of agricultural and market potential and relative poverty. Since there are no poverty statistics at parish level, parishes will be selected by sub-county level stakeholders primarily on the basis accessibility and agricultural/market potential. Villages will be selected by parish level stakeholders on the basis of the presence/absence of dynamic farmer groups with good market potential.

57. **Direct targeting:** Households to be mentored will be selected by the communities using participatory methods such as wealth ranking. The project will target poor households who have the physical and mental capacity and the personal commitment to make and implement an action plan to get themselves out of poverty. Junior farmer field life schools (JFFLS) may be started for young farmers. During the participatory planning process during village entry, existing farmer groups will be ranked and prioritized by villagers based on each group's internal cohesion, democratic process, social inclusiveness and proven commitment.

58. **Enabling Measures:** These are measures that are designed to create and sustain a policy and operational environment favourable to poverty targeting amongst partners and stakeholders. Such measures will include (a) integration of responsibility for poverty, gender and youth targeting in the TORs of the project coordinator and all relevant technical officers; (b) inclusion of a sociologist / community development specialist as a member of the project management unit (PMU), with explicit responsibility for mainstreaming a poverty and gender focus throughout the project and for overseeing the implementation of Livelihoods sub-component A.1 Community planning and capacity development and A.4 Support to vulnerable households and groups. One of the sociologist's first activities will be to prepare a gender mainstreaming strategy for adoption by the project. To enhance gender equality, the

project will sensitize farmer groups, vulnerable households and project implementers (including government and service providers) on gender issues in agricultural value chains and issues such as unequal division of labour, women's land rights, alcohol abuse, gender-based violence and HIV/AIDS.

59. Empowerment and capacity-building measures: PRELNOR's interventions will be widely publicized through various forms including community meetings and FM radio for transparency and community buy-in. The village entry process will involve the use of simple participatory situation analysis and planning tools that include all community members in the start-up processes. Community processes will be used to identify the very poor, vulnerable households to benefit from household mentoring. The project will set a quota of at least 33% females for participation in farmer groups and 40 % female participation in leadership positions within groups, associations and cooperatives. There will be a target of 50:50 for females and males to be recruited as CBFs and household mentors. However, it is likely that the requirement of O-level education will restrict the number of females in the pool of eligible candidates. There will be leadership training to build confidence of men, women and youth from poorer households to accept leadership roles. The Tools from Gender Action Learning Systems (GALS) approach will be used to enhance empowerment, negotiation and harmony (within groups and households).

60. Attention to procedural measures that could militate against participation by the intended target groups: (*such as, excessive beneficiary contributions; cumbersome legal requirements, etc.*). No community contribution will be required from communities to benefit from rehabilitation of community access roads (CARs) or construction of satellite markets. Initial farmer group activities will have limited or no need for household contributions. However, more developed groups or individuals moving into commercial income generating activities would be expected to make a significant contribution (cash and/or kind) to the planned investment. Since women find it difficult to leave their family responsibilities to participate in classroom-based residential training outside their own parish, capacity building has been designed to take place primarily in the village and the parish. Service providers will also be required to consult women about the best time of day and location for meetings.

61. Monitoring targeting performance: The PMU sociologist will be responsible, with the assistance the PMU M&E specialist, for monitoring project effectiveness in targeting women, youth, food insecure households and vulnerable households. The Women Empowerment in Agriculture Index (WEAI) will form part of the baseline survey and Results and Impact Management System (RIMS) data collection and reporting. All data will be disaggregated by sex and age with due qualitative analysis. The targeting mechanism will be reviewed at the mid-term review (MTR) to assess its effectiveness and suggest modifications, if needed.

IV. Project interventions

A. Project start-up and geographic targeting process

62. At project start-up, after sensitization of leaders at district, sub-county and parish level, each of the eight project districts will select sub-counties for project intervention on the basis of poverty incidence, as well as production and market potential. The target number of sub-counties, parishes and communities to be selected in each district will be determined by the PMU on the basis of each district's share of the total rural poor in the eight districts. As soon as the selection of sub-counties is finalized, each of the project sub-counties will select four parishes with high production and market potential and large concentrations of poor households. Parish-level stakeholders will select a pre-determined number of villages within each project parish, on the basis of agricultural production, market potential and the existence of cohesive, dynamic and socially inclusive community / farmer groups. Priority will be given to communities that are expected to benefit from road rehabilitation (for details see Appendix 5: Institutional aspects and implementation arrangements).

B. Community entry, participatory planning and beneficiary selection

63. The community entry process in each village will involve community mobilization, sensitization, participatory situation analysis, NRM mapping and planning, culminating in beneficiary selection. Beneficiaries will be selected by community members on the basis of a participatory wealth ranking. Every household will be identified on a community-drawn social map, and classified according to which wealth category it belongs to. Existing community groups such as farmer groups, self-help

groups, rotating exchange-labour groups and VSLA groups will be identified, analysed and ranked according to their cohesiveness, social inclusiveness, activities, achievements and sources of external support. Poor households isolated from groups will be identified and their situation analysed, as a basis for selecting up to ten poor households to benefit from one-to-one household mentoring (for details see Appendix 5).

C. Farmer group strengthening and non-technical capacity building

64. Once the farmer groups have been selected, they will receive capacity building in: governance, leadership and group dynamics, visioning, gender action learning system (GALS), business action planning, basic financial literacy, record keeping and savings mobilization. However, the project faces huge challenges in building the capacity of farmer groups due to the limited presence of agriculture, natural resources and community development staff in most of the project districts. Two capacity building approaches will be used: contracting training of trainers (ToT) for cascade training of existing district and sub-county staff, where available, and, when necessary, contracting implementing partners who would recruit and train their own staff to provide training directly to farmer groups. For sustainability, a key activity will be to identify and train community-based facilitators (CBFs) living in the parish who will remain in the parish to follow-up with groups in the absence of sub-county or implementing partner staff.

65. Capacity building in group governance, leadership and group dynamics and group registration will be delivered directly to farmer groups by district community development officers (DCDO) and their staff through cascade training. Capacity building in visioning and GALS will be provided by contracting qualified GALS trainers (see below). Capacity building in business action planning, basic financial literacy and record keeping will be provided directly to district community development staff and farmer groups by a contracted service provider.

66. **Gender training for farmer groups:** Selected tools from the GALS Module 3 – gender and value chains - will be used for gender sensitization, awareness creation and to promote equitable participation of women and men in agricultural production and marketing. The visioning tool, for example, will be used initially with the group as part of the participatory planning process. This will then provide the basis for enterprise development and business planning. Once group members have mastered the methodology, they will be encouraged to replicate the visioning exercise at the household level. The CBFs will provide peer support to individual members to address challenges raised at the household level. Other tools such as the gender balance tree, challenge action tree, livelihood road journey, income and expenditure tree, will be used flexibly according to the context.

D. Household Mentoring

67. Household-focused methodologies are designed to assist household members to make the most of their opportunities, helping them to identify and overcome obstacles and, quite simply, to change their lives for the better. In this methodology, household members take responsibility for the change they want to see, and they work closely with each other, their friends and the community to make change happen. The overall purpose is to create stronger, more resilient, sustainable smallholder livelihood systems by achieving greater gender equality at the household level.

68. The focus of household mentoring will be on vulnerable and poorer households who often self-exclude themselves from mainstream development initiatives, including group membership. Selected households will be mentored by trained mentors in order to: change their mind-set and restore hope for improved livelihoods; and, share knowledge, skills and information to foster the personal, social and economic growth of the household members. Household mentoring has been used on other IFAD projects in Uganda and as part of community development projects in Kenya, Zambia and Malawi. The mentoring process will be much more challenging in northern Uganda because of the long periods that families stayed in the IDP camps causing major disruptions to normal family activities and development.

69. PRELNOR's implementation of the household methodologies will be informed by lessons learnt from the DLSP. Under DLSP, the methodology was implemented through the Ministry of Local Government (MoLG), however a service provider from Kenya was contracted to train a cadre of staff from the MoLG on these methodologies. The household mentoring approach under DLSP generated both direct and indirect benefits including improved homesteads, better sanitation and attainment of

basic planning skills and better nutrition. A study commissioned by IFAD Technical Advisory Unit (2012) highlighted several achievements, see box 1.

Box 1

Achievements of household methodologies under DLSP

- Creating partnership between households and their mentors.
- Acquisition of skills i.e. action plan, family bonding when planning and implementing
- Building confidence of the household for their transformation and exit from poverty
- Women/men and adult children working together
- All family members are involved in planning of family affairs
- Reasonable change in roles – planning, collective decision-making, selling produce and benefiting transparently
- Addressing the micro issues and realities of the household
- Improving management of resources and incomes
- Addressing food security by providing some support to households i.e. maize, beans, groundnuts and banana seeds
- Empowering households when food security is achieved, incomes increased and the general welfare is improved.
- Household made aware of their situation and ready to change
- Sanitation enhanced
- Health of family change for the better i.e. children immunized
- Households begin to demand other services

70. Support for poor households involves a multi-step process spread over 12-24 months: (a) identification of households suitable for individual mentoring (during the village entry process), (b) identification of suitable community members to serve as volunteer household mentors; (c) training of district community development staff, as supervisors, and the household mentors; and, (d) implementation of household mentoring through a series of one-to-one visits by mentors to the mentored households over a period of 12-24 months.

71. Community members identified during the initial community planning processes and selected with the communities will be trained as mentors. The mentors will be given a monthly remuneration⁶². During individual visits by a trained mentor, household members will use the visioning approach to identify their needs and priorities, their sources of vulnerability, and to mobilize household resources as the first step towards strengthening their food and nutrition security, improving household sanitation and generating an income. Mentored households are encouraged to associate with farmer groups and producer associations in order to participate in and benefit from other development activities in the region.

72. Under this approach, 6,000 households will be mentored between year 2 and year 4, with the option of adding an additional 4,000 households after the mid-term review, if the mentoring activities are successful and there are enough vulnerable households in the 600 villages who are likely to respond positively to household mentoring. Household selection will be done through participatory community led processes. The households will be mentored for a period of 1 – 2 years during which or after they will be encouraged to join ('graduate to') other groups supported by the project. Criteria and processes to allow the mentor to 'walk away or disengage' will be developed so that mentored households that do not make adequate progress can be phased out from the mentoring project. This phasing out would include inputs from the household mentor's immediate supervisor and community elders to ensure the disengagement process was fair and did not disadvantage the mentored family.

73. Those households who show progress will receive food security grants to enable them to acquire seeds, hand tools and one goat. To address challenges identified with procurement of food security packs under DLSP, a voucher scheme will be designed for procurement of the inputs, to impose strict controls on the quality of inputs procured and their price.

74. Implementation of the household methodology will start with updating of the handbook developed under DLSP. This will be informed by lessons and challenges under DLSP and will include specific

⁶²Lessons from DLSP show that volunteer fatigue (of the mentors) can jeopardize the implementation of the methodology.

issues for Northern Uganda. The service provider for Household Mentoring will also be responsible for mainstreaming GALS visioning tools into the Household Mentor Handbook, building on GALS module 2 – Steering Life’s Rocky Road⁶³. It will also serve as the implementation manual for the household methodology. A detailed communication strategy will be developed to ensure transparency and to ensure all possible target households have the opportunity to participate.

E. Youth activities

75. Within PRELNOR, the poorest youths will be reached through household mentoring either as youth heads of households or as members of their parents, relatives or guardians’ households. Other youths will be reached as members of mixed-age farming groups. After graduation, youths who benefited from household mentoring will be encouraged to become members of the already existing farmer groups or to form their own groups to benefit from improving production methods using improved technologies and inputs. Youth farmers who are not attracted to crop production are free to select other income generating activities within the crop value chains (seed multiplication, oxen-ploughing, and provision of contract agricultural services such as crop protection, marketing, transport, or processing). Those youths who opt for agricultural service provision will receive technical and business training and assistance in linking to financial services through Sub-component B.1.

F. Monitoring and evaluation of targeting effectiveness

76. The IFAD Targeting Policy calls for all programmes and projects to continuously monitor whether or not project resources are reaching women, youth and food insecure households. Under PRELNOR, all relevant project indicators will be disaggregated by gender, age and poor/non-poor status. All baseline and impact survey data will also be disaggregated by gender and sex of the household head as appropriate. New impact assessment tools such as the IFAD Women Empowerment in Agriculture Index (WEAI) and MPAT will form part of the impact assessments to be carried out at baseline, mid-term and project completion.

77. **Monitoring of key assumptions and risks.** The design team’s decision to pay CBFs and household mentors a monthly honorarium (as opposed to a smaller bicycle allowances) introduces a major risk that needs to be carefully monitored. The decision to pay them is based on the recommendation of a mission that visited DLSP, which noted that volunteer household mentors experienced “mentor fatigue” after 1-2 years of volunteering with only a token allowance.

78. The practice of paying community volunteers an honorarium as opposed to a bicycle allowance goes against the principles of NGOs such as CARE and CRS. CRS has trained a cadre of village-based CBFs as private service providers who earn a living by charging fees to groups for helping them to establish a VSLA. If under PRELNOR these two figures become paid employment, the risk is that that local government could interfere in the selection process. As a result, the jobs are likely to go to young men and women just out of senior secondary school who are not from the parishes where they are expected to work and do not have enough practical life experience or enough esteem in the eyes of the community to be effective as household mentors or for follow-up of farmer groups. At the end of the first year of household mentoring, the PMU will visit each district to review the work of the CBFs and the household mentors and replace the ones that are unable to command the respect of the community and who lack sufficient maturity to do the work properly.

⁶³ Clarification: under sub-component A.1.4 support for vulnerable groups, the revised household mentoring handbook will introduce the vision journey and challenge tree tools from GALS module 2, whereas under sub-component A.1.1, gender training for farmer groups will focus on GALS module 3, which was specifically developed to address gender issues in value chain development. The target audiences for the two types of GALS training differ as well as the contents of training.

Annexes

Annex 1: PRELNOR Targeting Checklist for Design

Design Question	Design Approach
1. Does the main target group - those expected to benefit most - correspond to IFAD's target group as defined by the Targeting Policy (the extremely poor and food insecure)?	Yes. The project targets the North, which is the poorest region of Uganda; within the north it targets the Acholi sub-region plus neighbouring Adjumani district, which are slowly recovering from 20 years of war and population displacement to IDP camps. At the time of the last large-scale household consumption survey, poverty incidence in the eight project districts was 69%. Within the eight districts, PRELNOR targets the poorest sub-counties and distributes resources according to the district share in the number of people below the poverty line. At community level, it targets both the extremely poor and the food insecure. Within poor households, it targets women, youth and vulnerable groups such as child headed households, persons with disability, persons living with HIV/AIDS, and former abductees.
2. Have target sub-groups been identified and described according to their different socio-economic characteristics, assets and livelihoods - with due attention to gender differences?	Farmer group activities under the livelihood component target food insecure households (the bottom half of the rural population), food secure households with limited sales (the middle 30%) and market oriented households (the upper 10-20%). In addition, sub-component 1.4 - Poor household support - targets very poor households who lack the resources to join community groups, with the aim of enabling them to join groups to participate in the project. Targeting of women, female headed households, youth and disadvantaged groups cuts across all categories of beneficiaries.
3. Is evidence provided of interest in and likely uptake of the proposed activities by the identified target sub-groups?	The RRA undertaken by CIAT to inform PRELNOR design confirms men's interest in maize, cassava and rice and women's interest in beans, sesame and groundnuts. Donors have supported more than 1,000 FAO FFS across the northern region indicating a significant interest in FFS groups.
4. Does the design document describe a feasible and operational targeting strategy in line with the Targeting Policy? <i>The targeting strategy will involve either all or some of the following measures and methods</i>	
4.1. Geographic targeting – based on poverty data or proxy indicators to identify, for area-based programmes or projects, geographic areas (and within these, communities) with high concentrations of poor people	Geographic targeting has been used to select the poorest districts and within them to select the poorest sub-counties. Resources for the livelihood component will be allocated according to each district's share in the number of poor.
4.2. Enabling measures – These include measures to strengthen stakeholders' and partners' attitude and commitment to poverty targeting, gender equality and women's empowerment, including policy dialogue, awareness-raising and capacity-building, and appropriate programme/project management arrangements (references in ToR, PCU composition); language in describing staff positions (s/he; masculine/feminine).	The project will recruit a Sociologist/Community Development Specialist to take responsibility for implementation of activities concerned with community mobilization, sensitization, situation analysis, participatory planning, beneficiary selection, farmer group strengthening, poverty targeting, gender mainstreaming, support for poor households and youth, and monitoring of targeting effectiveness. The Project Coordinator is responsible for ensuring that districts respect IFAD's targeting policy. The M&E officer is responsible for generating gender disaggregated data for monitoring of targeting effectiveness. The project will formulate and adopt a gender mainstreaming strategy. The PMU will provide induction training to districts on the project's targeting and gender mainstreaming policies. District staff and service providers will also be trained in GALS and sensitized on issues such as gender-based violence, unequal division of labour, women's land rights, alcohol abuse and HIV/AIDS;

<p>4.3. Empowerment and capacity-building measures including information and communication, focused capacity- and confidence-building measures, organisational support, in order to empower and encourage the more active participation and inclusion in planning and decision making of people who traditionally have less voice and power.</p>	<p>The project interventions will be widely publicized through community meetings and rural radio for transparency and community buy-in; the village entry process and situation analysis will involve all community members in the start-up processes.</p> <p>Community wealth ranking processes will be used to identify very poor, vulnerable households to benefit from household mentoring.</p> <p>The project will adopt the government targets of at least 33% female for farmer group membership and 40% female for leadership positions within groups, associations & cooperatives. Youth are expected to be at least 25% of the membership of groups.</p> <p>Leadership training will be provided to members of farmer groups to empower men, women and youth from poorer households,</p> <p>Use of tools from GALS that enhance empowerment, negotiation and harmony (within groups & households)</p>
<p>4.4. Direct targeting when services or resources are to be channelled to specific individuals or households. Such measures may include eligibility criteria, to be developed and applied with community participation; quotas (e.g. for women), earmarked funds</p>	<p>Poor households selected through community participation will mentored so that they can join other groups and participate in development initiatives. Farmer groups will be selected on the basis of their cohesion, social inclusiveness (percentage of members that are women, youths or food insecure), democratic process, and demonstrated commitment. Selected women and men will be trained as household mentors and community-based facilitators. Junior Farmer Life Schools will target the young farmers.</p>
<p>4.5. Attention to procedural measures that could militate against participation by the intended target groups (such as, excessive beneficiary contributions; cumbersome legal requirements, etc.)</p>	<p>Farmer group activities under the livelihoods component will have require household contributions. More developed groups or individuals moving into commercial income generating activities would be expected to make a significant contribution (cash and/or kind) to the planned investment. No cash or labour contribution will be required of villages to benefit from community access road rehabilitation. Since women find it difficult to leave their family responsibilities to participate in residential training in the district headquarters, capacity building for farmer groups will take place directly in the village or within the parish to enable women and poor households to attend. The time of day for meetings will be agreed by group members.</p>
<p>5. Monitoring targeting performance. Does the design document specify that targeting performance will be monitored using participatory M&E, and also be assessed at Mid-term review?</p>	<p>All beneficiary data will be disaggregated by sex, age and wealth status and used to monitor targeting effectiveness. The Women Empowerment in Agriculture Index (WEAI) will form part of the baseline survey and Results and Impact Management System (RIMS) data collection and reporting. The targeting mechanism will be reviewed at MTR to assess its effectiveness and suggest modifications – if need be.</p>

Annex 2: Key Features of Gender-Sensitive Design

Design Questions	Issues / Project Approach
1. The project design document contains – and project implementation is based on – gender-disaggregated poverty data and analysis of gender differences in the activities or sectors concerned.	Gender-disaggregated poverty data from different sources (UBOS, UNDP, UNFPA etc.) was analysed highlighting the gender dimension of poverty to inform the project.
2. The project design report articulates – or the project implements – actions with aim to: <ul style="list-style-type: none"> Expand women's economic empowerment through access to and control over fundamental assets; Strengthen women's decision-making role in community affairs and representation in local institutions; and Improve women's knowledge and well-being and ease their workloads by facilitating their access to basic rural services and infrastructure. 	<p>Economic Empowerment: Gender training tools such as GALS will be used to enhance equitable division of benefits between women and men within the household and to strengthen women's control over benefits from sale of the products they grow Support to women and youth agriculture enterprises</p> <p>Decision-making / Voice</p> <ul style="list-style-type: none"> At least 40% of leadership positions within groups to be held by women Leadership training will be provided to ensure effectiveness in these positions <p>Workload</p> <ul style="list-style-type: none"> The use of household methodology will encourage equitable division of labour in households Improved fuel saving stoves for selected female headed households
3. The design document describes - and the programme/project implements - operational measures to ensure gender- equitable participation in, and benefit from, project activities. These will generally include:	
3.1 Allocating adequate resources to implement the gender strategy;	<p>The major gender specific activities with specific budget lines are:</p> <ul style="list-style-type: none"> PMU position for Sociologist/Community Development Specialist with responsibility for gender mainstreaming Staff induction training (including gender and targeting strategy) Training of district staff and farmer groups in GALS Integration of GALS visioning tools in household mentoring Communication strategy Integration of Women Empowerment in Agriculture Index (WEAI) in baseline and impact assessment Fuel saving stoves for female-headed households under climate change adaptation
3.2 Ensuring and supporting women's active participation in project-related decision-making bodies and committees;	<ul style="list-style-type: none"> Quotas set for 40% women in leadership roles Organising community meetings / activities at times that do not conflict with household responsibilities, eg. FFS activities in middle of day, not early or late.
3.3 Ensuring that programme/project management arrangements (composition of the project management unit/project coordination unit, project terms of reference, etc.) reflect attention to gender equality and women's empowerment concerns; and	<p>The ministry of local government which was the implementer of DLSP will also implement PRELNOR. The ministry has a cadre of staff already trained on household methodologies under DLSP</p> <p>However, given staff turnover at the ministry, PRELNOR will undertake gender training for the implementers</p> <p>The ultimate responsibility for social inclusion lies with the project PCU with each team member making their contribution (for example, the M&E officer has to collect and analyse gender and age disaggregated data)</p>
3.4 Ensuring direct project outreach to women (for example through appropriate numbers and qualification of field staff), especially where women's mobility is limited.	<p>Capacity building for farmer groups and household mentoring will be delivered directly in the village to enable women to attend; every parish will have 2 community based facilitators and 2 household mentors, of which half will be female</p> <p>Farmer group activities will address women's needs through FFS for crops usually grown by women and advice on agriculture related post-harvest handling or simple value adding activities for crops produced by women</p>
4. The project's logical framework and monitoring and evaluation (M&E) system specify in design – and project M&E units collect – gender-disaggregated performance and impact data.	All people centred indicators in the log frame have been disaggregated by gender and age (where possible)

Annex 3: Selected Gender Gaps in Adjumani

Gender issues	Gender Gap	Gender Discrimination	PRELNOR Intervention
Dominance of men in local leadership positions especially in project management	70% men 30% women	Women see leadership as a preserve for mainly men Women culturally are not allowed to participate in public matters Oppressed issues of women in local issues especially in most projects.	Set quotas for women & youth participation in leadership positions (in line with national quotas)
Most women are prone to domestic and sexual gender based violence compared to men	95% women 5%	Men think it is their right to teach women by beating and to abuse them since they have paid dowry Ill health of the women left in a miserable position Suppressed voice of women in the affairs of the family.	House hold dynamics addressed through household methodologies. Gender sensitization & awareness creation using tools from GALS
Children especially the girls are regarded as sources of income for the family through bride wealth	90% men 10% women	They are denied basic education and other social services that boys enjoy in the family. They are denied opportunity to go to school and get better employment	
Low participation of men in the in the provision of care and support to children	80% women 20% men	House work and other related tasks are seen as the work of women Women overburdened with the meagre resources	Tools such as gender balance tree, HH visioning used in gender trainings
Lack of women in the planning process in the district	More projects generated favour men's activities than that of women e.g. goat rearing, ox ploughs, etc.	Projects simplify men's life than women Improved standards of men than women	Women & Youth participate in all stages of the project
Women have little control over crops planted in most fields / farm lands	80% men 20% women	Women are regarded as not good decision makers Lack of control over farming activities	Attitude change through sensitization Support women's economic empowerment
Most women do not own productive resources (land, animals, etc.)	95% men 5% women	Control over resources is seen as the work of men Lack of decision and sharing of benefits from productive resources such as land and animals	
Heavy workload on women in the agricultural sector	60% women 40% men	Farming is seen as the work of women Over working of women	House hold visioning
Access to agricultural extension services	20% of women get extension services while 80% of men have access to extension services.	Poor production methods. Low yield. Pest infested crops, livestock and fish Food insecurity. Low income. High mortality of livestock, fish.	Women participating in FFS
Few women take risks in big borrowing of loans from financial institutions	30% of women borrow money from banks for agricultural enterprise.	Inability to purchase improved seeds, farm implements. Increased farm opening. Agriculture marketing. Low-income generating activities. Poverty. Food insecurity.	Linkages with financial services
Few female contractors win contracts under works sector	10:50 ratio of women to men.	Women contractors are regarded as having low capacity and works are regarded as the domain of male contractors Low income of women and women remain poor	Gender sensitive contracting
Inaccessibility to land and other natural resources by most women	Land is mostly owned by men. 90% of women do not own land	Ownership and access to natural resources is considered a taboo in most cultures Men are regarded as the only persons to own land in most cultures Increase in poverty Food shortage	Support dissemination on the new land policy Discussions at HH level using HH approaches
Low participation of women in tree planting activities	80% of women do not participate in tree planting activities and natural resources conservation	Women are do not own the land on which to plant the trees and the decision to plant trees do not rest on them. Food cooked late Domestic violence Food shortage	

Gender issues	Gender Gap	Gender Discrimination	PRELNOR Intervention
Soil degradation / infertility	90% of women cultivate land which is unproductive	Low crop production Increased poverty Food insecurity	Good Agricultural practices taught through FFS
Low representation of women in environment committee	30% women 70% men	Management issues of whatever type is considered the work of men Women related issues pertaining environmental management are not taken into account	Quotas for women & youth set

Annex 4: Households by Wealth Categories and Characteristics

Category	Characteristics (assets & livelihood activities)	Project Intervention
Chronic poor	Lack of active labour due to age or disability Not included in son's household Relying on Safety Nets (eg. through social protection projects in Ministry of Gender)	(None)
Poorer active poor	Household has some active labour force High dependency ratio Children malnourished and not in school Poor housing, hygiene and sanitation Limited access to land (1-2 acres) Food insecure (e.g. one meal a day) Few or no assets Subsistence farming for part of food needs Casual labour is main source of cash Socially dysfunctional family (alcohol abuse, GBV, inter-generational conflict) Lack resources and confidence to join community groups Includes unemployed youth	Household mentoring to develop and implement a vision and action plan for exit from poverty Build the household's skills and confidence Address and solve issues such as substance abuse, gender based violence, generation conflict and imbalanced workload Food security grants Encourage mentored households to join community groups such as VSLAs Hand over households to groups upon graduation
Food insecure farm households	Own and farm limited land (<2 acres) Subsistence farming with family labour Unable to meet food needs from own production Poor: Few or no assets (e.g. chickens but no goats) Belong to a VSLA or self-help labour group Not yet benefited from donor projects	Capacity building of farmer groups on governance, leadership, group dynamics, GALS, business action planning, financial literacy and record keeping Agricultural advisory services such as FFS for food insecure HHs, with aim of achieving household food security (focus on cassava, maize, pulses) Multiplication of improved seeds and planting material for distribution within group
Food secure with limited sales	Access and own land Subsistence farming for own consumption plus some marketing Food secure in normal years / transitory poverty and food insecurity in bad years Some assets (goats, no large animals) Belong to one or more community groups (VSLA, farmer group, etc.)	Capacity building of farmer groups on governance, leadership, group dynamics, GALS, business action planning, financial literacy and record keeping Agricultural advisory services such as FFS focused on dual-purpose food/cash crops such as maize, rice, beans, cassava Linkages with suppliers of inputs, market information, financial services & output markets
Market oriented farm households	Access and own adequate land Combine subsistence production with production for market More assets (such as large animals, plough, cart, crop storage) Children able to attend secondary school HH may have 1 or more salaried members Food secure even in bad years Main income source is sale of agricultural produce Likely to belong to farmer groups (NAADS) and to have already benefited large grants under one or more donor projects	Capacity building of farmer groups on governance, leadership, group dynamics, GALS, Advanced business planning, financial literacy and record keeping services under Component 2.1 Training in post-harvest handling, storage and value addition Agricultural advisory services focused on cash crops for the market Link to financial institutions Support through farmer associations
Commercial	Commercial farmers, traders, transporters, agro-processors	Targeted by Component 2 – Market Linkages, as members of Multi-stakeholder Innovation Platform (MSIP) to plan and oversee outsourcing of management of agricultural produce markets; also targeted

Appendix 3: Country performance and lessons learned

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Appendix 3: Country performance and lessons learned

I. Lessons learned from current IFAD Portfolio

1. The design of this project is guided by, among other things, the lessons learnt by the country programme as reflected in the recent COSOP, as well as the experiences of other development interventions. These lessons include:

2. **The need to concentrate limited resources, if significant impact is to be created.** Spreading limited resources thinly across wide areas limits impact and is also a burden for coordination. This has also been witnessed during supervision missions of DLSP which is being implemented in 13 districts spread across the country. Implementation of the now closed Area-Based Agricultural Modernisation Programme (AAMP) that was concentrated in one geographic sub-region, was easier to coordinate and encourage learning, with the management largely based in a field office. Another lesson learnt from the re-design of DLSP is that it is better to focus projects on a few strategic interventions than to attempt to tackle all development issues in one project. Effectiveness of implementation is dependent on how streamlined the design objectives and components are. PRELNOR should focus interventions on a few specific objectives and components, in one geographic sub-region.

3. **The importance of linking rural farmers to markets.** As exemplified in previous and current projects (like the Area-based Agricultural Modernisation Programme – AAMP, VODP and CAIP; and others like under the tea and coffee sectors) linking farmers to markets either through contractual arrangements or through improvement in infrastructure, is a catalyst to increased and profitable agricultural production. In northern Uganda, there are a number of emerging large-scale private sector players in the agriculture arena, to whom farmers and farmer groups can be linked to access quality inputs as well as more remunerative markets. This is one of the ways to enhance farming as a business for the rural small scale farmers. Such large-scale private investments have been initiated in the rice, cassava and maize sub-sectors and attempts to link with small farmers have been made. PRELNOR should explore opportunities of strengthening such linkages to have more small farmers' access quality markets for both inputs and their produce.

4. **The need for complementarities with other on-going development initiatives.** The design of PRELNOR will put into consideration the risk of attempting to address all farmer needs in one project. The project will establish linkages with PROFIRA and the Microfinance Support Centre, to encourage farmers to join existing savings and credit cooperatives and VSLAs to meet their needs for savings and agricultural credit. Complementarities and harmonisation will also be addressed through district technical planning committees that bring together the different players in each district.

5. **The need to employ specialised approaches for effective social inclusion is critical for reaching the poor.** While most development interventions tend to focus on farmers already in existing farmers' groups, it was realised during the evaluation of the first phase of NAADS that the majority of poor farmers are outside the existing groups. The achievements of the household mentoring approach under the DLSP in empowering poor households will be replicated under PRELNOR to reach and create impact among the very poor.

6. **The appropriateness of a demand-driven approach in a conflict and post-conflict environment,** highlighting the importance of integrating project management with local government planning and administrative systems and building community level capacity for planning and monitoring micro-programmes. PRELNOR implementation will be well anchored within the local government decentralisation system. The project will also explore possibilities if replicating the community-driven approach where farmers' groups or FFSs manage sub-programmes, as tested by the World Bank supported NUSAF.

7. **Interventions in one section of the value chain can impact on players all along the chain.** When working along value chains, it becomes clear that strategic interventions at one section of the value chain can have impact all along the chain. For example provision of business

development services (BDS) to small and medium enterprises (SMEs) can have enormous impact on smallholder farmers; however this depends on a proper analysis and understanding of the value chain and the selection of the right SMEs to be supported. Within a value chain there can be certain SMEs that have the potential to address a critical weakness or lack in that chain. Supporting the SME to take up the opportunity offered by the gap in a value chain for example, can have impact on large number of small holder farmers connected to the value chain as well as other enterprises. Certain SMEs are in a position to create a pull-effect to the smallholder farmers who supply to or buy goods or services from the SME. Equally support to an organisation that can lobby to influence policy issues can impact the entire chain. ABDC has worked with national level organisations to influence policy debates and improve the policy environment for particular sub-sectors or value chains.

8. Support to commodity platforms offers opportunities for valuable networking but sustaining platforms is challenging. Commodity platforms offer opportunities for coordination and networking across value chains. It is an opportunity for different players to interact and better understand and value the role played by others along the chain. For example the important role of middlemen, who are often seen as exploiting others, is made clear. For many players it may be the first time they see themselves as part of a chain delivering goods to the final buyer. When supporting Commodity Platforms, whether at National or District level, it is important to find the balance between self-managed and self-sustaining platforms and the need for financial support to get the platforms started. However, sustainability will always be a challenge where there is no source of income and if there is a culture of expecting costs to be covered by government or an external funder (source: Danida Agricultural Sector Programme Support – www.asps.or.ug). PRELNOR will build on experiences of platforms like OSSUP in the vegetable oil sector.

9. Working with value chains in certain sub-sectors gives opportunities for synergy within a project as well as with other programmes and projects. A clear strategy and focus on a few value chains helps to achieve impact on program beneficiaries and to build synergy between the various outputs of a project. The introduction of the value chain approach in ABDC brought the activities of the five outputs of the component much closer together as they had clear common goals and interests and tended to work more with the same partner organisations. It became easier to identify strategic interventions in one output that would have wider impact, also on other outputs. Strong relationships were also built with other organisations and projects working in the same sub-sectors or value chains and opportunities to share information, tasks, ideas and lessons emerged during implementation.

10. Bulking crops alone does not guarantee better prices for smallholder farmers, as there are additional transaction costs of transport and storage, in addition to delays in getting payment. Studies by AGRA Market Access Programme in Eastern, West and Southern Africa reveal that “only if buyers are prepared to pay a significantly higher price for the bulked crop will the expense and effort incurred by the farmer prove worthwhile, and that depends on building strong, trusting relationships with buyers who value the difference in quality from crops bought through traditional marketing systems”. (source: <http://spore.cta.int/en/component/content/article?id=8495:valuable-lessons>). PRELNOR will thus have to facilitate farmers to establish linkages with local and regional traders that are interested in quality grains and who can offer higher prices.

II. Lessons from other development projects

A. Lessons⁶⁴ from District Development Support Programme (DDSP)

11. Precise targeting policies are good tools for identifying and including the poorest and the most vulnerable like women, people living with HIV/AIDS and people with disabilities to benefit from development projects.

12. In the infancy of a project, elitism should be avoided, to let other people also participate.

⁶⁴ The District Development Support Project: Achievements and Lessons Learnt (Ministry of Local Government, November 2008)

13. Volunteer fatigue can jeopardize the implementation of projects. Reliance on volunteers especially change agents (or mentors) and functional literacy instructors, who also have their own economic activities to engage-in, limits the time they dedicate to projects and often their motivation is low.

B. Lessons from Area-based Agricultural Modernisation Programme (AAMP)⁶⁵

14. Flexibility in the design of project interventions is necessary to allow quick response to opportunities that arise during implementation.

15. Mainstreaming of project activities and linking with decentralization structures and systems, helps build capacity and enhance sustainability of benefits after project completion.

16. Involvement of local people in their own development, so they can take real responsibility for the interventions and their sustainability over the long term. The high quality of project management was also an important element in the success of the project.

C. Lessons from the Peace, Recovery and Reconstruction Programme (PRDP)⁶⁶

17. Given the scale of the gap between the North and the rest of the country, particularly in terms of the incidence of income poverty, additional funding for the North will continue to remain relevant in the coming decade. By the time PRDP implementation began in 2009, income poverty in the North had fallen to 46%, however it still remains at almost twice the national average level. Given this, the PRDP I MTR highlighted the need for future programming to give greater priority to activities related to economic development and to address key conflict drivers.

D. Lessons from World Bank-supported Northern Uganda Reconstruction Programme (NURP), Community Action Plan (CAP) and Northern Uganda Social Action Fund (NUSAF)⁶⁷

18. A highly centralised top-down approach with project staff based in Kampala and with central disbursement of resources has a lot of limitations. Centralised management and infrequent visits to the project area highlighted the need for an appropriate monitoring system to ensure effective financial accountability and community oversight to prevent corrupt and wasteful practices.

19. Focusing on production and income generation in the design of micro programmes is imperative for rebuilding livelihoods of the most vulnerable groups, especially widows, orphans and the victims of violence. The lack of poverty targeting in NURP-I investments, made them to miss out from addressing the needs of vulnerable groups adversely affected by conflict in an environment characterised by insecurity, displacement and low social indicators.

20. The political imperative of ensuring a balanced spread of project benefits could undermine the equity objective of a project in prioritising the most vulnerable groups and areas. One potentially negative consequence of political interest in NUSAF at the local level is evident from the resolution of Gulu District Council to ensure that each sub-county will have at least one sub-programme under its jurisdiction. The challenge is to ensure that political commitment is retained while respecting projects' distributional objectives. The principal risk in the short term is from politicians' intent on deriving political capital and commandeering resources from project investments which could skew community priorities and resource allocations.

⁶⁵ AAMP Project Completion Report, December 2008

⁶⁶ PRDP 1 Mid-Term Report, (extracted from PRDP Phase 2, Office of the Prime Minister, November 2011)

⁶⁷ Development in Conflict and Post-Conflict Conditions: The Northern Uganda Social Action Fund (NUSAF) Project, June 2005, by Mark Robinson, Institute of Development Studies.

21. Slow recruitment and procurement inevitably delay the start of projects' implementation. The result for NUSAF I that was officially launched in February 2003, was that no disbursements were made for sub-programme activities until mid-2004. Recruitment delays impacted adversely on the plan to sensitise communities and local government staff to NUSAF as the small core team based in the management unit could not undertake training on a significant scale. Another problem concerned slow procurement of vehicles and equipment. Failure to address these types of implementation problems has the potential to derail the project's objectives by inducing frustration among communities who have identified appropriate sub-programmes but are unable to access funds or follow through initial investments.

22. Financial management is a particular challenge in a demand-driven project in an environment characterised by capacity constraints and lack of established financial procedures for direct disbursement of funds to communities. While communities were required to open accounts in their local banks into which the funds are directly disbursed, at the community level, there were problems associated with limited availability of bank branches in their locality. Visits to banks necessitated travel, in some cases outside the district, which consumes time and resources and can be dangerous in areas where there is ongoing conflict and banditry.

E. Lessons from the National Agricultural Advisory Services (NAADS)⁶⁸

23. It is important to identify and promote enterprises that can be both profitable and adopted by large numbers of farmers. For example, vanilla has been actively promoted in the trailblazing NAADS sub-counties and, not surprisingly, has become the top ranked new crop enterprise in terms of acreage allocated. However, it is ranked 8th in terms of the proportion of households engaged in its production. Therefore, its potential impact of raising overall agricultural productivity and incomes is likely limited to a relatively small proportion of households.

24. A disproportionately higher use and increase in use of improved seeds compared to fertilizers in general and inorganic fertilizers in particular, leads to serious soil nutrient mining implications. The potential yield improvements associated with the increase in use of improved seeds cannot be sustained. This is consistent with another IFPRI-led study (Nkonya et al.2005a), which shows that while the NAADS program has had substantial positive impact on the value of agricultural production, it may have contributed to greater soil nutrient depletion. The findings also suggest that emphasis is given to organic sources of nutrients (e.g., manure, compost, crop residues). This also is troubling, as organic methods are mostly recycling nutrients and can at best act as a buffer to the system but not redress the problem of nutrient depletion.

F. Lessons from Community Agricultural Infrastructure Improvement Project (CAIIP)

25. Market structures need to be constructed at strategic locations that attract business other than at sites that are necessarily owned by government. In the AfDB and IFAD funded CAIIP I project, there was a component to build market places. The initial markets built were located where land was available and owned by sub-county local governments rather than consulting the market users (vendors, buyers) on their preferred locations. This led to some of the market places not being used and the market place construction activity not being included in later phases of CAIIP.

G. Linkages between PRELNOR and IFAD grant funded activities

26. IFAD funds a substantial grants activity to support regional organisations provide specialist inputs to support IFAD projects and country and regional programmes. The following table summarizes grant funded activities currently active in Uganda which have or could be linked with PRELNOR activities to strengthen implementation. These have been referred to in the project design report, where appropriate.

⁶⁸Assessing the Impact of the National Agricultural Advisory Services (NAADS) in the Uganda Rural Livelihoods. IFPRI Discussion Paper 00724, October 2007

Table 1 PRELNOR and IFAD Grant Funded Activities in Uganda

Grant title and grantee	Main outcomes	Potential links to PRELNOR
Plantwise, a country-based approach to improve farmer livelihoods through reduced crop losses and increased productivity. CABI	<ol style="list-style-type: none"> 1. Establish networks of plant clinics integrated with IFAD programs in Uganda, Mozambique and Rwanda, and build and strengthen linkages with extension service providers, researchers and input suppliers. 2. Build links between plant clinics and other active advisory service providers to increase outreach of advice related to key problems identified at the clinics. 3. Inform and achieve policy changes which facilitate the creation, maintenance, and expansion of clinic networks and activities based on lessons learnt in pilot schemes. 	<ul style="list-style-type: none"> • Use planned expansion in the northern Districts to ensure Plantwise works in the PRELNOR target districts, to pilot the approach • Provide training of PRELNOR service providers to provide scaling-out plant and soil health advisory services using the Plantwise approach. • Could integrate the plant clinic approach and pest/disease/nutrient deficiency extension materials into FFS approach • Build linkages between plant doctors and agro-dealers so that correct pesticide and fertiliser formulations are stocked • Train future PRELNOR agro-dealers in Plantwise approach
Additional activities needed to be funded by PRELNOR: <ul style="list-style-type: none"> • None – all activities for target Districts already funded • Need to learn lessons on the approach and include in extension approach if thought useful 		
Mainstreaming food loss reduction initiatives for smallholders in food deficit areas. FAO, IFAD, WFP	<ol style="list-style-type: none"> 1. Good practice options for reducing postharvest losses are compiled, disseminated and scaled up. 2. Increased handling and storage options within the grains and pulses value chains are benefiting smallholder farmers in pilot countries. 3. Policy and regulatory framework (policy, standards, norms) on reducing food losses in food supply chains are introduced and implemented at national and regional levels 	<ul style="list-style-type: none"> • Add the 8 target districts to the national food losses assessment that will be conducted in 2014/5. If possible, add cassava, beans, maize, rice, sorghum, sesame to assessment • Project could pilot potential solutions to PHH losses in PRELNOR districts and on focus crops • PRELNOR to scale-out piloted, tested and validate PHH options for food security and market crops
Additional activities needed to be funded by PRELNOR: <ul style="list-style-type: none"> • None – all activities for target Districts already funded • Need to learn lessons on the approach and include in extension approach if thought useful 		
Increasing food security and farming system resilience in East Africa through wide-scale adoption of climate-smart agricultural practices CCAFS-CIAT	<ol style="list-style-type: none"> 1. Assess extent of the use of Climate-Smart Agriculture (CSA) practices and clarify their potential impacts on food production and resilience of farming systems; 2. Conduct spatially explicit monitoring and modelling of land health and agronomic suitability as well multi-dimensional trade-off analysis to identify locally appropriate CSA practices; 3. Implement and appraise the most promising CSA practices at the local level to identify perceived benefits and barriers to adoption as well as if/how these vary by socially differentiated groups: men/women, age, race, ethnicity, class, etc.; and 4. Upscale and out-scale CSA activities in East Africa through strategic policy and development partnerships, including a CSA AR4D pathway that collaborates directly with IFAD. 	<ul style="list-style-type: none"> • Add a second LDSF site in Kitgum to cover the two extremes of agro-ecologies in the target Districts. • Use data to establish baseline conditions of soil constraints, land use and land cover, assessment of farming practices, assessment of tree and shrub densities, infiltration capacity and erosion prevalence. • An intra-household (HH) gender-specific survey will be conducted in the Nwoya district, co-located with the land health survey, to assess, among other variables, HH-level farming practices, HH dynamics, gender constraints and the associated perceived benefits of CSA. • Data from these surveys will be used to conduct spatially explicit crop modelling exercises and trade-off analysis. • Initial target district wide analysis will allow community targeting recommendations for PRELNOR start-up
Additional activities needed to be funded by PRELNOR: <ul style="list-style-type: none"> • It is recommended that PRELNOR expand the network to LDSF sites across the Acholi sub-region to better cover the spatial, climatic and social variability across the districts. This will require 2 additional sites (4 in total) • Use data to establish baseline conditions of soil constraints, land use and land cover, assessment of farming practices, assessment of tree and shrub densities, infiltration capacity and erosion prevalence. • An intra-household (HH) gender-specific survey will be conducted in the Nwoya district, co-located with the land health survey, to assess, among other variables, HH-level farming practices, HH dynamics, gender constraints and the associated perceived benefits of CSA. • Data from these surveys will be used to conduct spatially explicit crop modelling exercises and trade-off analysis. • Analysis will enable baseline, mid-term and endline assessment of PRELNOR impacts at community level 		

Grant title and grantee	Main outcomes	Potential links to PRELNOR
<ul style="list-style-type: none"> Additional funding of USD400,000 will be required from PRELNOR to extend the initial grant outputs for the 6 years of PRELNOR 		
Rainwater Harvesting for Food Security; Setting an enabling institutional and policy environment for rainwater harvesting RAIN Foundation - Rainwater Harvesting Implementation Network	1. Various RWH related organizations and networks have been strengthened, joined forces, being collectively more efficient and successful in promoting and boosting RWH, especially in relation to food production. 2. Information, knowledge and skills on RWH have been strongly congregated and is made available (for all interested organizations and individuals) in an accessible way. 3. The potential of RWH is demonstrated with innovative, accessible and affordable technologies, approaches and tools, promoting large-scale adoption. 4. Capacities amongst a wide variety of stakeholders and levels have been strengthened	<ul style="list-style-type: none"> Advise on the practicality of retrofitting Rain Water Harvesting Approaches on Existing Community Access Roads with and without storage Advise on the practicality of including Rain Water Harvesting Approaches on new Community Access Roads with and without storage Advise on modifications to culverts, bridges and drifts in seasonal rivers to improve water storage New design standards - regarding road construction, design standards with a holistic landscape/watershed approach Capacity building of key district staff on the concept of water harvesting from roads .e. road engineers, agricultural and natural resource management experts, water managers, and landscape architects
Additional activities needed to be funded by PRELNOR: <ul style="list-style-type: none"> Capacity building of district staff on the concept of water harvesting from roads Establish linkages with relevant Rain Water Harvesting Associations in Kenya Learning Routes on RRWH from Uganda to Kenya, Kenya to Uganda and within Uganda Explore opportunities for learning route to Australia in liaison with ACIAR and CSIRO TA support for the development of new design standards that include RRWH option in Acholi with a view to adoption in national guidelines Support the integration of CAR design into community based natural resource management plans for RRWH for both irrigated community gardens and livestock watering – 10 pilots M&E and KM activities – the LDFS sites should capture impacts Additional funding of USD\$ 840,000 to 2M (based on Rudolphs detailed comments) 		
Land and Natural Tenure Security Learning Initiative for Eastern and Southern Africa Global Land Tool Network (hosted by UN-Habitat)	1) improve knowledge and awareness on issues and measures for strengthening land and natural resource tenure security of poor women and men; 2) strengthen capacity for tool development and implementation (for in-country policy dialogue, country strategy development and programme/project design, implementation and evaluation); 3) strengthen and scale up approaches and tools for securing land and natural resource tenure. The pilot phase started in early 2012; a second phase started in March 2013 aimed at scaling up and extending the scope of the project, building on the lessons learned from the first phase.	<ul style="list-style-type: none"> Usage of GIS tools in social and tenure mapping (digitalisation of the community mapping approach), as well as part of the M&E system.
IIED	Research on country trends and drivers on access to land for the poor. Uganda is one of four countries; research done locally by ACODE; interested in Bugala and Amuru. Activities under the IPAR grant will include: convening of national multi-stakeholder workshops and the establishment of national platforms, sensitization workshops for journalists and training and capacity building for farmers organizations and other community representative organizations Total project budget is USD 370,000	<ul style="list-style-type: none"> Possibility to benefit from research; perhaps develop further relations with ACODE related to land tenure (possibly after first review of project performance) It is anticipated that most research sites should cover areas where IFAD supported programmes and projects are operating and there is a good commitment from the research partners to strengthen linkages with our country teams and partners.

Appendix 4: Detailed project description

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Appendix 4: Detailed project description

A. Introduction

1. This Appendix provides a detailed description of the Project for the Restoration of Livelihoods in Northern Uganda (PRELNOR) components and main activities. The project design aligns with the Government of Uganda (GoU) sector strategies and investment project.

2. PRELNOR will work in eight districts, Agago, Amuru, Gulu, Lamwo, Nwoya, Kitgum and Pader in the Acholi sub-region together with the adjoining district of Adjumani, which belongs to the same agro-ecological zone as Amuru and Nwoya districts. Adjumani district is ethnically Madi and they speak Ma'di, whereas the other seven districts are ethnically Acholi and speak Luo. The estimated population in this target area is 2.13 million people. Of these 1.76 million are rural, equivalent to about 300,000 households. PRELNOR is operating where cultivatable / arable land is not a major limiting factor and will target at least 300,000 ha.

3. The overall goal of the project is: *Increased income, food security and reduced vulnerability of poor rural households in the project area*. The project development objective is: *Increased sustainable production, productivity and climate resilience of smallholder farmers with increased and profitable access to domestic and export markets*. A schematic of the project approach is provided in Annex 1.1.

4. Climate change and natural resource management (NRM) are cross-cutting issues and mainstreamed in each component of PRELNOR at household, community and county levels to ensure that the project interventions are sustainable and that environmental and socio-aspects of resilience are monitored for adaptive learning. PRELNOR will be strengthened through an ASAP USD10 million investment providing incremental support to reduce the vulnerability of smallholders to climate-induced shocks relating to agricultural production, post-harvest handling, and agro-processing. This will be achieved through providing capacity building activities in improved climate information services, climate smart agricultural practices and market linkage infrastructure to mitigate the impacts of climate change and ensure that appropriate mechanisms are established to safeguard food security. PRELNOR support will facilitate a better understanding of how current and future agro-meteorological conditions influence production, harvest and post-harvest activities, so as to ensure that rural infrastructure and related investments are resilient to changing climatic patterns. ASAP investments are fully mainstreamed in the PRELNOR components and results framework.

5. **Climate resilient households.** By the end of the PRELNOR project, a climate resilient household will: (i) plan production and harvesting with timely, appropriate climatic information; (ii) have the skills and resources to produce three improved crops, including at least one staple food crop, each year to meet all its basic food needs; (iii) use moisture and soil conserving cultivation and management techniques to reduce seasonal risks and variations; (iv) lose less than 10% of production to post harvest and handling (PHH) losses; and, (v) during the harvest season, have the option of delivering profitable surplus production to a parish/sub-county aggregation point for storage and/or sale or have the market intelligence needed for negotiating with traders who come to the village (i.e. wet weather road access and market information).

6. At community level, the project will use a livelihoods approach with all community members to provide them with opportunities to engage with existing and new common interest groups. Priority community development, livelihoods, NRM and options for increasing agricultural productivity will be identified by the community during a participative community based NRM process. Community based facilitators (CBF) and household mentors will support individual and group activities in the community.

7. A **market linkage** approach (Annex 1.2) will link production areas with aggregation centres and markets in each sub-county and/or district. These will supply bulk markets located in economic development clusters in sub-regional towns such as Gulu and Kitgum. Market stakeholder platforms (MSP) based at each aggregation point or satellite or bulk market will support market development by linking the main market stakeholders: producers, traders, transporters and agro-processors.

8. Strategic partnerships will be established with proven research, extension and implementation partners of both the GoU and IFAD in the northern region and other parts of Uganda to provide specialised technical, training and communication skills. These partnerships will include working with established and developing/emerging farmer associations to deliver community level facilitation and technical skills, supported by local governments across the project area.

9. **Geographic targeting.** In target districts, sub-counties with the highest poverty rate will be selected among those with moderate to good production and market potential. The number of project villages in each district will be determined on the basis of each district's share of the total rural poor. Two sub-counties will be included for Nwoya and Amuru districts (each has four sub-counties) and up to four sub-counties in each of the other six districts. The targeting approach at parish and community level will combine participatory social⁶⁹ and agro-ecological mapping⁷⁰ and, current and planned community access roads (CAR) to increase adaptive capacity⁷¹ and identify areas with potential to sustainably increase production of marketable crops. See Appendix 2 – PRELNOR population and administrative units for more details.

10. **Household targeting.** The participatory planning process at village level will identify three main categories of participants: (i) food insecure households with limited land, production resources and /or skills who want to increase productivity mainly for home consumption; (ii) food secure households who are still vulnerable to climatic or other livelihood shocks, who want to improve their agricultural productivity; and, (iii) market oriented households with adequate land and skills to increase their surplus production for sale. All households will participate as members of existing or new community groups. Groups will be selected on the basis of their cohesion, inclusiveness of poor households, women and youth, and demonstrated commitment to farming. In addition to the three categories of households above, the project will support vulnerable households who currently lack the capacity and confidence to join community groups, with the aim of building their self-reliance and enabling them to join groups and benefit from development initiatives.

11. **Gender and youth.** Gender and youth targeting will be treated as cross-cutting issues, with the aim of empowering them as members of farmer groups and as individual members of vulnerable households. The project will encourage at least 33% females for membership in farmer groups and 40% for women's representation in group leadership and decision making committees. Actual participation of women is likely to be much higher, because many existing farmer groups in the target districts began as village saving and loan association (VSLA) groups in which women constitute 70% of total members. Inclusion of youth will be more challenging because many youths who grew up in the internally displaced people's (IDP) camps have little interest in farming. The project will set a target of 25% youth participation and will encourage youths to join existing groups or to form their own groups to focus on marketing, value addition or contracted mechanisation services.

B. Activity Description

12. Component descriptions, planned outputs and related activities contributing to the outcomes are summarized below. The proposed activities are indicative and activities will be based on agro-ecological, market and community interests prioritised during the community based planning process.

Component A: Rural Livelihoods

13. The outcome for this component is: *Poor farm families and youth have increased asset base and resilience through sustainable natural resource management (NRM) and improved productivity.* The outputs that will contribute to this outcome follow.

Sub-component A.1. Community planning and capacity development

14. *Output A.1.a Participatory management of climate resilient agricultural systems planned and implemented.* This sub-component will use a participatory community planning approach to: (i) identify and map available resources; (ii) identify farmer groups that meet the eligibility and social targeting criteria; (iii) identify vulnerable households and youth; and, (iv) identify priority livelihoods and CBNRM activities and group capacity development activities. The CBNRM and climate resilient crop production activities are elaborated under sub-component A.2.

⁶⁹IFAD 2010. Participatory mapping and communication. http://www.ifad.org/pub/map/pm_iii.pdf

⁷⁰IFAD, 2009. Good practices in participatory mapping, a review prepared for the International Fund for Agricultural Development (IFAD). http://www.ifad.org/pub/map/pm_web.pdf

IFAD, 2010. The IFAD adaptive approach to participatory mapping. http://www.ifad.org/pub/map/pm_ii.pdf

⁷¹IFAD 2013: Adaptation in practice Increasing adaptive capacity through participatory mapping http://www.ifad.org/pub/map/pm_v.pdf

15. The focus of this component will be on building the capacity of 600 targeted villages to plan and implement group activities. These activities include: (a) public information, mobilization and sensitization; (b) sub-county, parish and village selection; (c) community planning including visioning, identifying existing groups, vulnerable households, mapping NRM and productive resources and climate and other risks; (d) group capacity building to address identified weaknesses (eg. group governance, leadership and group dynamics, visioning, gender action learning system (GALS), business action planning, basic financial literacy, record keeping and savings mobilization; (e) facilitation of groups participating in CBNRM/livelihoods activities, agricultural productivity, CAR planning/construction and water harvesting activities and (f) annual village activity review process.

16. Public information, mobilization and sensitization at district, sub-county and parish level. At project start-up, each district will carry out a public information campaign through a cascading series of stakeholder meetings to inform and sensitize local leaders and communities, e.g. using mass media, rural radio etc. A summary of the sub-county, parish and village selection process is provided in Appendix 2.

17. Capacity building for community planning processes. Capacity building for the local government (LG) and district farmer association (DFA) staff who will participate in the community planning processes will take place during the first 12 months of implementation. Two approaches will be pursued: (i) contracting training of trainers (ToT) for cascade training of LG staff and/or (ii) contracting of implementing partners who would use their own staff to provide training directly to farmer groups. A capacity strengthening plan will be developed as an early project activity. Capacity building in visioning and the Gender Action Learning System (GALS) would be provided by contracting qualified GALS trainers. Specialist inputs such as strengthening the capacity of district level staff to assist with community land use issues will be covered in the training activities. For sustainability, a key activity would be to identify and train community development facilitators (CBF) who will remain in the community as resource persons. Appendices 2 and 5 outline the type of training to be provided.

18. Community entry, participatory planning and beneficiary selection processes. In each district, start-up of project activities will be phased over three years. The entry process in each village would involve: (i) community mobilization by the sub-county community development officer (CDO), agricultural staff, parish development committee, LCII and local leaders; (ii) sensitization by the sub-county CDO and agricultural officers; (iii) participatory situation analysis⁷² including: community-based resource mapping and NRM planning; identification and assessment of existing groups (such as farmer groups, self-help groups, rotating exchange-labour groups and VSLA groups); wealth ranking and identification of vulnerable households; identification and ranking of main livelihood sources and income generating opportunities; and, participatory market diagnostic. (iv) ranking and selection of farmer groups amongst those meeting all the targeting criteria⁷³; and (v) identification and selection of vulnerable households for mentoring.

19. The outcomes of the planning process will include (i) a village/parish map highlighting the agriculture and NRM features that will influence the types of production and NRM management activities implemented by the project; (ii) a prioritised list of both group based productivity activities and, group and individual (for vulnerable / poor households) NRM activities based on the menu of activities outlined in the A.2 and A.3 below. For more established farmer groups in target villages, there may be opportunities for visits to ZARDI or other agency demonstration sites to see potential technologies which they may wish to include in their activities.

20. Group capacity building. Once the farmer groups have been selected, they will receive capacity building in: governance, leadership and group dynamics, visioning, GALS, business action planning, basic financial literacy, record keeping and savings mobilization. Capacity building in group governance, leadership and group dynamics and group registration would be the responsibility of DCDOs and their staff, who would receive refresher training under a MoU with a national social

⁷²IFAD 2009, Good Practice in participatory mapping, A review prepared for IFAD – <http://www.ifad.org/pub/map>
IFAD 2010, The IFAD adaptive approach to participatory mapping: Design and deliver of participatory mapping projects.

IFAD 2010, Participatory mapping and communication: A guide to developing a participatory communication strategy to support participatory mapping.

IFAD 2011, Evaluating the impact of participatory mapping activities: Participatory monitoring and evaluation

IFAD 2013, adaptation in practice: Increasing adaptive capacity through participatory mapping.

⁷³ Gender and poverty targeting and group process criteria include cohesion, commitment and democratic processes.

development training institute; capacity building in visioning and GALS would be provided by contracting qualified GALS trainers for direct training of CBFs and district CBOs/ACBOs; direct capacity building in business action planning, basic financial literacy and record keeping would be provided by contracted service providers; the project would not train groups in savings mobilization but would link them to existing local VSLA providers. The PMU and LG engineering team will also provide training to the road construction committee that will be formed to work with CAR design consultants and to monitor the CAR construction contractor.

21. Facilitation of groups taking part in project activities. The CBFs are intended to serve as the link between the lowest level of the local government administration in the relevant sectors and target groups at village level, and will facilitate group activities.

22. Annual village review activity. Each year the village capacity development plan will be updated. The first step in this review could be to support a parish experience sharing day where group and community members would visit one village and share experiences on their completed activities. The CDOs and sub-county agricultural staff would assist the CBFs to collate information and facilitate the day. The project would make a small contribution of food for the lunch to be prepared by the community members. Based on the lessons learned from the parish experience sharing day, the groups in each village would review their own group activities and plan activities for the following year. This review meeting would be facilitated by the CDOs and CBFs who would document the proposed activities and ensure that the required resources align with project resource allocations.

23. This sub-component will be coordinated by the PMU sociologist / community development specialist working closely with LG CDO staff at district and sub-county levels. Community mobilization and sensitization will be undertaken by the sub-county CDOs supported by agricultural extension staff, the parish chiefs and village executive committee members. In each participating village, participatory resource mapping, situation analysis, development of a NRM development plan and group formation will be facilitated by CBFs or contracted service providers.

24. **Output A.1.b** *Vulnerable households and youth participate in agriculture related development initiatives and income generating opportunities.*

25. Household mentoring. PRELNOR will scale up the household mentoring approach successfully tested under the District Livelihood Support Programme (DLSP) and adapt tools from the Gender Action Learning System (GALS) to enrich the mentoring of vulnerable households. Household mentoring involves: community-based identification during the village entry process of poor households that meet the criteria for individual mentoring; identification of suitable community members to serve as volunteer household mentors; training of district community development staff, as supervisors, and the household mentors; implementation of household mentoring through a series of visits by mentors to the mentored households over a period of 1-2 years. The visits involve holding discussions with the wife, husband and adult children as well as other adult household members.

26. The mentoring process has five phases, starting with visioning of the household's current situation, and a vision of its expected situation at the end of the mentoring process and the road journey moving toward the desired future situation. After making a simple pictorial action plan, household members begin to implement the action plan. After 5-9 months of successfully implementing some elements of its action plan, the household is encouraged to join a farmer group. At the start of the planting season, it will receive a small food security grant⁷⁴ to assist in boosting household food production and / or providing opportunities to generate some cash income. The end of the process involves achievement of goals, weaning and graduation. The governance arrangements for food security grants (USD 100) to poor households are already in place as successfully applied in DLSP. These are in-kind grants (planting material or small animals) that are selected by the households and procured through the local government system, following public procurement procedures. During implementation, consideration will be given to testing cash transfers instead of in-kind transfers.

27. Selection of mentored households. Target households for mentoring will be identified during the village entry and situation analysis process, starting from a participatory wealth ranking carried out by villagers. Households suitable for mentoring should have: (i) access to land and/or other natural

⁷⁴The grant will be valued at about USD 120 and could include seed, other inputs, small animals and other priority households necessities.

resources that are not being used productively; (ii) poor nutrition, poor shelter, malnourished children, school dropouts; (iii) many dependents, including orphans, the chronically ill or elderly; (iv) limited or no income generating activities; (v) limited or no household assets; (vi) be socially isolated from community and development activities; (vii) households headed by women or children, or in which women or children are the main source of family labour; and, (viii) show willingness and physical and mental capacity to respond to mentoring and other opportunities.

28. The project will identify and train one female and one male volunteer household mentors in each of the 100 project parishes. It will also train around 50 community development officers (CDO) to support the household mentoring process. The start-up in each village will be phased over 3 years with each household mentor supporting ten vulnerable households each year for a period of up to 18 months with intensive weekly household visits during the first 9 months, followed by less frequent visits.

29. The target for the end of project is to have successfully mentored 10,000 poor vulnerable households by the end of the 7-year project period, or 50 households on average per mentor. It is expected that at least 85% of the mentored households will successfully graduate from the process. Graduation implies that the household has achieved most of the goals in its action plan, such as household food security, putting children back in school, improved living conditions, hygiene and sanitation, increased savings capacity, higher income, greater self-confidence and higher participation in community groups.

30. The most vulnerable youths will also be targeted by the household mentoring process, as child heads of households, or as members of their parents, relatives or guardians' households in the case of orphans. The mentoring will assist them to work through stress and traumas stemming from the conflict period and the time spent in the IDP camps. It will encourage them to change their mind-set to self-reliance and highlight the opportunities for improved livelihoods. During the mentoring process or after graduation, female and male youths will be encouraged to become members of the already existing farmer groups or form their own groups to benefit from improving production methods using improved technologies and inputs. Youth farmers may also select other income generating activities within the crop value chains (seed multiplication, oxen-ploughing, providing contract agricultural services such as crop protection, marketing, transport, processing, etc.) in which the project, under sub-component B.1, will train them further on and help in facilitating linkages to access financial services. Where possible, existing agencies with youth social and skills development activities⁷⁵ will be used to provide priority capacity building for the youth.

31. Youth activities. The most vulnerable youths will also be targeted by the household mentoring process, as child heads of households, or as members of their parents, relatives or guardians' households. The mentoring will assist them to work through stress and traumas stemming from the conflict period and the time spent in the IDP camps and to encourage them to change their mind-set from passive to self-reliance and to highlight the opportunities for improved livelihoods.

32. After graduation, female and male youths will be encouraged to become members of the already existing farmer groups or form their own groups to benefit from improving production methods using improved technologies and inputs. Youth farmers may also select other income generating activities (seed multiplication, oxen-ploughing, providing contract agricultural services such as crop protection, marketing, transport, processing, etc.) in which the project, under sub-component B.1, will train them further on and help in facilitating access to financial services.

33. As an example, a youth business creation activity to provide specialist agro-chemical application services to farmers without experience in applying agro-chemicals will be implemented with Crop Life Uganda which has developed the training activity for the CATALIST programme managed by the International Fertiliser Development Corporation (IFDC) and funded by the Netherlands Embassy. Farmers pay a small fee to the application contractor who provides advice on the appropriate chemicals and time of application to the farmer and then applies the chemicals using appropriate safety equipment and procedures. PRELNOR will link to this and other rural based income generation activities supported by similar projects in other parts of Uganda.

34. This component will be managed by the PMU sociologist / community development specialist with implementation managed by the district and sub-country community development officers and

⁷⁵For example, the Northern Farmers' Community Initiative based in Gulu.

their assistants. District community development staff will be trained to follow-up on the household mentors and progress made by the mentored households. The sub-county CDOs will be the main monitoring / reporting point for the household mentoring activities with regular follow-up at field level with both the mentors and mentees. The initial training of trainers will be conducted by either a contracted firm or existing resource persons drawn from the MoLG and districts currently being supported by DLSP.

Sub-component A.2 Priority climate resilient crop production systems

35. *Output A.2.a. Relevant climate resilient crop production systems with complementary livestock activities adopted by farmers using sustainable land management, improved seed material, mechanisation and cultivation practices, contribute to increased productivity.* Cropping areas and yields will be increased through timely use of good agricultural practices, appropriate mechanisation and land use investments. The project will strengthen the capacity of rural poor farming households to sustainably increase productivity and production of food security and marketable crops through an extensive agricultural extension programme. Initially, the main crops will be maize, cassava, beans, pulses and sorghum but PRELNOR will respond to changes in market demand for these and other crops grown in northern Uganda.

36. Planned activities include: (a) farmer group activities to increase crop productivity through the development and uptake of good agricultural practices; (b) community seed production to ensure delivery of high quality seed; (c) conservation agriculture approaches incorporated into crop production systems; (d) farmers have access to other profit increasing inputs including labour saving technologies; (e) appropriate mechanisation is piloted and assessed for the main crops; (f) small-scale adaptive research activities to address identified production constraints (crop micro-nutrients, etc.); and (g) capacity building for implementing partners (LG, DFA and other service providers) and supervising partners to ensure the activities are delivered effectively.

37. **Extension approaches in PRELNOR.** The project will use a range of extension approaches supported by applied research, extension and CBFs to deliver on a range of new and improved management activities addressing the activities outlined in the previous paragraph (an example of the menu is provided in Appendix 5, Annex 5. Introduction of new crop/livestock/NRM technologies/approaches will require a combination of demonstration, explanation and evaluation – the more knowledge intensive the new intervention, the more facilitation that will be needed. In addition, links will be made with other agricultural productivity activities such as the IFAD grant supported PlantWise activity, the International Fertiliser Development Corporation (IFDC) managed CATALIST programme and the Integrated Seed Sector Development (ISSD) programme which all work in the project area.

38. Extension activities will include: (i) demonstrations with participatory evaluation of technologies by households; (ii) mother-baby trials to build on these demonstrations; (iii) lead farmer demonstrations; (iv) farmer-to-farmer exchange visits; and, (v) farmer field schools. The following sections summarises these extension approaches.

39. On-farm demonstrations with participatory evaluation of technologies: Field demonstrations of new crop varieties (e.g. drought tolerant, pest/disease resistant crops), as well as improved small livestock housing and feeding management, will be conducted in target communities. The choice of demonstrations will be identified as part of the community planning process in Output A.1. These farmer participatory evaluations provide farmers with first-hand experience of new technology options (e.g. crop varieties and agronomic practices). They also allow farmers to select a combination of technologies for testing under their own management conditions on their own farm. The trials can also be used for farmers' hands-on training in integrated crop management.

40. Mother-baby trials will build on the field demonstrations and allow households to evaluate a range of crop production options in the first season/year and to select the ones most appropriate for their household needs, land size, labour availability and ability to take risk in production etc. that they would like to try at a larger scale on their own land. The "mother" plots (large central plots in selected villages) are planted and maintained by participating farmers under the supervision of ZARDI and extension agents, while "baby" plots (satellite plots) are small subsets managed by individual farmers. The methodology requires detailed data collection (agronomic, farmer preferences, etc. on mother trials) and feedback from the baby trials. This will ensure that the technology demonstrated can be readily adopted by many farmers. This approach is complemented by farmer-to-farmer visits to share

experiences and production and dissemination of user-friendly publications in local languages. Examples of these publications are simple informational fliers, and colour-coded maps designed to indicate appropriate varieties for different climatic regions.

41. **Lead farmer demonstrations:** In most farming communities there are respected farmers who are seen to provide a model for 'good' production practices which lead to increased incomes⁷⁶. Establishing demonstration plots on the land of these leading farmers can provide a focus point to draw attention to the new practices/technologies being demonstrated. Information boards and field days can be used to communicate the learnings from the demonstration to farmers who do not want to join farmer groups.

42. A more effective extension approach with these leading farmers is to take a 'focus farm' approach where a group of peers of the lead farmer or the farming group they belong to, become part of the lead farmer's decision-making processes through the production year with meetings at the most important decision points (land preparation, crop selection, weed/pest control, harvest/postharvest). The most important element of the focus farm approach is to highlight the financial (costs, yields, prices) and risk management aspects of the decision processes and, at the end of each growing season, publicise (through information boards and other extension material) the financial information to assist other farmers assess the demonstration, taking account of the own risk profiles and access to finance.

43. **Farmer to farmer information exchange:** Once a farmer group members have started to adopt new ideas introduced through the group activities, the group should be able to better assess new technologies and assess what ideas may be appropriate to their situation. At this stage, farmer to farmer exchanges will become a valuable activity for stimulating and building on farmer interest in new crops and technologies and allowing them to share experiences with farmers who have used these new crops and technologies. The proposed an annual parish field day in one of the project villages would facilitate experience sharing and farmer to farmer exchanges.

44. Single or a number of farmer groups may identify a new crop or technology they would like more information about from farmers in another area using the technology or, for a more advanced group, they may wish to visit a ZARDI where the crop or technology is still in the development stage but is ready for field level adoption by farmers who are prepared to be innovative. This could be to a ZARDI sponsored field day at their main or satellite sites. Project funds would be available to subsidise basic transport costs. For more advanced farmer groups, cost-sharing arrangements could be negotiated.

45. **Farmer field schools(FFS):**For the introduction of some more advanced technology options (e.g. weed, pest and disease control, detailed assessment of mechanisation, producing for market needs) more extension support than only demonstrating improved agricultural practices may be needed where farmers need to understand the why, how and when to use improved agricultural practices. The FFS approach has proven to be successful to provide more detailed support to farmers and has been successfully introduced through a number of programmes and NGOs in Uganda. It is expected that less than 25 % of group technology extension activities would be best implemented with a FFS approach. FAO has provided extensive FFS master trainer training for groups in northern Uganda but many of these master trainers and the trained FFS facilitators have moved away from the area. Specialist training in group facilitation and basic extension methodologies will be part of the general training provided to project CBFs and sub-county based technical resource people.

46. **Regional agro-ecological testing by ZARDIs.** PRELNOR will work with the ZARDIs responsible for the main crops grown in the project area (Ngetta, Soroti and aBI) to access and evaluate new crop varieties that are pest/disease resistant, drought tolerant, etc. and associated growing technologies. These evaluations will be conducted across the eight target districts. Promising interventions will be tested on-farm and be supervised by ZARDI staff and LG extension officers. The technologies to be demonstrated/evaluated will be determined during the community planning process outlined in sub-Component A.1. These demonstrations will continue for several seasons to capture any seasonal variations in rainfall, temperature, pest attack etc. The extension agents and CBFs will organise field days, and farm walks for farmers and other stakeholders, providing extension advice and creating awareness about new varieties, quality seed, etc.

⁷⁶In most cases, outside observers cannot learn about the financial/economic outcomes of the farming practices being used. This lack of transparency provides an additional reason for observing farmers to not adopt the practice.

47. **Technical back-up and applied research.** Experience from other extension programmes is that often during the extension activities, field level technical problems will be identified by the participating farmers which the facilitator and the supporting master trainers and supervisors will not be able to answer. In those cases the project will request support from appropriate specialised institutes or organization (e.g. Ngetta ZARDI, Gulu University) for support or to initiate on-farm applied research to work together with the farmer groups to find possible solutions.

48. **Mechanisation.** Under the extensive production system now being used, increased areas under crop may lead to reduced yields per unit area due to shortages of labour to plant, weed and manage pests and diseases. Mechanisation of land preparation and weeding, combined with cultural practices such as sowing in lines, will contribute to increased production and productivity.

49. To provide information on the costs and benefits of small two wheel-tractor based mechanisation, the project will collaborate with the International Maize and Wheat Improvement Centre (CIMMYT) regional mechanisation programme, to implement a pilot activity. Four locations identified during the village selection and preparation process will be used with follow-up support from CIMMYT after the pilot activities are completed. For groups that have shown they have developed appropriate skills in intensifying production, PRELNOR will assist groups to purchase and/or hire a power tiller or even a tractor on a cost sharing basis. In all cases, the community plan should indicate clearly how other members of the community will be able to benefit from the oxen-plough, power tiller or tractor, e.g. by agreeing to plough fields of the other group members for a reduced price for a number of years.

50. A pilot small-holder mechanisation adaption and demonstration activity will be implemented in one village in each of the eight districts based on experiences of the smallholder mechanization programme – Farm Mechanization and Conservation Agriculture for Sustainable Intensification across Eastern Africa programme⁷⁷. A farm model was developed to measure the impact of small scale mechanization at farm level from the perspective of the farmer and the service provider respectively. The model was developed for a group of 30 farmers with an average cultivated are of 5 acres per smallholder. PRELNOR will contract the CIMMYT Conservation Agriculture Mechanization Team to provide the technical support for the establishment and mentoring of eight groups, one in each of the eight districts.

51. Four mechanization groups will be established in year 1 and a second set of four groups established in Year 2. In Year 1 of group establishment service provision will focus on the two wheeled tractors (2WT) and associated equipment for ripping, furrowing, shelling/threshing and transport (these operations are the easiest to mechanize and the corresponding machines being simplest to manufacture and operate). In the second year of group formation the following services will be added: direct seeding (using the same tool bar as the one used for ripping and furrowing) and herbicide spraying using improved knapsacks. Rice harvesting could also be added using a cutting bar mounted in front of the 2WT (rice harvesting being the most labour intensive operation in the study area). These groups will then be mentored and monitored over the next 6 years to enable them to develop sustainable business models and become self-sustaining commercial operations. The full concept is summarised in the project implementation manual (PIM).

52. As an alternative strategy, animal traction mechanisation approaches will be evaluated. For promising options, groups of young farmers in each village can be supported with training to operate the oxen-plough and oxen-drawn weeding equipment. They would be encouraged to link with SACCOs (e.g. The Kitgum village bank) which have financial products designed to finance these investments.

53. **Community seed multiplication.** The project will focus on: (i) increasing the availability of improved seeds and good quality planting material by farmers in the target districts; (ii) delivery of farmer-and market preferred varieties; and, (iii) ensuring the three ZARDIs with responsibility for breeding and delivering foundation seed/material for crops in the project area are supported to produce enough breeder and foundation material to meet the needs of community seed multiplication groups. The sustainability of local seed supply systems have been shown to be directly linked to timely supply of quality seed and access to new varieties that suit smallholder farming systems.

⁷⁷Implemented by the International Maize and Wheat Improvement Center (CIMMYT).

54. Seed multiplication groups. Seed multiplication through local farmer groups has been found to be an appropriate solution to the problems of lack of availability of good quality, up to date planting material and improving farmers' trust in improved seeds and planting materials. Further training of ZARDI technicians and DFA farmer group facilitators is vital in the sustainability of seed production and technology transfer. During the first year, training will be provided in integrated crop management practices using appropriate methodologies. The curriculum would include: disease/pest management, agronomic practices for seed production, postharvest handling of seeds, testing germination and moisture content using simple methods, marketing, book keeping, costing and group dynamics. The trained staff will serve as resource persons to farmers especially to those involved in certified seed production. Simple technical guides on good agronomic practices will be produced and translated into local language.

55. The project will link with the Integrated Seed Sector Development (ISSD) programme which has been working successfully with farmer groups in the northern region, including Acholi, over the last few years. ISSD has two key outputs: (i) developing functional local seed businesses (LSBs) with smallholder market-oriented farmers organised for and employed in quality seed production and marketing, and, (ii) supporting respective public institutions to increase their effectiveness in specific supportive tasks in relation to seed production and marketing. These complement the proposed PRELNOR activities and synergies will be developed will minimize duplication of effort between programmes.

56. Breeder and foundation seeds / material. The production of quantity and quality breeder seeds to meet the demand of subsequent seed classes (foundation and certified seeds) is critical. The project will support the ZARDIs to ensure a consistent supply of breeder seed through specific interventions necessary to increase the production of breeder seeds of standard quality of priority crops (beans, maize, rice, groundnut, and sesame) well adapted in the zone.

57. Activities in this sub-component will be led by the PMU agronomist / extension specialist, supported by the climate change and environment specialist, community development specialist and the agribusiness and partnerships management specialist. In each district the DPO, supported by extension staff based at sub-county level will supervise and monitor the activities of the group facilitators contracted through the DFAs. The group activities will be implemented by CBFs who will receive training in group facilitation and required technical skills including FFS processes.

58. Each DFA will be provided with resources (two staff positions, computers and mobility allowances) and training, to allow them to manage the project agricultural and NRM activities in each district. These management staff are currently in place and have managed other similar projects so will mainly need refresher training and training in PRELNOR processes and procedures. The senior person in each DFA office will work closely with the agronomist / extension specialist to manage the agreed AWPB. Funding for the DFA activities will flow directly to each DFA based on invoices certified by the district agriculture officer.

59. **Output A.2.b Complementary CBNRM initiatives implemented to strengthen/support crop productivity activities.**

60. The CBNRM adaptation practices that will be promoted under PRELNOR are/have being/been developed and piloted previously under a group of programmes financed by bi-lateral donors and Least Developed Country Fund, See Appendix 3 for a summary. The interventions will include: (i) natural regeneration of trees in farmed and communal areas; (ii) multi-purpose vegetated bunds for improved soil and water management and erosion control – a budget to support 100 demonstrations will be provided through ASAP; (iii) tree nurseries and woodlots to provide alternative sources of domestic energy and reduce rates of deforestation; iv) rainwater harvesting for households and village/parish level institutions (e.g. schools). ASAP funds will support the training of community groups to build small rainwater harvesting tanks and 100 demonstration units that will be established at one institution in each of the target parishes. The water captured could be used for potable water or for supplementary irrigation of vegetable gardens. and, (v) in collaboration with the Uganda Carbon Bureau's 'Improved Cook Stoves for East Africa Programme' promote improved cooking stoves and, if livestock number increase, demonstrate appropriate biogas technologies. It is proposed to establish a CBNRM village development fund, which facilitate access to a one off incremental grant of up to USD \$6,000 (PRELNOR USD 5: village USD 1) to village groups to help implement their long term CBNRM plans, including the activities outlined above and rainwater harvesting activities planned for the CAR

program. For these innovation grants the project will build on the approach developed under the World Bank funded Northern Uganda Social Action Fund (NUSAF). Innovative CBNRM interventions will be approved by the DTPC sub-committee for PRELNOR and recommended to the CAO (of the respective District Local Government) and PMU for funding. Further elaboration of the governance arrangements will be done in the initial stages of project implementation.

61. The project will competitively select one or two service providers with NRM planning skills to support the PCU and LG/DFA staff and service providers to incorporate CBNRM principles and activities into the community sensitization and mobilization processes and community planning processes. Capacity building for service providers would be phased to precede the community-level mobilization and participatory mapping and planning process and the district capacity-building activities indicated under A.1. Alternative approaches could be used: contracting trainers of trainers (ToT) to cascade training of existing district and sub-county staff, where available, and/or contracting of implementing partners who would recruit and train their own staff to provide training directly to farmer groups.

62. A CBNRM village development fund will be established to facilitate access to one-off incremental grants of up to USD 6,000 (USD 5: village USD 1) to village groups to help implement their long term CBNRM plans. This work will be coordinated by the PMU, with communities competitively bidding for a one off contribution of up to USD 6,000 from PRELNOR after they have prepared their CBNRM plan that identifies where relevant PRELNOR CBNRM interventions are needed. After appropriate training, proposals will be prepared by the village CBF and the appropriate farmer or community group in the village which will implement the proposal. Proposals could include: preparing water/soil conservation structures on community land; planting trees/perennial grasses to reduce runoff from community land; installing biogas or solar electricity facilities to support a community education or health facility; demonstrating the use of conservation farming practices for farmers outside farmer groups, demonstrating the use of harvested rainwater for improving access to potable water, particularly on a community facility; demonstrating the use of water harvesting for small-scale irrigation; and using energy efficient stoves.

63. The selection process will be led by the climate change / environment specialist who will screen all the proposals received on a six month proposal cycle. Those proposals that meet a set of selection criteria developed by the climate change / environment specialist in the first six months of the project will be submitted to a meeting of the PRELNOR sub-committee of the DTPC. Based on an agreed selection criteria (including value for money, demonstration potential, benefits to vulnerable groups in the community and likely replicability), the PRELNOR sub-committee to the DTPC will recommend to the CAO and PMU which proposals should be funded. Further elaboration of governance arrangements for these grants will be made before they are disbursed.

64. These investments will be supported by the contracted relevant agencies (e.g. RAIN Foundation - who are currently implementing an IFAD grant) to provide technical assistance to develop new design standards for CARS that include the rain water harvesting (RWH) option and support the integration of the improved CAR design into community based natural resource management plans for RWH for both irrigated community gardens and livestock watering.

65. The Uganda Carbon Bureau's 'Improved Cook Stoves for East Africa Programme' will be consulted during the PRELNOR inception phase to advise on appropriate strategies to develop sustainable markets to promote improved cooking stoves in the project area. These improved stoves are more energy efficient and will result in reducing the consumption of non-renewable biomass and are recognised by the CDM carbon market.

66. Output A.2.c. Long, medium and short term agro-metrological information used for farming decisions

67. These activities will improve weather forecasting capacity to provide farmer's and extension staff climate information needs. The Uganda National Meteorological Authority (UMNA), in collaboration with the African Climate Change Resilience Alliance (ACCRA) and Makerere University, have piloted improved climate information services in Kitgum and will further develop and expand this initiative across the project area with support from PRELNOR.

68. PRELNOR, in collaboration with other initiatives in Uganda, will support activities to strengthen the agro-meteorology capacity in the project area, by investing in the national network of weather

stations. PRELNOR will consult with the UNMA to identify where the seven automatic synoptic weather stations (ASWS) will be located in the project areas to ensure complementarity with the national monitoring array. To further enhance the agro-meteorological knowledge base, a further 25 automatic weather stations (AWS) will be located at appropriate institutions at parish level. The information from these additional weather stations will contribute valuable localised weather information to develop downscaled localised climate predictions and scenarios for district-level agricultural use (see Appendix 3).

Output A.2.d Sub-regional biophysical monitoring system implemented.

69. Seven sentinel sites, based on the “Land Degradation Surveillance Framework”⁷⁸, will be established to complement the initial site that has been established in Nwoya District through the CCAFS-CIAT programme⁷⁹. As part of this process, land health surveys will be undertaken to establish baseline conditions of soil constraints, soil fertility, land use and land cover, assessment of farming practices, assessment of tree and shrub densities, infiltration capacity and erosion prevalence. Data from these surveys will be used to conduct spatially explicit crop modelling exercises and trade-off analysis. High resolution satellite imagery will be acquired and used to develop predictive models for the generation of high resolution maps of soil condition, vegetation cover, climate risk and land degradation risk factors for the eight districts. Additional images will be obtained at mid-term and final evaluations to assess changes that have taken place as a result of project activities. This investment will provide the basis of a long term biophysical monitoring and evaluation system for each District.

70. Activities to establish the biophysical baseline and subsequent monitoring will build on the collaboration established between IFAD, the International Centre for Research in Agroforestry (ICRAF) Geoscience Lab and International Centre for Tropical Agriculture (CIAT). MoUs will be signed with ICRAF and CIAT, through which their staff will assist in the establishment of the seven ‘Land Degradation Surveillance Framework (LDSF) Sites’, provision of technical support in the establishment of the sites and the subsequent monitoring. ICRAF will include their evolving suite of models to interpret the satellite imagery and provide the necessary tools and training for district staff to include the LDSF approach in their for long term monitoring and evaluation process.

Component B: Market Linkages and Infrastructure

71. ***The outcome for this component is: Farmers with surplus crop production receive increased prices and profitably sell larger volumes of crop products through expanded access to Ugandan and regional markets.*** PRELNOR will develop agricultural produce marketing capacity to increase the volumes of quality agricultural produce traded and facilitate fair prices leading to better profits and income to smallholder farmers.

Sub-component B.1 Improved market access processes

72. ***Output B.1.a Market stakeholder platforms (MSP) will facilitate and support development of aggregation and bulk trading facilities at district/sub-county and sub-regional levels, and the autonomous bodies to operate and manage the LG owned facilities.***

73. **Market stakeholder platform.** To facilitate local ownership and inclusivity the project will bring together all main market stakeholders to develop a stakeholders group or market stakeholder platforms (MSP) in each district where aggregation or market facilities may be constructed. The MSP roles will include: Mobilise participation of communities to participate in the market access activities including development of aggregation points or bulk markets; facilitating policy dialogue with the local government and other actors; facilitating communication between various market stakeholders overseeing existing market processes; identifying where there are opportunities to improve market access and linkages in each district and/or in the sub-region; implementing a feasibility study of and developing a business case for project investment to improve market access, particularly through investment in aggregation points / markets and / or larger sub-regional bulk markets; participate in preliminary design of the markets and selection of the market locations; creation and supervision of

⁷⁸<http://www.africasoils.net/data/ldsf-description>

⁷⁹ “Increasing food security and farming system resilience in East Africa through wide-scale adoption of climate-smart agricultural practices” – IFAD grant signed March 2014

the market management company; and, ensure accountability systems of the aggregation points or bulk markets established,

74. The MSPs at district level will be composed of the district farmers associations (DFA), produce traders associations, processors association, savings and credit cooperative society (SACCOs), district chambers of commerce and industry, and local governments. In the districts where market stakeholders do not exist in an organised manner (probably Agago, Amuru, Lamwo, Nwoya and Pader) the project will implement the following activities to initiate formation of a MSP. A MSP focal point will be nominated in each district to provide linkages between the facilitator and the MSP committee.

75. MSP Forum. The project will facilitate establishment of a sub-regional forum which brings together the MSPs from the districts where the project will construct markets. The MSP forum will enable interaction and knowledge sharing between the individual MSPs. The MSP forum will meet at least once a year and will perform the following roles: facilitate dialogue amongst all MSP members, especially policy dialogue with the local and central governments; share and outline common strategies for developing markets; facilitate learning amongst market players; discuss and compare the progress of markets, strategy plans and budget of the market and receive external audit reports. Initially PRELNOR will fund the sub-regional forums but MSP members will move to cost-sharing arrangements. The MSP forum would have three committees: (i) audit committee with the role of checking financial management in the markets; (ii) marketing committee with the role of promoting markets and develop marketing strategies; and, (iii) policies and bylaws committee with the role of following up with local and central government implementation of policies recommendations from the MSP. The MSP forum could include other relevant regional or national organisations which have an interest in making agricultural product markets operate more efficiently while ensuring food safety and quality.

76. Developing market access facilities. Based on market access assessments and opportunities for investments to support flows of traded agricultural products, MSPs will identify and develop a detailed business plan for investment in the district (e.g. aggregation or small market facility, or a more substantial investment in a sub-regional bulk market(s)). The market infrastructure proposed will focus on improving the flow of crops through the market with investment in storage and processing left to the private sector. The market facility may be designed to provide value addition services, such as grain cleaning, on a fee for service basis. After agreement on funding arrangements and securing the land, a MSP market construction sub-committee (MCSC) would work with the design consultants, local governments and the construction supervision consultants to ensure that the market design and final structures meet the functional requirements specified by the MSP.

77. Market management company(MMC). As market construction nears completion, the market management company and the local government will enter into contract in which the market company will manage the market while the local government will own the building (and land). The contract between the local government and the market management company will stipulate the crop/market levy to be charged, the modality of payments and duration of the contract. While the duration of the contract shall be determined by the two parties, however, a minimum two to three years is advisable. The market management company will be tasked by the local government to collect a market use levy on its behalf, which will be remitted to the local government under the management contract, while allowing the market management company to retain part of the levy, say about 30 %, for operational costs which will be identified in the annual business plan.

78. This activity will be led by the PMU agribusiness and partnerships management specialist linking with farmer groups, SMEs, traders' associations and DFAs in each districts supported by the local government CDOs. There will be appropriate capacity building to enhance members' market oriented activities, especially those linking family farming to innovative systems for coordinating family farming production, marketing and processing. Because this activity will operate across at least eight locations, additional trainers of trainers in business management and development skills will be identified within the project region to train or upgrade business development services (BDS) and technical trainers in each district. Specialist trainers⁸⁰ will be contracted as required to supplement these local BDS trainers and providers. The Kampala based multi-donor supported Agribusiness Initiative (aBI) will also be a valuable partner as it provides similar services to the same target group.

⁸⁰SNV and the Kilimo Trust could be included in the contracting processes.

79. To introduce and increase understanding of the MSP and marketplace concepts, an early project activity will be study visits to the successful large agricultural produce markets operating using these processes in Tanzania and/or the MSPs being developed in Niger under another IFAD-supported project. The Learning Routes approach developed by IFAD will be used to maximise the impact and sharing of knowledge from these study tours. The study visits should include all market stakeholders (local authorities, producers, SMEs, and project staff) so they understand their respective complementary roles

80. *Output B.1.b Farmers, agribusiness groups and young rural women and men use improved post-harvest handling (PHH) practices and/or value adding to link with or work within inputs and product markets.* The main activities will be working with economic-oriented groups who have identified business opportunities and profitability as their priority focus to develop their skills and capacity to move their businesses up the market and/or value chain. Activities will include: (a) specialised training in entrepreneurship, market identification and development, business planning, simple PHH improvement and financial management training; (b) assistance to develop business plans for expanding businesses or investment in advanced PHH and / or value adding equipment and technical training including structured processes to facilitate linkages with business development service (BDS) providers, local financial service providers, input and transport service providers, agro-dealers, contract farming / production organisations, traders and end-users; (c) training, market development and appropriate mentoring support to develop PHH and value adding (V/A) activities; (d) piloting and demonstrating new PHH and V/A technologies and approaches including financial analysis; and, where necessary, (g) capacity building for implementing and supervising agencies.

81. The activities will provide technical and business training to support youth in gaining an understanding of non-farming opportunities in the market chain. For example, starting as market porters or as assistants to traders in their buying and selling activities so they develop an understanding of the market processes and trading. Structured action learning activities will be used where possible. To attract youth that already using social media, specific information and communications technologies (ICT) training will be conducted to encourage them to tap their ICT creativity into agriculture and agribusiness⁸¹.

82. To assist more innovative and experienced farmer groups or SMEs, a small PHH investment grant scheme(USD 1 million) will be established to fund investment in new PHH or value adding technologies or capacity that is not commercially available or accessible. Access to these PHH investment resources would be through a competitive process guided by stringent conditions to ensure funds are invested commercially and there is appropriate cost-sharing by the investors. These activities will also address the climate vulnerability of the market chain, especially during harvesting, drying, post-harvest storage and transport¹⁴. The following table provides examples of the types of PHH or value adding activities that the advanced farmer groups / SMEs may wish to invest in.

⁸¹ See "Youth in Agricultural Trade and Enterprises (YATE)" business model developed by FarmConcern International. <https://www.facebook.com/pages/Youth-In-Agriculture-Trade-and-Enterprise-YATE/349962851791639>

Table 1. Potential Investments for District/sub-county HUB/Cluster Investment

Investment	HUB/cluster investment levels			
Types / Crops	Small	Medium	Large	Start-up
	Rehabilitation, quality improvement	Innovation, market development	Commercial up-scaling	Basic storage, drying,
Maize	Shelling, drying and storage Seed distribution	Basic processing	Maize flour or starch, stocked.	Cob or grain storage, and drying
Beans	Cleaning, sorting and grading on size, colour and storage Seed distribution	Market development	Processing and retail packaging. Pre-cooking and packing into consumer ready packs	Storage, drying
Cassava	Improved post-harvest handling, drying, chipping, waste management	Preparation of tubers for processing. Water supply and waste water management	Gari, cassava chip and/or starch. Packing into family size pre-prepared consumer packs	NA
Rice	Drying, cleaning Seed distribution	Husking, bulking for rice mill buyers	Rice milling and retail packing	Storage, drying
Sorghum	drying and storage Seed distribution	Final cleaning for end-users		Storage
Simsim	drying and storage Seed distribution	Final cleaning for end-users		Storage

83. As a demonstration the SME will have to be prepared to host interested groups of small investors and to provide (i) transparent financial and operational information to these learning groups and (ii) publication materials for broader dissemination and use through professional umbrella organisations at district or national level such as the DFA / NFU, DCCI / UNCCI or the UCA.

84. Grants will initially be limited to < USD 5000 for the first investment and may be increased to match the development of the capacity of agribusiness group to manage its PHH or value adding activities and business. Consideration of applications for future grants will depend on the successful implementation and management of preceding grants.

85. The steps in applying for a PHH investment grant will include: (a) on a six month cycle, call for expressions of interest (EOI), development of a 1-2 page PHH or value adding investment concept with the CBF or agribusiness group facilitator for submission to the PMY agribusiness specialist; (b) the agribusiness specialist will assess each application on a subjective scale and ask the district

commercial and agriculture officers to assess and score the submitted EOIs. The PRELNOR sub-committee of each district technical planning committee would review the LG staff EOI assessments and, based on a set of criteria developed by the agribusiness specialist, recommend which groups should be invited to submit a full proposal; (c) groups submitting accepted EOIs will be asked to prepare a detailed business plan for the proposal. This will in some cases, require a business development services provider funded by the project to facilitate the group to develop the project concept and to document it in a business plan that can then be submitted to the project. The business plan would indicate what resources will be provided by the group, the total budget and what funds are being requested as grants or will be sought as borrowing from local banks. (d) The business plans submitted from all invited groups will be assessed by a project grant committee with representatives of; the PMU, district production and commercial officers, the market stakeholder platform (MSP), the local SACCOs and local commercial banks.

86. The assessments should take account of: (i) co-investments by the groups; (ii) implementation success of previous business plans, not necessarily supported by the project; (iii) the flow-on benefits to other households and youth in the community from the proposed investments; (iv) the need for the proposed investments in the parish, sub-county and district, particularly how the proposed investment will improve the market chain and/or market access for farmers in the project villages; and, the benefit: cost ratio for the proposed investment and payback period. The agribusiness specialist will develop a structured objective scoring sheet to ensure participants in the proposal assessment follow the same methodology. After the project grant committee has screened the proposals, the groups with the highest ranked proposals would be expected to submit a borrowing proposal for the balance of the funds to a SACCO or commercial bank in the sub-region. The grant would be conditional on obtaining commercial borrowing for the balance of the funds required.

87. The funds could be accessed⁸² in two ways: (a) a grant for a proportion (less than 70%) of the cost of the equipment being installed or funds needed for technical and/or business advice⁸³; or, (b) use the PHH investment grant fund resources as collateral (on a blocked account) to obtain a commercial loan from their financial institution (FI) or microfinance (MFI). This avoids the complications and negative consequences on the local financial market from the project linked to the set-up of a guarantee fund. The PHH investment grant fund resources are paid by PRELNOR to the SME client (no negative effect on the lending institution risk management assessment) and it remains a client's decision on how the challenge fund resources that s/he controls are used.

88. SMEs will also have to include in their business plans an indicative business oriented use of the PHH grant resources once the loan has been repaid and the collateral reverts back to the client. FI/MFI will strictly apply their procedure regarding risk management: e.g. 3 times the value of the grant as collateral = 50% could be existing collateral, 50% could be the PHH grant. This activity will be implemented in close linkages with FI and MFI to support current efforts done by FI/MFI to bridge the gap between SMEs needs (the demand for financial services) and the existing financial products (the offer).

89. Links will be made with IFDC and other donor activities to support agro-dealer development and certification across the project region. Recent research by the CATALIST programme in the area bordering the project area highlights that most agro-dealers are not certified by the Uganda National Agro-dealer Association (UNADA). Agro-dealers will have a major role in development of sustainable crop production systems under Output A.3 as agro-chemicals and some fertilisers will be needed to support intensification of production and increases in household cropping areas to ensure timely weed and pest control. The community seed production activity will take the lead in supplying seed that farmers can trust.

90. *Output B.1.c Relevant crop, livestock and input market information collected from production basins and used.* Market stakeholders will be trained to access and use agricultural market information systems (AMIS) for commodities by aligning and linking them with existing AMIS service providers. An issue to be addressed in the initial stages is why the existing AMIS⁸⁴ are not more

⁸²The proposed mechanism will be developed during the appraisal mission so the proposed mechanisms align with aBi and/or the new EU/IFAD challenge fund lending and grant processes.

⁸³This process would align with the aBi grant processes for farmer groups and SMEs.

⁸⁴Several projects have developed market price information services for crops across northern Uganda including AgriNet (funded through ALREP) and the AMIS implemented by FIT Uganda, both operating in most of the Acholi districts. The m-Farm market information system has been developed by IFDC in Ghana and is now being implemented

widely used. This information will then be the basis for reviewing the use of existing services to provide a more complete profile of market prices and volumes of each product in the market. As there are at least two (or more including the eSoko system) operating AMIS organisations in northern Uganda, the mission believes that it is unlikely that a new system will need to be developed. However, on the ground and amongst farmers and other market stakeholders in the north the services are not well known and used only to a limited extent. The project, through an appropriate procurement process, will contract with a suitable AMIS service provider to link with project farmers, and other market stakeholders through their associations and the market stakeholder platform (MSP) which will be facilitated in the course of project implementation.

91. The AMIS interventions will have the following activities: (a) a rapid assessment / feasibility study to establish the sources of agricultural market information for the farmers and traders in order to tailor the agricultural market information to suit their needs and to understand why the current AMIS are not being fully utilised; (b) Promotional activities using posters, leaflets and community radio to publicise the agricultural market information services; (c) establishing points for collecting and disseminating agricultural market information particularly at the newly established bulk and satellite markets and nominate responsible persons; (d) creating information system network linking the satellite markets, bulk markets, producer associations, traders associations and possibly at group level and to the existing systems operated by a suitable service provider; (e) adding additional information services such as weather to the package of information available to the producers and traders; (f) creating new and visible tools for accessing market information such as market boards posted in the newly established bulk and satellite markets for increasing transparency at the markets; and, (g) facilitating training on the AMIS for the different levels of the market chain including: principles, components and tools of AMIS; modality and functioning of AMIS; information packages obtained from AMIS – this should be linked to the needs of the market stakeholders; setting up simple AMIS systems; and, practical arrangements for collecting, disseminating and using market information under the project.

92. Market companies at the newly established aggregation centres and bulk markets will facilitate collection and dissemination of market information. The agricultural product marketing information system will possibly incorporate the following features: (i) Diversity of information sources: data will be collected from the network of rehabilitated markets, but also from other regional markets to be identified, from main urban markets and from border markets; (ii) Regular dissemination for a list of agricultural products (maize, sunflower, cassava, beans, bananas, sorghum, sesame (simsim) updated at Traders and producers associations will retrospectively share market information at their group level. least twice weekly; and, (iii) Publicity of the data on market sites and, more importantly, in the villages of the production catchment area surrounding rural markets to reach more producers.

Sub-component B.2 Market access infrastructure (MAI)

Output B.3.a Existing community access roads upgraded or new roads constructed in underserved areas with construction standards upgraded to climate change resilient norms.

93. An estimated 1,550 km of community access roads will be constructed, including all the required ancillary structures as per the requirements of the District Class III roads standard of the Ministry of Works and Transport (MoWT). In addition to integrating emerging climate parameters and projections into road design, the project will work with the MoWT to identify the need for updating road construction standards to take climate change considerations into account.

94. Information and awareness campaign regarding PRELNOR investment in roads and market infrastructure will be undertaken in participating districts. The activities designed under the MAI Sub-component will meet the requirements of Uganda's National Environment Act Cap 153, the Guidelines for Environmental Impact Assessment (1997) and the Environmental Impact Assessment Regulations (1998) as well as MoWT sectoral Policy Statements and Guidelines for mainstreaming cross-cutting issues such as: HIV/AIDS, Gender, Occupational Health and Safety and People with Disabilities into the road-sector.

95. CAR selection process. The selection process for CARs to be included in the project will be integrated with the village selection process detailed above and in Annex 3. Annex 3 provides

in Kenya, but information on volumes available and being sold are more difficult to find. There are also market information systems being used in Tanzania and the eSOKO systems is being used in Rwanda.

guidelines for how the CARs to be rehabilitated or constructed could be prioritised. This process will be aligned with the overall village selection process. The CARs selected may not service all project villages but, in most cases, will improve access to villages participating in the project or which have potential for increased agricultural production.

96. Road design process. Development of engineering designs for the selected CARs and market structures will be undertaken centrally by a licensed engineering consulting company(s) in accordance with the ToR developed by the PMU. The engineering consulting company will be competitively selected and contracted by the MoLG on a performance basis. The design consultants will work closely with district engineering staff in the design process to ensure that the design meets the needs of the target communities and that all drainage and crossing structures meet the upgraded climate proofing specifications outlined earlier

97. Community road construction committee. To ensure that the communities benefiting from construction of the CARs are fully engaged in the design and construction process, a road construction committee will be formed for each of the planned CARs with members from each village the CAR passes through.

98. Climate proofing road designs. Evidence from available climate projections for the Northern region points to a potential increase in the number of severe rainfall events, interspersed with lengthened dry periods, leading to larger volumes of runoff around road infrastructure. While downscaled (localised) models are not yet available for the targeted project districts, projections based on Global Climate Models indicate a potential 10-20% increase in run-off for the whole country. Provisions are made for the MAI sub-component from the ASAP Grant funding for improved design of climate-proofing roads structures and related technical assistance. While designs will be specific for each road to address its peculiarities, the general standards will include provisions for full gravel to make the roads all-weather plus all the ancillary structures as per the requirements of District Class III roads standards set by the Ministry of Works and Transport.

99. Rainwater harvesting. A pre-feasibility study⁸⁵ undertaken as part of the IFAD second design mission identified opportunities to harvest rainwater off the CARs for crop irrigation and watering livestock, without leading to significant increases in construction costs. The project will fund a short consultancy by an engineer with rain harvesting experience to produce a set of guidelines for rainwater harvesting from CARs, particularly on how consideration of rainwater harvesting opportunities should be included at the design stage including consultations with farmers along the proposed road⁸⁶. Ten pilot sites for demonstrating and testing the effectiveness of rainwater harvesting will be established across the project area. Training and development in the use of harvested rainwater will be included and funded under Sub-component A.2.b.

Output B.3.b *Supplementary connected market structures constructed at selected strategic sites for the benefit of increased agricultural trade.*

100. Rehabilitation/construction of 10 strategically located aggregation points and/or marketplaces is planned based on the consultations with the MSP members including; market users and local government needs. It is anticipated that two strategic marketplaces for bulk trading, Gulu and/or Kitgum, or two exiting border markets for produce will be built or upgraded. Eight aggregation points and/or satellite marketplaces, will be built or upgraded. The emphasis will be on facilitating the rapid receipt, sale and transshipment of agricultural products from the project area, not storing product. Construction of storage and/or value adding facilities will be the responsibility of the private sector.

101. The location, type and capacity of structures required in each marketplace will be identified in the framework of the OutputB.2.b through comprehensive discussions with all the interested stakeholders led by MSP in each district to identify the most strategic location for marketplaces in terms of trading and appropriateness of required structures, hence to ensure the full utilization of

⁸⁵Market access infrastructure upgraded to climate change resilient norms. Road Runoff Harvesting. Draft Pre-feasibility Report. June 2014. RAIN International

⁸⁶The siting of drains directing road drainage away from the road and the siting of borrow pits provide opportunities to make better use of the drainage water. The drains leading away from the road can be used to feed along contour banks to better distribute the water flows or can be directed into flatter areas for flood irrigation. Borrow pits sited in clay soil areas can be filled with water for livestock use or, if located further up the slope could be used to supply simple irrigation systems. Providing silt traps are installed before the storage area, the water could also be used for simple trickle or drip irrigation on intensive horticultural crops operated through a foot operated treadle pump.

constructed facilities. Selection criteria for investment will include: stakeholder commitment (including co-financing or construction of complementary infrastructure such as storage or PPH in the planned market area); access to transport infrastructure and capacity; and up-scaling opportunities). Investment may include wholesale grain and livestock markets with required technical, logistics and public health facilities.

102. Site location. The local governments (district or sub-county) will be the owner of the aggregation and bulk markets so will have a major role in the needs identification and site locations to ensure that the markets are located where stakeholders will use them. The local governments will be responsible for securing the land required to build the structures and necessary roads and parking areas suitable for large trucks. The project may be able to contribute to the provision of utilities (electricity and water) to the preferred site.

103. Design and construction. As outlined in sub-component B.1.a, the MSP will appoint a MSP construction sub-committee (MCSC) to provide inputs to the design and construction process which will be implemented by contractors selected under project procurement guidelines.

Component C: Project management and coordination

104. This component will ensure the project is efficiently and effectively managed to achieve the expected results. The Ministry of Local Government (MoLG) will coordinate and manage the GoU funding, IFAD loan and ASAP grant funds, which will be blended and mainstreamed through all the planned activities. Gender, youth, climate change and environmental, knowledge management and communication considerations will be mainstreamed in all aspects of project management, and the activities of MoLG and the implementing partners. Performance indicators of this component include quality and timely execution of annual work plans and budgets, timely submission of progress reports and annual audit reports, participatory M&E able to document key indicators and actual levels of disbursements in line with planning.

105. **Project Coordination**: The Ministry of Local Government (MoLG) shall establish and chair a Project Policy Committee (PPC) to provide guidance and overall oversight to implementation of PRELNOR. This will include: overseeing project planning; reviewing each annual work plan and budget (AWPB) and Procurement Plan prior to submission to the International Fund for Agricultural Development (IFAD); and review implementation progress and impact. It will also provide high level advice, address key issues raised by project management, and coordinate with parallel or complementary initiatives to strengthen the project. The PPC will meet once every six months to review all project reports, annual work plans and budgets (AWPB).

106. The membership will include representatives from the Ministry of Finance, Planning and Economic Development (MFPED); Ministry of Works and Transport (MoWT); Ministry of Agriculture Animal Industry and Fisheries (MAAIF); the Ministry of Gender, Labour and Social Development (MGLSD), Ministry of Water and Environment (MWE); Ministry of Trade, Industry and Cooperatives (MTIC). It will have the authority to co-opt representatives of the DLGs, DFAs and DCCIs to provide a strong link with local stakeholders in the project area. The PPC, whose membership is drawn from relevant ministries and agencies, shall orient project implementation strategy,

107. **Project management**. The IFAD-supported District Livelihoods Support Programme (DLSP) implemented by MoLG (which is due to close in June 2015) has a programme coordination unit (PCU). To support a smooth PRELNOR project start-up, this PCU structure will be adapted to become the PRELNOR project management unit (PMU) to manage and coordinate the project. The PMU will be staffed with: a project coordinator; a financial controller; an accountant; an agribusiness and partnerships management specialist; a Monitoring, Evaluation and Learning specialist; a sociologist / community development specialist; two infrastructure engineers; and a climate change / environment specialist. Draft terms of reference for these positions which will be reviewed and updated during the appraisal process, are provided in Appendix 5. Support staff will include a secretary, an administrative assistant, M&E assistant, assistant accountant, and five drivers. These positions will initially be open for internal competition among the current staff of the DLSP PCU and where suitable candidates are not identified, they will be advertised.

108. To facilitate closer supervision, coordination, technical support and collaboration with other development interventions in the eight project districts, the PMU main office will be located in Gulu Municipality. The PMU will have the following broad responsibilities to:

- Liaise with line ministries and other agencies working with the project as required for ensuring smooth project implementation;
- Manage project activities and IFAD loan and grant funds in accordance with IFAD's General Conditions;
- Contract and manage service providers for different activities
- Prepare AWPBs for the project and submit them to MoLG and IFAD for comments and approval;
- Disburse and control the flow of funds for various contractual and partnership agreements, and ensure timely submission of justification documentation for the smooth flow of funds;
- As defined under the procurement procedures, undertake national and international competitive bidding for procurement of civil works, goods and services (including extension) in a timely fashion as required for effective project implementation;
- Develop and implement a knowledge management strategy;
- Manage for performance all activities under the project;
- Implementation reporting based on a participatory M&E system; and
- Submit project implementation progress and financial reports to IFAD and GoU in a timely manner.

109. **District Level coordination and management.** In each district, the Chief Administrative Officer (CAO) will be responsible for project implementation and will designate appropriate officers as (i) project support officer (PSO), to coordinate implementation and technical supervision of district activities; and, (ii) financial officer/accountant to ensure that project district expenditure ledgers are kept up to date, reconciliations are regularly made for audit purposes and funds are properly accounted for.

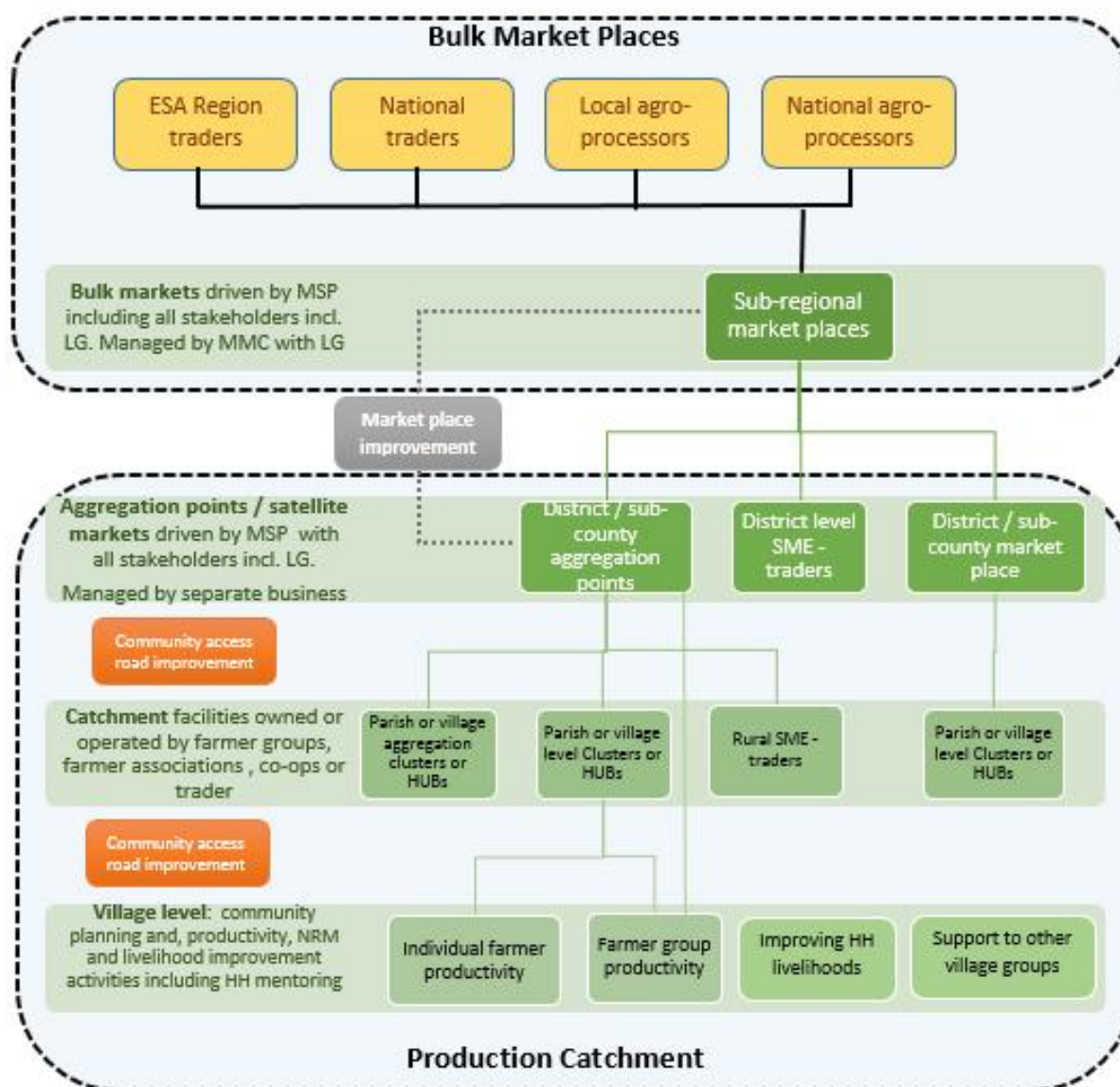
110. A PRELNOR sub-committee of the District Technical Planning Committee (DTPC) will assist in coordinating project activities and link with the larger DTPC to ensure consistency of project activities with the DDP. This sub-committee will be expanded to include representatives of DFAs and representatives of traders such as DCCIs or other relevant traders' associations. The first activity for this sub-committee will be to assist the local government identify and prioritise the villages which would be part of the first two year's activities including the CARs construction / rehabilitation programme. This sub-committee will contribute to preparation of the district PRELNOR AWPB. District local governments will:

- With PMU assistance and working with other stakeholders (DFA and DCCIs), select locations and beneficiaries of projects activities in accordance with the set criteria;
- Prepare district AWPBs, anchored on the broad district development plans (DDP), for consolidation by the PCU;
- Implement project activities included in the AWPBs, maintain the project accounts and records, process eligible project expenditures and evaluate tender documents with the PCU for review and consolidation;
- Prepare district quarterly progress reports and submit consolidated annual progress reports and financial statements to the PCU;
- Monitor performance of project implementation partners such as the DFAs or DCCI; and,
- Monitor project performance and participate in the mid-term and project completion reviews.

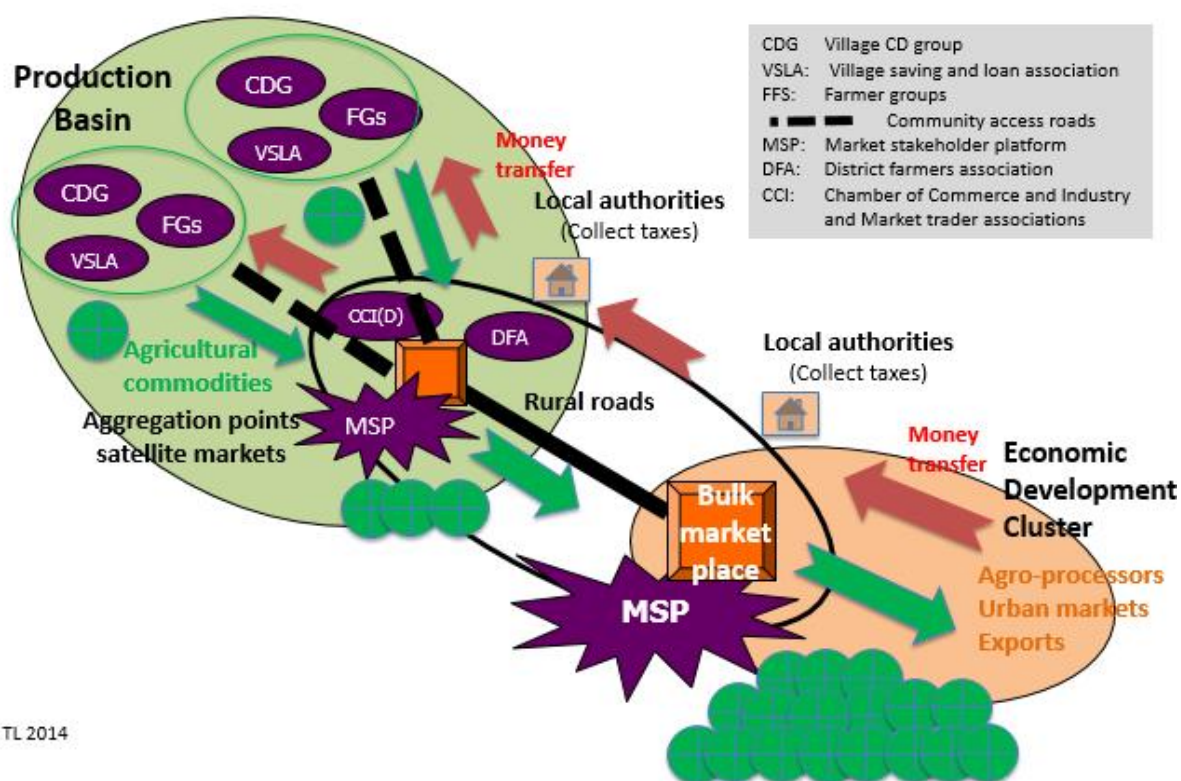
111. Local government resources and district farmer associations will lead monitoring and supervision of activities in each district. Staff from these organisations will have also have implementation responsibilities. Local Governments and DFAs will also lead the process of identifying and selecting Community based facilitators and household mentors who will be trained to facilitate farmers' groups and households.

Annex 1 PRELNOR Project Approaches

1.1 Project concept



1.2 Market linkages concept



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Annex 2 Alignment of the CCAFS-CIAT Programme with PRELNOR Activities in Northern Uganda – A Brief Summary

1. Background

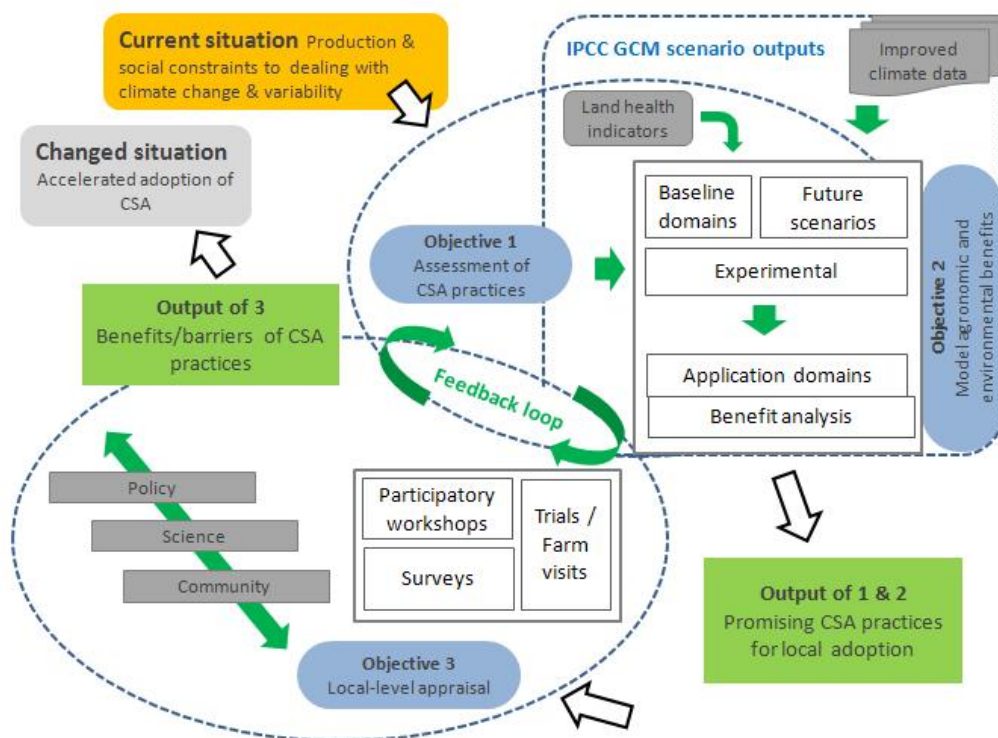
The CCAFS-CIAT programme, titled, “Increasing food security and farming system resilience in East Africa through wide-scale adoption of climate-smart agricultural practices” was signed by IFAD on March 13, 2014 and will work in both Tanzania and Uganda.

The overall project goal is to improve food security and farming system resilience of smallholder mixed crop-livestock farmers in East Africa while mitigating climate change.

The project objectives are:

- Assess extent of the use of Climate-Smart Agriculture (CSA) practices and clarify their potential impacts on food production and resilience of farming systems;
- Conduct spatially explicit monitoring and modelling of land health and agronomic suitability as well multi-dimensional trade-off analysis to identify locally appropriate CSA practices;
- Implement and appraise the most promising CSA practices at the local level to identify perceived benefits and barriers to adoption as well as if/how these vary by socially differentiated groups: men/women, age, race, ethnicity, class, etc.; and
- Upscale and out-scale CSA activities in East Africa through strategic policy and development partnerships, including a CSA AR4D pathway that collaborates directly with IFAD.

Figure 1: Conceptual Framework of the CCAFS-CIAT project



2. Current Activities

A rapid rural appraisal (RRA) was conducted in March 2014 in four districts in northern Uganda and the final report was submitted to IFAD on 31 March 2014. The RRA aimed to assess within and between district variations in farming systems, market and institutional access, seed systems and management practices in order to guide strategic agricultural investments and projects.

Two land health surveys in Uganda, one in the CCAFS Benchmark site in Rakai District and one in Nwoya district (Figure Two) were conducted in April-May 2014 using the Land Degradation Surveillance Framework (LDSF). Data obtained from the land health surveys will be used to establish baseline conditions of soil constraints (including soil fertility assessments), as well as land use and land cover, assessment of farming practices, assessment of tree and shrub densities, infiltration capacity and erosion prevalence. Data from these surveys will be used to conduct spatially explicit crop modelling exercises and trade-off analysis.

3. Co-learning

Based on HH data, expert/local knowledge, and land health data, CCAFS-CIAT will identify CSA practices that are promising from a technical and 'adoption potential' point of view (including assessing the diversity and distribution of farming systems and potential of CSA). Such scoping study results can then be used in co-learning events with local and national stakeholders. In short, CCAFS-CIAT will identify site-specific CSA packages aligned to farmers' needs/priorities and identify the barriers to adoption. This could inform IFAD on key interventions for targeting different households to ensure food security.

4. Planned Activities in 2014 and early 2015 in Acholi

An intra-household (HH) gender-specific survey will be conducted in the Nwoya district, co-located with the land health survey, to assess, among other variables, HH-level farming practices, HH dynamics, gender constraints and the associated perceived benefits of CSA. Participatory and co-learning workshops and exercises will be implemented.

Crop suitability modelling will also be conducted for the Nwoya district, both under current climatic conditions as well as under progressive climate change using EcoCrop. On-farm trials will be established in Nwoya piloting locally identified and locally appropriate climate smart agriculture (CSA) practices. These trials will be evaluated using participatory methods and will collaborate with on-going efforts and initiatives in the region. The HH-level data will be linked with land health assessments to holistically assess barriers and opportunities as well as conduct multi-dimensional trade-off analysis of different CSA practices.

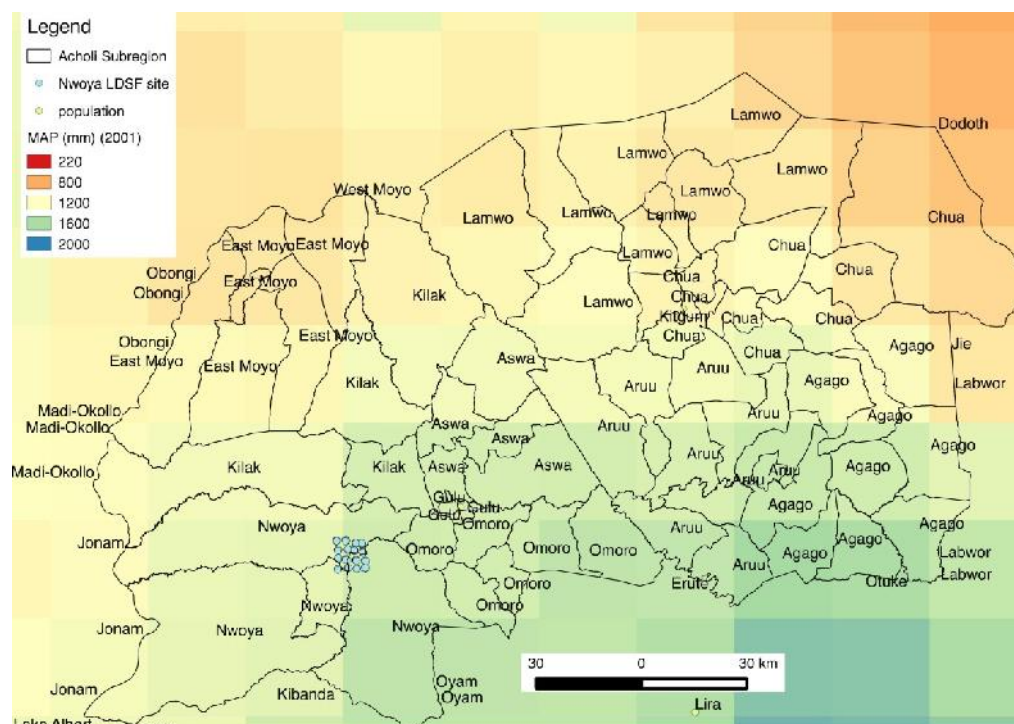
5. Suggestions for Additional Land Health Sites

It is recommended that IFAD-PRELNOR expand the network of land health sites across the Acholi sub-region to better cover the spatial, climatic and social variability across the districts. To begin, an additional LDSF site in the north eastern part of the district to represent the drier, less developed areas would be advisable (possibly Kitgum district). The cost for implementing the field surveys, conducting the soil analysis, etc. is estimated to be ~15,000 USD.

Linking with IFAD-PRELNOR Farmer Group Activities and Interventions

IFAD-PRELNOR will implement farmer groups across the region. As identified in the CIAT RRA report, there are several organizations also implementing farmer groups and farmer field schools in the Acholi sub-region. It will be critical that the CCAFS-CIAT programme and PRELNOR align activities and coordinate with ongoing initiatives.

Figure 2: Location of the Nwoya LDSF site in the Acholi sub-region.



Prepared by Leigh Winowiecki, 29 May 2014

Annex 3 Selection Processes for Community Access Road Investment

The decision-making (selection) procedure to be followed for CARs rehabilitation is guided by the principles of transparency, demand-driven allocation, agricultural production opportunities and market linkage. Activities implementation will be based on a set of criteria that will ensure that the project resources reach the intended target groups.

The initial proposals for rehabilitation of old or construction of new CARs will be developed at sub-county level and prioritized through discussions with community members. Following the proposals submission by sub-counties, a consolidated final list of CARs will be developed at District level and take into account the sub-counties' priorities and the current District Development Plan. The proposed CARs will have to meet the following criteria:

- The CAR is a verified direct link with the productive areas identified under the Sub-component 2.1, Market Linkage;
- Technical feasibility;
- Connectivity, in the case of CARs (villages to markets, market to market, market to main road, road to road);
- Value for money – the number of individuals assisted per USD 10,000 of investment;
- Sound and plausible operation and maintenance procedures elaborated;
- Alignment with national regulations on environmental impact.

For **pre-qualification**, CAR investment proposals will be required to be compliant with three compulsory criteria:

1. Direct link with the productive areas and communities identified under the Sub-component 2.1, Market Linkage;
2. Inclusion in the District Development Plan; and, t
3. A feasible and sustainable procedure for operation and maintenance of the proposed CARs, endorsed by the Local Government. The endorsement will be subsequently formalized with a letter stating the commitment to provide UGX 300,000 per kilometre annually for routine maintenance of the newly rehabilitated roads (as estimated under the on-going AfDB funded CAIP-3).

Further ranking of proposals by the Local Governments will be based on the assessment of four relevant indicators and on total of the individual scores assigned to each indicator. The individual scores will be designed to prioritize investments with a larger number of beneficiaries for a given budget. A sample evaluation table including additional guiding principles for the prioritization of investments is shown hereunder.

Sample Evaluation Table

	Value	Points Allocated	Score
1-Number of individuals assisted per USD 10,000 of investment			
Less than 100		10	
Between 100 and 500 people		20	
Between 500 and 1000 people		30	
More than 1000 people		40	
2-Connectivity			
Number of communities connected with the main roads or centres: 2		5	
Number of communities connected with the main roads or centres: 3-5		10	
Number of communities connected with the main roads or centres: 6 and more		20	
3-Technical feasibility and complexity			
Estimated investment cost: more than USD 15,000 per km		5	
Estimated investment cost: between USD 12,000 to USD 15,000 per km		15	
Estimated investment cost: less than USD 12,000 per km		30	
4-Expected improvements to environment and social access			
No improvement		0	
Limited Improvements		5	
Substantial Improvements		10	
TOTAL (max 100)			

After the pre-qualification stage and receipt of the ranked proposals, combined with the comprehensive report for selection and prioritization from the Local Government, a team of the PMU relevant staff will review the actual field conditions. Verification will be carried out on the state of infrastructure, linkages with productive areas, potential for enhancing a particular market linkage, feasibility of proposed works, maintenance arrangements and other relevant items. Proposals which remained compliant with the criteria after this review will then be approved for financing in the subsequent year, subject to availability of budgeted finance.

Annex 4 Summary of Target Group and Selection Criteria

Level	Target Group criteria	Selection Criteria	Comments
District	The number of sub-counties, parishes and villages to be selected, based on that district's share of the total number of rural poor (based on PO classification) within the eight districts.	Basic principles for selection include: (i) Rural areas only: municipalities and town councils are not eligible; and, (ii) Maximum number of sub-counties: 2 per district for Nwoya and Amuru (which only have 4 sub-counties) and up to 4 sub-counties for each of the other 6 districts. In view of the wide variation between districts in the size of the population and number of rural poor, targets for number of sub-counties, parishes and communities to be covered will vary between districts.	Data sources for the targeting process will be: (i) sub-county level poverty statistics: Uganda National Household Survey 2005/06 disaggregated at sub-county level, World Resources Institute; (ii) maps showing the sub-county and parish agro-ecological conditions, agricultural production potential, erosion risk, degradation hotspots developed as part of the International Centre for Tropical Agriculture (CIAT) IFAD funded grant activity in northern Uganda. The maps will include current district road and CAR networks, erosion and flood risk to existing and new roads plus CARs planned for construction under the district development plans (DDP). (iii) The PMU advice on the market potential for the main crops with most potential for expanded production grown in each district.
Sub-county	2-4 sub-counties with the highest poverty rate (PO, proportion of poor individuals in total sub-county population)	All project activities, including CAR construction activities, should be largely located in the project sub-counties. The CAR activities may extend beyond the project sub-counties when the new roads need to link with existing roads in other sub-counties.	The sub-county selection process will be guided by the PMU. The M&E / Learning specialist will provide the relevant data to each district planning officer (DPO) for analysis and collation. Selection will be undertaken by district stakeholders led by the LC5 chairperson, district chief administration officer and include the District Executive Committee, DPO, district agricultural officer (DAO), district and sub-county community development officers (CDO), district commercial officer (DCO), district marketing committee, farmer representatives (such as district farmers' association (DFA), district farmer forum, district FFS network), agricultural produce traders and representatives of local CSOs/NGOs.
Parish	Sub-counties will select 2-4 parishes per sub-county on the basis of the highest production and market potential. See Annex 2 for projected allocations. Note: UNHS data is not available below county level.		The ranking and selection of parishes within each sub-county will be guided by PMU and DPO and be implemented by the sub-county technical planning teams under the supervision of the sub-county chief. The process will include the LC3 Executives and Councillors, sub-county agricultural officer/AAO, the sub-county NAADS officer, the sub-county CDO/ACDO, sub-county level representatives of farmer organizations such as DFA, Farmer Forum and/or FFS networks and NGO representatives.
Village	Agricultural production and market potential existence of cohesive, dynamic and socially inclusive farmer groups. The main focus should be on returnees to their original homestead areas. Former IDP camps areas may be given a low priority.	Priority given to villages that will benefit directly from road rehabilitation. If possible, villages should be clustered within reasonable walking or bicycle riding distance of each other.	Village selection will be undertaken at parish level with the sub-counties advising the parishes how many villages to select, on the basis of the targets established by the District government. The village selection process will be guided by the Parish Chief, in consultation with the parish development committees, Sub-county technical planning teams, LCII executives and councillors, CBOs and traditional community leaders.
Within	(i) Vulnerable households who lack the means and confidence to join community	Identified during village participatory planning process. Vulnerable households will receive household	The village participatory planning process will be managed and implemented by the sub-county CDO with implementation assistance as required from district and DFA

Level	Target Group criteria	Selection Criteria	Comments
village	groups: (ii) food insecure HHs with limited land, resources and/or skills; (iii) food secure HHs who are still vulnerable to climatic or other shocks; (iv) market oriented farm households. Villages will have different proportions of the three specified groups	mentoring to enable them to join farmer or youth groups. At least 1/3 of farmer groups should be primarily food insecure households and a further 1/3 of groups should be climate-vulnerable food secure HHs.	resources and, in some cases where these resources are limited, by service providers. The process will use wealth ranking and linked social mapping to classify each individual household by socio-economic status, as a basis for analysing the poverty status of members of existing village groups and for identifying poor vulnerable households to benefit from household mentoring

Appendix 5: Institutional aspects and implementation arrangements

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Appendix 5: Institutional aspects and implementation arrangements

I. Institutional overview

1. There are many organizations supervising, coordinating or delivering services to farmers at national and sub-national levels. These include national and sub-national government institutions, national level farmers umbrella bodies, district level farmers' associations and different typologies of groups comprising farmers such as NAADS-created groups, farmers field schools-derived organizations, village savings and credit associations (VSLAs), primary cooperatives, cooperative unions, savings and credit cooperatives (SACCOs), community based organisations (CBO) engaging in different activities (including farming) and community-driven development (CDD) groups.

National level government institutions

2. The Ministry of Local Government (MoLG) and Ministry of Finance, Planning and Economic Development (MFPED) are the central government institutions with direct responsibility for the policies, provision of resources and supervision and direction of the operations of district administration and development. Other central governments that have influence on the development and regulations around formation and registration of grassroots organizations are the Ministry of Gender, Labour and Social Development (MGLSD) which oversees community development and gender issues, Ministry of Agriculture and Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) particularly through the National Agricultural Advisory Services (NAADS), Ministry of Trade, Industry and Cooperatives (MTIC) regulate commercial and marketing issues.

3. MoLG is responsible for supervising and supporting local government across Uganda under the decentralisation policies. MoLG has successfully coordinated and implemented several multi-sector IFAD projects including the current District Local Government Programme (DGLP). The DGLS is scheduled to conclude in mid-2015 when the PRELNOR project is scheduled to start up so the MoLG structures and resources managing DGLP would be available for implementing the new project.

4. **Extension services.** The National Agricultural Advisory Services (NAADS) was established 15 years ago to implement a new model⁸⁷ for agricultural extension services in Uganda. It has run parallel to the traditional MAAIF extension system which operates through the local government structures. At Parish level, a village-based facilitator supports group mobilization. Their sustainability has been severely hampered by a dependency syndrome partially caused by the supply of free production inputs and capture by some farmers, self-selected by their own groups. Due to the restricted outreach of the NAADS extension approach and its limited impacts on improving production, some donor funded projects in the north and east, have used farmer field school (FFS) approaches.

5. The GoU has been reviewing the future directions for agricultural extension and has informally announced that it is planning to recombine the two separate extension services into a 'single spine' extension service. The form, structure and implementation modalities of this combined organisation will be developed over the next 12-18 months.

District level government institutions

6. With decentralization, the district level government institutions became critical actors in the delivery of government policies and programmes. The benefits of improved service provision in some local governments has led to the creation of new, smaller, local government entities in some areas. This is evident in the project area where three new districts have been created within the last calendar year (Agago, Nwoya and Lamwo) from the older districts of Pader, Gulu and Kitgum. Besides funding for teachers and health sector workers whose wages central government pays 100%, staff resources in local governments are inadequately funded.

7. Despite advances in decentralizing administrative and fiscal power to districts, lessons learnt from other IFAD projects and mission observations show that most district governments lack resources, an issue constraining development initiatives. Some of the project districts which have been established recently have limited capacity.

⁸⁷NAADS is responsible for building farmers capacity in group formation, identifying and prioritizing needs and contracting and monitoring service providers in co-operation with the district community development office.

8. The sub-counties are the key lowest levels of local governments in the implementation of project activities. However some ministries such MTIC are not represented beyond the district level and MAAIF is represented only by NAADS in most of the sub-counties technical staff at sub-county level are few in number and they are constrained in outreach by lack of mobility and equipment. The district and sub-county community development offices and NAADS are represented at sub-county level, but it is understood that even when CBOs are registered and NAADS groups had been created, little or no follow-up activities have been carried out to ensure their robustness and sustainability. No government department at sub-national level has technical expertise to facilitate agri-business oriented group development.

9. **Implementation capacity**⁸⁸. Analysis of staffing in the eight districts shows a range of capacities for the different departments critical for PRELNOR implementation. In the Production Department, all the districts have adequate subject matter specialists at district levels (comprised of district production officers, district agricultural officers, district veterinary officers, district entomologists, district fisheries officers and district commercial officers), at sub-county level, save for the NAADS contracted staff (3 in each), public extension workers are very thin ranging from five in Gulu covering all the 16 lower local governments (including municipal divisions) to none at all in Pader, Nwoya, Agago and Lamwo. The works department while lacking substantive district engineers in some districts, is adequately staffed to supervise the civil works envisaged under PRELNOR. The department of community development is the most adequately staffed with all sub-counties manned by community development officers (CDOs) and in case of Pader and Nwoya, each of their sub-counties has an additional assistant CDO. This staffing level is adequate for support to community mobilisation, household mentoring and assistance in strengthening of farmer groups in basic leadership and organisational aspects.

10. Most donor projects resort to contracting NGOs to provide temporary support for start-up of activities at village level. When the projects end, the NGO staff are withdrawn and the districts have no capacity to provide continuity. To address the gap in public service provision and to improve sustainability after withdrawal of project staff, many donors have identified and trained one or more local people with good communication skills and some secondary education to serve as volunteer community-based facilitators (CBFs) at village or parish level.

11. A summary of district level engineering resources indicated that only two districts had a district engineer in place with the other districts having an acting officer in the position. Although this is not a preferred position, discussions with the staff in place and district administration staff indicate that the acting district engineers have adequate experience and support staff including roads supervisors (often very experienced but lesser qualified) to implement the proposed project community access road and market infrastructure programme.

Farmer and private sector organizations

12. **Farmer associations.** At national level, the largest umbrella body representing the interests of farmers is the Uganda National Farmers Federation (UNFFE). Created in 1992 as *Uganda National Farmers' Association* (UNFA), it has been turned into a Federation (UNFFE) in 1997 to decentralize and legalise district branches (District Farmers Associations-DFAs). Based in Kampala, it has five key objectives: lobby and advocacy for favourable policies; farmer institutional development, extension services and agribusiness development, support access to financial services (SACCOs mainly), natural resource management (NRM), HIV and gender mainstreaming, organize an agricultural show for technology dissemination. Despite its history, UNFFE has a number of limitations including a constrained financial base and poor resource mobilization resulting in minimal support to district level associations and farmers.

13. UNFFE has district-level farmers' associations (DFA), in five proposed project districts (Kitgum, Gulu, Adjumani, Pader, Nwoya) with three DFAs functioning effectively. These member-based associations provide a focal point for farmers groups in the area. They have contracted extensively as service providers for agricultural programmes with international partners such as CARE International, the Food and Agriculture Organisation (FAO) and the European Union (EU). The DFAs are considered as reliable partners by district local governments and the local business sector. These service provider contracts also built the capacity of the organisations in management and training areas. The DFAs are

⁸⁸This information was collated from a telephone survey of district governments in the project area undertaken by the country portfolio officer during early July 2014.

present in five project districts but only three are currently functioning (Kitgum, Gulu, Adjumani) while others, at the time of the mission, had just been formed. In consultation with district officials, the mission identified three DFAs in Gulu, Kitgum and Adjumani as potential partners, as well-experienced in working with farmers, democratically managed and are the largest farmers' associations in the sub-region in terms of membership.

14. The Farmer Forums established under the National Agricultural Advisory Services (NAADS) programme at district, sub-county and parish level exist, but are fragile, project-driven and not representative of ordinary farmers. The Farmer Field School Networks organized by the FAO-supported ALREP project in Kitgum and Gulu are embryonic and equally project driven.

15. **Grassroots level farmer organizations.** Meetings with local government respondents and review of written records⁸⁹, when possible, informed Table 1 (below). In five out of eight districts, available data showed that on average, between less than half (often < 10%) of the farming population is organized in groups of any sort.

Table 3: Overview of level of organization among farmers community in five districts of the project area

District	Organization typology	Number of groups	Maximum membership size	Total no. of farmers organized in groups	Overall population (2002-based projection)	% of farming population in groups
Kitgum	Farmers' groups working with NAADS	2000	25	40.000	260,000	23%
	CBOs (registered)	400	n/a	8.000		
	DFA (UNFFE)	80	15	12600*		
Gulu	CBOs	6240	25	125.000	530.000	25%
	DFA (UNFFE)	200	30	6.000		
Agago	CBOs	101	30	3.030	380.000	Less than 1%
Pader	CBOs	500	30	15.000	248.900	6%
Nwoya	NAADS groups	520	20	10.400	54.000	
	CBOs	533	30	15.990		48 %

16. During the transition from relief to livelihood recovery, most humanitarian agencies required beneficiaries to form groups as a condition for access to project support. The lesson is that, whenever possible, projects should avoid forming project-specific farmer groups and instead, opt to work with existing farmer groups, carefully selected through a participatory group assessment and ranking process at village level. There is an emerging consensus that existing VSLAs are the most appropriate

⁸⁹The mission found considerable discrepancies in the reliability of recorded data about existing community groups and organizations with regard to numbers and capacity.

entry point for agricultural extension approaches such as the Farmer Field School approach, which MAAIF recently adopted as its national extension policy.

17. **Chambers of Commerce and Industry (CCI).** The APEX group, the Uganda National Chamber of Commerce and Industry, supports district level CCI (DCCI) across Uganda. In the Acholi area there are strong DCCIs⁹⁰ in the main towns which provide a network linking small and larger business enterprises. Despite the disruptions to small and medium enterprises (SME) during the conflict, there are many SMEs, operating businesses in districts, particularly at the district towns and other rural growth centres. Each town has a group of small grain traders who purchase grain (mainly maize and rice) to process with their own or shared equipment and resell within the towns. Some traders are aggregating grains for on-sale in other areas. These SMEs are accessing some funding through the formal banking system but are constrained by access to finance for operating as well as investment resources. There has been limited access to business development services (BDS) which could assist SMEs to manage their businesses better. Collateral for borrowing is an ongoing limitation to borrowing as is the length of loans for investment in processing / storage infrastructure or equipment.

18. **Cooperatives.** The history of cooperatives in Uganda has seen them been initially thriving in the 1960's, then declining and finally, during the economic liberalization period, becoming uncompetitive. Most are, or near dormant, with limited negotiation capacity and competitiveness. Primary cooperatives in the Acholi region are mainly based around cotton ginneries, or former ginneries which have been leased out as the cooperative try to diversify their activities from cotton to oilseeds among other crops. The APEX cooperative organisation, Uganda Cooperative Alliance (UCA) is a strong organisation with training and implementation capacity not matched at field level in Acholi and Adjumani.

II. Approach

19. The project is combining a sustainable Livelihoods approach with a Market Linkage Approach to ensure that more vulnerable households and youth are given the opportunity to develop the confidence to join the community level livelihood and production activities that will improve food security and, for an increasing proportion, increase their net income from surplus crop production.

20. The purpose of the livelihoods component is to enable a higher proportion of farm households, who are not yet market oriented, to achieve levels of production that enable them to take advantage of the opportunities offered by Component 2. The concept is much broader than that of enabling 10,000 of the poorest of the poor through household mentoring to benefit from increased crop production and net income. The food insecure households and the climate-vulnerable food secure households jointly account for 2/3 of the 18,000 farmer groups. With the addition of the 10,000 vulnerable households, they cumulatively account for 28,000 households, which is 78% of total beneficiaries.

21. The Market Linkages approach will link the surplus production to markets which operate more efficiently, together with the more advanced households and groups that may move into PHH and value adding activities as their businesses develop. The project approach has the following features:

- Building on the farmer groups developed during the emergency response phase as avenues for interaction on members' preferences, transfer of technical skills, and transfer of improved technologies among the affiliated households;
- Using local government and existing farmer association resources, supported by development partners, to facilitate initial formation or re-establishment of groups and to facilitate advice to households on farm practices, training in agricultural business operations and back-stopping to young entrepreneurs; and,
- Fostering linkages to on-going development initiatives that complement the project interventions. These could include: financial and grant services under the aBi Trust; EU/IFAD challenge fund⁹¹; links to groups working with VODP in the sub-region; linking project area VSLAs and SACCOs to the new PROFIRA project; and, links to the agro-dealer development initiatives being managed by other projects.

⁹⁰The design mission met with DCCI organisations who provided valuable links with traders and business people in the main towns.

⁹¹This fund is in final stages of design.

- The project will supplement its reliance on group strategy with tested approaches like the household mentoring methodology, to reach individual households or members who may be unaffiliated to any group, for instance women and child-headed households and youth with preferences for work outside the local village.

22. The proposed approach is in line with the existing policies and legal framework that provide the space and legal recognition for formation and registration of different typologies of organization. The policy direction is towards greater engagement of non-government actors (civil society and the private sector) and to foster relationships between them to stimulate growth and cater for all sectors of society (including the most vulnerable).

A. Roles and Responsibilities

23. The project has a large number of stakeholders who take a range of roles. The following table sets out the main stakeholders, their roles and responsibilities and an assessment of their capacity to undertake the proposed activities. More details are provided in Appendix 1.

Table 1: Summary of Roles and responsibilities of PRELNOR project delivery agencies

Organization	PRELNOR Roles and Responsibilities	Capacity assessment and proposed activities
Ministry of Finance, Planning and Economic Development (MFPED)	<ul style="list-style-type: none"> • Ensuring PRELNOR aligns with GoU strategies and plans for northern Uganda and complements other GoU and donor initiatives • Channel through which all project funding will flow from IFAD 	<ul style="list-style-type: none"> • Has capacity to support planning and overview role.
Ministry of Local Government (MoLG)	<ul style="list-style-type: none"> • Lead agency responsible for overall project implementation. • Chair the Project Policy Committee • PRELNOR implemented by local level governments under MoLG supervision • Host project management unit 	<ul style="list-style-type: none"> • Has capacity to coordinate activities building on experience from DLSP and other projects. • Staff presence at lower administrative levels (district, sub-county) varies between locations which can limit capacity to coordinate, implement activities and for M&E
Ministry of Agriculture, Animal Industry and Fisheries (MAAIF)	<ul style="list-style-type: none"> • Member of PPC • Sustainable agricultural development and food security. • Support seed quality and certification activities 	<ul style="list-style-type: none"> • Has capacity to coordinate activities. • Limited extension resources at LG level, will compromise implementation role, • Main inputs will be to support start-up and coordination and supervision of activities.
Uganda National Meteorological Authority (UNMA) under the Ministry of Water and Environment (MWE)	<ul style="list-style-type: none"> • Member of PPC • Overall coordination and oversight of climate change dimensions • Collation and provision of climate data for use in determining climate change vulnerability, mapping and research 	<ul style="list-style-type: none"> • Inadequate technical capacity to perform identified tasks related to smart climate change interventions <p>PRELNOR Activities:</p> <ul style="list-style-type: none"> • Collection of weather/climate data • Packaging of data for target audiences
Ministry of Works and Transport	<ul style="list-style-type: none"> • Member of PPC • Overview implementation of roads and infrastructure construction activities 	<ul style="list-style-type: none"> • Has good capacity • Delegates implementation responsibility to PMU engineers

Ministry of Gender, Labour and Social Development	<ul style="list-style-type: none"> • Member of PPC • Provides policy and implementation guidance to gender and youth activities 	<ul style="list-style-type: none"> • Has limited capacity for direct inputs to project • Will be consulted on design and implementation.
National Agricultural Research Organisation	<ul style="list-style-type: none"> • Support capacity building for skills for researchers, technicians and extension agents • Breeder and foundation seed production 	<ul style="list-style-type: none"> • Some capacity to conduct research that will provide market competitive agricultural technologies. • Budget constraints on implementation.
District Government		
PRELNOR coordination	<ul style="list-style-type: none"> • Chief Administration officer (CAO) responsible authority at District level. • Project support officer (PSO) as district focal point plus financial officer and infrastructure project manager • PRELNOR sub-committee of the District Technical Planning Committee (DTPC) • Prepare LG AWPB incorporating all activities in the district 	<ul style="list-style-type: none"> • Project districts have extensive experience working with development projects. • Staffing limited in the newer districts but interest in new project and sharing experience between districts will assist. • Lead coordination and monitoring of PRELNOR activities and managing funds for LG implemented activities (mainly coordination and monitoring)
Finance and procurement	<ul style="list-style-type: none"> • Manage PRELNOR funds disbursed through LG channels for LG implemented activities 	<ul style="list-style-type: none"> • District government accounting capacity should be fair and able to be improved.
Community develop. Village preparation and group activities	<ul style="list-style-type: none"> • Mobilization & sensitization at district, sub-county, parish and village level; • Overall responsibility for community entry, PRA, participatory planning, assessment of existing groups, group selection jointly with agric. officers • Overall responsibility for community-based CBF facilitator selection / training • Overall responsibility for vulnerable HH support sub-component • Facilitate and lead annual parish and village review and planning process • Supervision/M&E of all of the above 	<p>Capacity assessment: weak</p> <ul style="list-style-type: none"> • Amuru has only 2 established CD posts and 1 staff, Nwoya 3 established posts and 2 staff, Adjumani 9 posts and 2 staff; established posts in Amuru and Nwoya fewer than nr. of sub-counties • Majority of sub-counties in new districts have no CDO/ACDOs • Direct training of CBFs and HH mentors by contractors (instead of cascade training by CDOs) • PRELNOR provide transport support, computer/IT training
Agriculture activities	<ul style="list-style-type: none"> • Coordinate and supervise implementation of agricultural productivity and NRM activities by DFA technical and CBF farmer group facilitators 	<ul style="list-style-type: none"> • Only 2 production coordinators in place for 8 districts. • Technical expertise spread across LG and NAADS resources which are less certain over time. • Coordinating and monitoring village and farmer group activities
Engineering	<ul style="list-style-type: none"> • District engineer is responsible for 	<ul style="list-style-type: none"> • PRELNOR orientation and introduction to

	<p>implementation of all infrastructure design and construction activities.</p> <ul style="list-style-type: none"> • Appoint infrastructure project manager to supervise and certify all design and construction projects • With CDOs, train and work with road construction committees 	<p>PRELNOR engineering design, contracting and construction supervision processes.</p> <ul style="list-style-type: none"> • Introduction to cost-effective climate smart and rain water harvesting approaches to be incorporated in road location and design approaches
Commercial – MSP / market activities	<ul style="list-style-type: none"> • District commercial officer (DCO) is main contact for agribusiness development and market related capacity building activities. • Coordinate and monitor agribusiness and market linkage activities undertaken by PRELNOR service providers. 	<ul style="list-style-type: none"> • Limited capacity with only some district positions filled. • Orientation and knowledge development on all aspects of agribusiness and MSP development • Participate in study tours for SME development activities and market access / MSP activities.
District farmer associations		
Extension provision	<ul style="list-style-type: none"> • Assist LG in farmer mobilization • Participate in sub-county & parish selection • Manage CBFs and other farm group facilitators to implement PRELNOR activities • Train and provide follow-up supervision and support to CBFs and farmer / agribusiness development groups • Facilitate promotion and implementation of efficient cropping systems • Promote proven technologies and adoption of climate resilient varieties • Link farmers to technology facilitators for developing efficient seed systems • Represent farmer interests in district level market stakeholder platforms 	<ul style="list-style-type: none"> • Sub-county DFA chapters non-existent or dormant and do not represent ordinary farmers • Sub-county FFS networks are project-driven and very limited outside Gulu and Kitgum • Lack of technical capacity and financial resources limits their capacity to implement the activities • Largely dependent on donor support for operations
District chambers of commerce and industry		
Service delivery	<ul style="list-style-type: none"> • Limited role as district resources are limited 	
Advocacy	<ul style="list-style-type: none"> • Only informally through inputs to market stakeholder platform (MSP) 	<ul style="list-style-type: none"> • As for DFAs, limited capacity to support advocacy but have stronger sub-regional representation on national chamber of commerce
District traders associations	<ul style="list-style-type: none"> • Major actor in formation and activities of MSP 	<ul style="list-style-type: none"> • Have capacity to raise awareness about marketable products
Universities		
Makerere University	<ul style="list-style-type: none"> • Conducting specialised studies • Support to climate change studies • Leading studies on ways to reduce 	<ul style="list-style-type: none"> • Have capacity to train students at a higher level in all aspects of agricultural sciences and conduct research

	impacts of charcoal production	
Gulu university Crops	<ul style="list-style-type: none"> • Training in crop husbandry • Assessing crop production economics and value chains 	<ul style="list-style-type: none"> • Have capacity but lack financial resources to implement activities
Mechanisation	<ul style="list-style-type: none"> • Developing and testing prototype appropriate agricultural machinery • Testing imported agricultural equipment 	<ul style="list-style-type: none"> • As above

24. **DFA inputs into group facilitation and technical resourcing.** After considering the capacity of potential implementing organisations and cost-effectiveness of alternative approaches to implementing the village level activities, the DFAs are considered the most cost-effective and sustainable implementing partners. Currently there are active DFAs in Adjumani, Gulu and Kitgum as Gulu and Kitgum districts have been split after the major efforts by several donors to develop the capacity of DFAs as an integral part of delivering farmer group activities in Acholi area. Thus the project plans to use these established DFAs to become catalysts of change in their own and neighbouring districts where the DFAs are much less developed. These DFAs have field presence, even in some of the new districts, and are valued partners with local governments in promoting rural economic development. It is planned that the Gulu DFA will lead activities in Nwoya and Amuru, possibly with some assistance from Adjumani, where languages permit. The Kitgum DFA will lead activities in Agago, Lamwo and Pader, again with assistance from Adjumani and/or Gulu DFAs where appropriate.

25. Although they have received extensive capacity building over the past 10 years in delivering services to farmers, they have not had reliable income flows to balance the variations in project funded support to implement donor funded activities. Kitgum DFA appears to have the best on-ground capacity at the moment with up to 40 CBFs on retainer in district villages. Feedback from managers of earlier development activities indicated that Gulu and Adjumani DFAs have also operated well when they had financial capacity. The lesson is that each of the DFAs will need capacity building support (funds for management staff, basic office equipment, training and mobility) to effectively support the project activities delegated to them.

B. Organizational framework

26. The Ministry of Local Government (MoLG) will be the implementing agency for the project. MoLG will provide overall general direction for the implementation of the project, coordinate with other relevant ministries and agencies, and chair the Project Policy Committee (PPC). MoLG will ensure counterpart funds and agreed GoU contributions are adequately budgeted and provided in a timely manner. An organisation chart is provided in Appendix 2. MoLG through the district and sub-county governments under its control will be the main coordination and supervision agency.

27. **Project coordination.** The existing PPC, chaired by the MoLG Permanent Secretary, will continue to provide policy oversight over implementation. The PPC includes representatives from the Ministry of Finance, Planning and Economic Development (MFPED), the main agencies with an interest in implementation: Ministry of Works and Transport (MoWT); Ministry of Agriculture Animal Industry and Fisheries (MAAIF); the Ministry of Gender, Labour and Social Development (MGLSD), and the Ministry of Water and Environment (MWE) (and its newly formed Uganda National Meteorological Authority (UNMA)), with the Ministry of Trade, Industry and Cooperatives (MTIC). Representatives of ministries with supervision and/or implementation responsibilities for PRELNOR will participate and the PPC has the authority to co-opt representatives of the DLGs, DFAs and DCCIs to provide a strong link with local stakeholders in the project area. The PPC will meet once every six months to review all project reports, annual work plans and budgets (AWPB) and provide policy guidance to implementation. A draft ToR is provided in Appendix 2.

28. **Project management.** A PRELNOR project management unit⁹² (PMU) will manage and coordinate the project. The PMU will be staffed with: a project coordinator; an agribusiness and partnerships management specialist; an agronomist / extension specialist; a monitoring and evaluation (M&E) / learning specialist; a sociologist / community development specialist; two infrastructure engineers; a climate change / environment specialist; a financial controller; a district support accountant; and a procurement specialist. Support staff will include a secretary, an administrative assistant, M&E assistant, assistant accountant, and five drivers. Draft terms of reference for these positions are provided in Appendix 3.

29. To facilitate closer supervision, coordination, technical support and collaboration with other development interventions in the eight project districts, the PMU main office will be located in Gulu municipality. The PMU will have the following broad responsibilities to:

- Liaise with line ministries and other agencies working with the project as required for ensuring smooth project implementation;
- Manage project activities and IFAD loan and grant funds in accordance with IFAD's General Conditions;
- Contract and manage service providers for different activities
- Prepare AWPBs for the project and submit them to MoLG and IFAD for comments and approval;
- Disburse and control the flow of funds for various contractual and partnership agreements, and ensure timely submission of justification documentation for the smooth flow of funds;
- As defined under the procurement procedures, undertake national and international competitive bidding for procurement of civil works, goods and services (including extension) in a timely fashion as required for effective project implementation;
- Ensure gender, youth and poverty targeting and support in line with GoU and IFAD policies and monitor targeting effectiveness;
- Develop and implement a communication and knowledge management strategy;
- Manage for performance all activities under the project;
- Implementation reporting based on a participatory M&E system; and
- Submit project implementation progress and financial reports to IFAD and GoU in a timely manner.

30. Given that the PMU is based in Gulu and the project covers the adjoining eight districts, there will be six monthly project review and planning meetings timed to be before the PPC meetings. These will review the proposed project AWPB each year before it is submitted to the PPC in addition to reviewing project implementation, effectiveness and efficiency at each meeting. It will provide an opportunity for the project stakeholders to share implementation experiences. Representatives of the local governments, DFAs, DCCI and other implementing and supervision partners will be invited to participate.

31. **District Level coordination and management.** In each district, the Chief Administrative Officer (CAO) will be responsible for project implementation and will designate appropriate officers as (i) project support officer (PSO), to coordinate implementation and technical supervision of district activities; (ii) financial officer/accountant to ensure that project district expenditure ledgers are kept up to date, reconciliations are regularly made for audit purposes and funds are properly accounted for; and, (iii) a roads project manager (who may be the district engineer or his designated representative) to be the focal point for all roads design and construction activities in the district.;

⁹²The District Livelihood Support Project (DLSP) implemented by MoLG (which is due to close in June 2015) has a project coordination unit (PCU). Some PCU staff may apply for positions in the new PMU which would support a smooth PRELNOR project start-up.

32. A PRELNOR sub-committee⁹³ of the District Technical Planning Committee (DTPC) will assist in coordinating project activities and link with the larger DTPC to ensure consistency of project activities with the DDP. This sub-committee will be expanded to include representatives of DFAs and representatives of traders such as DCCIs or other relevant traders' associations. The first activity for this sub-committee will be to assist the local governments to identify and prioritise the villages which would be part of the project activities including the CARs construction / rehabilitation programme. This sub-committee will contribute to preparation of the district PRELNOR AWPB. District local governments will:

- With PMU assistance and working with other stakeholders (DFA and DCCIs), select locations and beneficiaries of project activities in accordance with the set criteria;
- Prepare district AWPBs, anchored on the broad district development plans (DDP), for consolidation by the PMU;
- Implement project activities included in the AWPBs, maintain the project accounts and records, process eligible project expenditures and evaluate tender documents with the PMU for review and consolidation;
- Prepare district quarterly progress reports and submit consolidated annual progress reports and financial statements to the PMU;
- Monitor performance of project implementation partners such as the DFAs or DCCI; and,
- Monitor project performance and participate in the mid-term and project completion reviews.

33. **Implementation, monitoring and supervision at district level.** Local government resources and district farmer associations will lead monitoring and supervision of activities in each district. Staff from these organisations will have also have some implementation responsibilities in the start-up, training and planning activities. The local government community development officers (CDO) supported by the district production (DPO) and commercial officers (CDO) and the district engineers, together with the DFA staff, will lead the process to identify and prioritise the villages to participate in the project. After the villages are selected, the CDOs will introduce the village facilitators to the each community and participate in the selection process of the poorest households that would be offered household mentoring. The CDOs and DPOs would also participate in identifying and selecting village farm group facilitators and household mentors who will be trained by LG and DFA staff who will have undergone the training of trainers (ToT) course by the PMU, or FAO or outside trainers. The local government and DFA staff may also be able to provide specialised technical training for facilitators or to groups.

34. Because of the difference in capacity of both LG and DFA staff in the newer districts, some of the more experienced LG and DFA staff from Adjumani, Gulu and Kitgum will train and mentor LG and DFA staff in the newer districts (Amuru, Agago, Lamwo and Nwoya. The programmes in these districts will start up more slowly to allow time for the training and orientation of the less experienced local government and DFA staff.

35. **Sub-county level:** At sub-county level, the project implementation will be overseen by the sub-county chief. Under the guidance of relevant district officials, the production and community development officers based at sub-counties, will coordinate the implementation and technical supervision of the project in their respective sub-counties. Working with other stakeholders, they will facilitate communities to select locations and beneficiaries of project activities in accordance with the set criteria; provide support supervision to community facilitators including household mentors and trainers of farmer field schools; and also prepare project quarterly and annual progress reports and submit to their respective districts.

36. **Parish level:** Project implementation will be overseen by the Parish Chief, and assisted by the community based facilitators (CBFs).

37. **Community level.** The livelihoods activities are based around the community developing and implementing priority project activities selected from an activity menu, which can then be reviewed and updated as the community capacity develops.

⁹³Members will include: the PSO, DPO, DE, CDO, DCDO and ENRO.

38. **Community level facilitators and mentors.** The CBFs and household mentors will lead project activities such as capacity building of the groups, farmer groups and household mentoring at village level. They will be trained using both specialist trainers for complex technical areas or through a cascade training approach implemented by LG or DFA trainers with regular update/review sessions. They will receive a motivation allowance for acting as facilitator or mentor to partially compensate them for the time inputs.

III. Implementation Overview

39. The following table summarizes implementation of the project activities over the project life. The sequencing will be based on the priorities established during the parish / village selection process and the selection of the community access roads to be included in the construction project. Where feasible, village activities will be timed to align with the improvements to road access. The following table provides a summary of planned activities and likely scheduling. The table in Annex --- shows possible progression paths for participating community, farmer and agribusiness groups as they progressively develop their skills.

Table 4 Sub-components and activities

Sub-Component/Activities		Unit	Activities in Each year (estimates to be revised)							
			PY1	PY2	PY3	PY4	PY5	PY6	PY7	Total
A.1	Community planning									
A.1	District capacity support	District	8							8
A.1	Village selection	Village	600							600
A.1	CB for participatory village planning with NRM focus	Districts	8							8
A.1	Village start-up activities	Village	200	200	200					600
A.1	Parishes with CBF working	Parish	100	100	100	100	100	100	50	100
A.1	Training of CBFs	Parish	100	25	25	25	25			200
A.1	CBFs working with groups	CBF	200	200	200	200	200	200	100	150
A.1	CB ToT training	Districts	8			8				
A.1	Community group cap. building training activities	Activity	150	600	600	150				1800
A.1	Annual parish activities review and village review	Field day		100	100	100	100	100		100
A.2	NRM activities									
A.2	Bio-physical monitoring	Sites	4	3						7
A.2	Support to community NRM plans – tree regeneration, tree nurseries, bunds	Villages		200	200	200				600
A.2	Soil conservation structures	Villages		30	30	40				100

A.2	Promotion of and training in small scale water harvesting	Sites	30	30	40					100
A.2	Demonstrations of energy efficient stoves	villages	200	200	200					600
A.2	Demonstrations of biogas technologies	Sub county		10	15					25
A.2	New synoptic stations	Station	3	4						7
A.2	Support for new synoptic stations	Station	3	7	7	7	7	7	7	7
A.2	Sub-county automatic weather stations	Stations	10	15						25
A.2	Disseminating meteorological data for farmer use	Villages	200	400	600	600	600	600	600	600
A.2	Ag. Productivity									
A.2	Cap. building for DFA and LG management / supervision staff	Districts	7	7	7	5	4	3		8
A.2	ToT training for DFA / LG in technical and extension areas	ToT trainers	90	90	90	90	90	90		90
A.2	Extension and technical training for extension agents	Extension agents	50	150	150	150	100			150
A.2	Farm group activities	Groups	600	1200	1200	600				3600
A.2	DFA extension manag. costs	Districts	8	8	8	8	8	8	8	8
A.2	Small scale adaptive R&D	Parishes	25	25	50	50	50			200
A.2	Mechanisation pilot demos	Villages	4	4						8
A.2	Community seed multiplying	Groups	16	16	16	16	16	8		16
A.2	ZARDI tech support and seed material	District	8	8	8	8	8			8
A.1	Vulnerable HHs and youth									
A.1	HH mentoring	HHs	2000	2000	2000	2000	2000			10000
A.1	Food security packs	Pack	2000	2000	2000	2000	2000			10000
A.1	Youth focused training	Groups								
B.1	Rural agribusiness dev.									
B.1	Agribusiness dev. training, support	Group activity	100	200	200	200	200	100		1000

B.1	Business plans and linkages with BDS, financial services and other services	Groups	50	100	100	100	100	50	500
B.1	Facilitating / back-stopping project agribusinesses	Mentor yr.	3	3	3	3	3	3	18
B.1	Develop and support business plans	Groups	50	100	100	100	100	50	500
B.1	Facilitating / back-stopping quality imp., PHH, V/A, etc.	Trainer	1	1	1	1	1	1	6
B.1	PHH, V/A demo/ innov grants	Grant	50	100	100	100	100	50	500
B.1	Agribus. CB for DFA CBF		66	68	66				200
B.1	Agricultural market info.								
B.1	Agriculture MIS operates	AMIS	1	1	1	1	1	1	1
B.1	AMIS awareness, training	Villages	200	400	600	400	200		600
B.1	Improved market access								
B.1	MSPs formed / capacity built	MSP	3	6	8	8	8	8	8
B.1	MSP forum operates	Forum	1	1	1	1	1	1	1
B.1	Market construction sub-committee	MCSC	3	6	8				8
B.2	Aggreg./market facility design	Facility	3	3	2				8
B.1.	Establish market manag. co.	Co,		3	3	2			8
B.2	Aggregation / market facility operate	Facility			3	6	8	8	8
B.2	Community access roads								
B.2	CAR construction committees formed and trained	Roads ~ 15 km	13	13	20	27	20	10	103
B.2	CARs designed	km	200	200	300	400	300	150	1550
B.2	CARs constructed	km	200	200	300	400	300	150	1550
B.2	CAR rainwater harvest pilots	Sites	2	4	4				10
B.2	Market infrastructure								
B.2	Design of market facilities	Sites	3	3	2				8
B.2	Market facility construction	Sites		3	3	2			8

Annex 1: Roles and Responsibilities of PRELNOR Project Agencies

Organization	PRELNOR Roles and Responsibilities	Capacity assessment and proposed activities
Ministry of Finance, Planning and Economic Development (MFPED)	<ul style="list-style-type: none"> Ensuring PRELNOR aligns with GoU strategies and plans for northern Uganda and complements other GoU and donor initiatives Channel through which all project funding will flow from IFAD 	<ul style="list-style-type: none"> Has capacity to support planning and overview role.
Ministry of Local Government (MoLG)	<ul style="list-style-type: none"> Lead agency responsible for overall project implementation. Chair the Project Policy Committee (PPC) PRELNOR implemented by local level governments under MoLG supervision Host projects management unit (PMU) Manage preparation, implementation and reporting on project AWPB 	<ul style="list-style-type: none"> Has capacity to coordinate activities building on experience from DLSP and other projects. Staff presence at lower administrative levels (district, sub-county) varies between locations which can limit capacity to coordinate, implement activities and for M&E PMU will be based on DLSP PCU approach and systems. PMU resources include technical specialists for areas not covered by MoLG
Ministry of Agriculture, Animal Industry and Fisheries (MAAIF)	<ul style="list-style-type: none"> Member of PPC Sustainable agricultural development and food security. Support seed quality and certification activities 	<ul style="list-style-type: none"> Has capacity to coordinate activities. NAADS is being restructures into the main stream extension services. Limited extension resources at LG level, will compromise implementation role, Main inputs will be to support start-up and coordination and supervision of activities and M&E
Uganda National Meteorological Authority (UNMA) under the Ministry of Water and Environment (MWE)	<ul style="list-style-type: none"> Member of PPC Overall coordination and oversight of climate change dimensions Collation and provision of climate data for use in determining climate change vulnerability, mapping and research Expand its network of automatic weather station Develop information packages for interpreting short, medium and long term weather forecasts Establish a communication network with MAAIF, LGs and DFAs for system to disseminate (and interpret) short, medium and long term weather forecasts. 	<ul style="list-style-type: none"> Inadequate technical capacity to perform identified tasks related to smart climate change interventions <p>PRELNOR supported activities:</p> <ul style="list-style-type: none"> Collection of weather/climate data Packaging of data for target audiences Design of climate change related training and extension projects Mainstreaming of climate change information and KM products into development projects Integration of weather information into agricultural market information system
Ministry of Works and Transport	<ul style="list-style-type: none"> Member of PPC Overview implementation of roads and infrastructure construction activities 	<ul style="list-style-type: none"> Has good capacity Delegates implementation responsibility to PMU engineers Will be consulted on upgrading road designs to incorporate climate smart and rain water harvesting into designs of community access roads (CAR)
Ministry of Gender, Labour and Social	<ul style="list-style-type: none"> Member of PPC Provides policy and implementation 	<ul style="list-style-type: none"> Has limited capacity for direct inputs to project Will be consulted on design and implementation of

Development (MGLSD)	guidance to gender and youth activities	gender and youth activities
National Agricultural Research Organisation	<ul style="list-style-type: none"> • Technology (varieties, agronomic practices etc.) Research, development (R&D) and deployment • Support capacity building for skills for researchers, technicians and extension agents • Breeder and foundation seed production • Germplasm maintenance and conservation • Seed quality control • NARO and ZARDIs will have major role in supporting farmer groups and seed multiplication 	<ul style="list-style-type: none"> • Has capacity to conduct research that will provide market competitive agricultural technologies. • Work is complemented and strengthened by international and advanced agricultural research institutions. <p>Budget constraints that:</p> <ul style="list-style-type: none"> • Limit delivery of required foundation seed • Limit technical support to seed production • Limit seed certification support • Limit inputs to mechanisation development
Zonal agricultural research and dev. institutes		
Seed sourcing	<ul style="list-style-type: none"> • Breeder and foundation seed production • Variety maintenance 	<ul style="list-style-type: none"> • Limited human and infrastructure resources to produce and supply adequate quantities of breeder and foundation seed of priority crops to satisfy demand for commercial seed producers
Crop technology	<ul style="list-style-type: none"> • Conduct adaptive research to validate effectiveness of new crop varieties and associated agronomic practices using participatory approaches • Training extension (trainers) workers in appropriate agricultural practices including seed production 	<ul style="list-style-type: none"> • Capacity is enhanced by the regional research centres of NARO • Lack resources to extend new technologies to farmer level • Lack resources to establish and support applied research and demonstration areas at farm level
Mechanisation	<ul style="list-style-type: none"> • Provide inputs to mechanisation 	<ul style="list-style-type: none"> • ZARDI at Ngetta has very limited inputs to crop mechanisation relevant to northern areas. • Animal traction innovation being implemented by NGOs in the area
District Government		
PRELNOR coordination	<ul style="list-style-type: none"> • Chief Administration officer (CAO) will be responsible authority at District level. • CAO will nominate project support officer (PSO) as district focal point plus financial officer and infrastructure project manager • Lead selection of PRELNOR sub-counties. • District will have PRELNOR sub-committee of the District Technical Planning Committee (DTPC) • Prepare LG AWPB incorporating all activities in the district • Contribute to sub-regional PRELNOR planning and review meetings 	<ul style="list-style-type: none"> • Project districts have extensive experience working with development projects. • Staffing can be limited in the newer districts but interest in new project and sharing experience between districts will assist. • Need awareness building and orientation to GoU / IFAD management and accounting processes • Will have leading role in coordination and monitoring of PRELNOR activities and managing funds for LG implemented activities (mainly coordination and monitoring) <p>Proposed activities:</p> <ul style="list-style-type: none"> • PRELNOR will provide some capacity building (training and resources) for districts.
Finance and procurement	<ul style="list-style-type: none"> • Manage PRELNOR funds disbursed through LG channels for LG implemented activities 	<ul style="list-style-type: none"> • District government accounting capacity should be fair and able to be improved. <p>PRELNOR supported activities:</p> <ul style="list-style-type: none"> • PRELNOR will provide training and support for project accounting and reporting systems.

		<ul style="list-style-type: none"> • Procurement processes will need development and support for GoU / IFAD procurement processes. • PMU accounting and procurement staff will monitor and advise on accounting and procurement activities.
Community develop. Village preparation and group activities	<ul style="list-style-type: none"> • Mobilization & sensitization at district, sub-county, parish and village level; • Overall responsibility for community entry, PRA, participatory planning, assessment of existing groups, group selection jointly with agric. officers • Overall responsibility for community-based facilitator selection and training • Overall responsibility for vulnerable HH support sub-component including identification & training of HH mentors and HH food security packs • Lead trainers for farmer group capacity building in governance, leadership and group dynamics; • Assist consultants to implement GALS training, HH mentoring • Assist consultants to train farmer groups in basic financial literacy & record keeping • Facilitate and lead annual parish and village review and planning process • Supervision/M&E of all of the above 	<p>Capacity assessment: weak</p> <ul style="list-style-type: none"> • Amuru has only 2 established CD posts and 1 staff, Nwoya 3 established posts and 2 staff, Adjumani 9 posts and 2 staff; established posts in Amuru and Nwoya fewer than nr. of sub-counties • Majority of sub-counties in new districts have no CDO/ACDOs • Staff have no knowledge of GALS or HH mentoring, financial literacy or PRA • Limited mobility, computer & IT skills <p>PRELNOR supported activities:</p> <ul style="list-style-type: none"> • Induction training, plus; staff training in PRA, GALS, HH mentoring; refresher training in governance, leadership, group dynamics, financial literacy, record keeping • Direct training of CBFs and HH mentors by contractors (instead of cascade training by CDOs) • Provide transport support, computer/IT training
Agriculture activities	<ul style="list-style-type: none"> • Coordinate and supervise implementation of agricultural productivity and NRM activities by DFA technical and CBF farmer group facilitators • LG and NAADS technical extension resources provide technical back-up for DFA farmer group facilitators 	<ul style="list-style-type: none"> • Only 2 production coordinators in place for 8 districts. • Technical expertise spread across LG and NAADS resources which are less certain over time. <p>PRELNOR supported activities:</p> <ul style="list-style-type: none"> • Capacity building with training in extension approaches, required technical areas and travel resources • Coordinating and monitoring village and farmer group activities
Engineering	<ul style="list-style-type: none"> • District engineer is responsible for implementation of all infrastructure design and construction activities. • Appoint infrastructure project manager to supervise and certify all design and construction projects • With CDOs, train and work with road construction committees 	<ul style="list-style-type: none"> • While many of the district engineer positions are not filled, the acting engineers and/or field supervisors have good experience in constructing roads. <p>PRELNOR supported activities:</p> <ul style="list-style-type: none"> • PRELNOR orientation and introduction to PRELNOR engineering design, contracting and construction supervision processes. • Introduction to cost-effective climate smart and rain water harvesting approaches to be incorporated in road location and design approaches • PMU engineers regularly follow-up on all aspects

		of engineering design and construction contracting
Commercial – MSP / market activities	<ul style="list-style-type: none"> District commercial officer (DCO) is main contact for agribusiness development and market related capacity building activities. Coordinate and monitor agribusiness and market linkage activities undertaken by PRELNOR service providers through participating in relevant agribusiness / market activities. 	<ul style="list-style-type: none"> Limited capacity with only some district positions filled. <p>Activities:</p> <ul style="list-style-type: none"> Orientation and knowledge development on all aspects of agribusiness and MSP development Participate in study tours for both SME development activities and for market access / MSP activities in other countries. Ensure that CBFs and MSP focal points provide regular reporting to PMU on activities including actions and follow-up needed
Sub-county Government		
Agriculture activities (including NAADS)	<ul style="list-style-type: none"> Supervise agricultural productivity and NRM / climate change activities in the sub-county. Participate in planning and review activities in PRELNOR villages. Represent farmer interests at sub-county level and relay to district level In project provide sub-county link to district PRELNOR coordination, supervision and reporting. 	<ul style="list-style-type: none"> NAADS activities have been input driven with some elite capture which PRELNOR will aim to avoid NAADS sub-county Farmer Forums are project driven, unsustainable and not representative of ordinary farmers NAADS being restructured to integrate it into the national extension system so role in PRELNOR is uncertain and planned activities do not require their inputs. <p>PRELNOR supported activities:</p> <ul style="list-style-type: none"> Capacity building with training in extension approaches, required technical areas and travel resources With DPPO, coordinating and monitoring village and farmer group activities
Community development	<ul style="list-style-type: none"> Lead project start-up, community planning, community capacity development and household mentoring activities Coordinate, supervise and report on community planning, capacity building and household mentoring activities Community entry, PRA, participatory planning, assessment of existing groups, farmer group selection jointly with agric. officers Community-based facilitator (CBF) identification and training, Household mentor identification and training Identification of vulnerable households to be mentored Manage, supervise and report on household mentoring activities. Implement procurement processes for food security grants under guidelines from PMU 	<ul style="list-style-type: none"> Only Gulu & Kitgum have enough staff in post to cover all sub-counties The majority of sub-counties in new districts have no CDO/ACDO: Amuru none; Nwoya 1 x 4 S/Cs; Adjumani 2/9 S/Cs; Agago 8% staffing; Lamwo 17%, Pader 33% (staff have no knowledge of GALS, HH mentoring, limited knowledge of PRA) <p>PRELNOR supported activities:</p> <ul style="list-style-type: none"> Capacity building for sub-county staff in project management roles and technical areas. Coordinating and monitoring activities CBF and household mentor activities

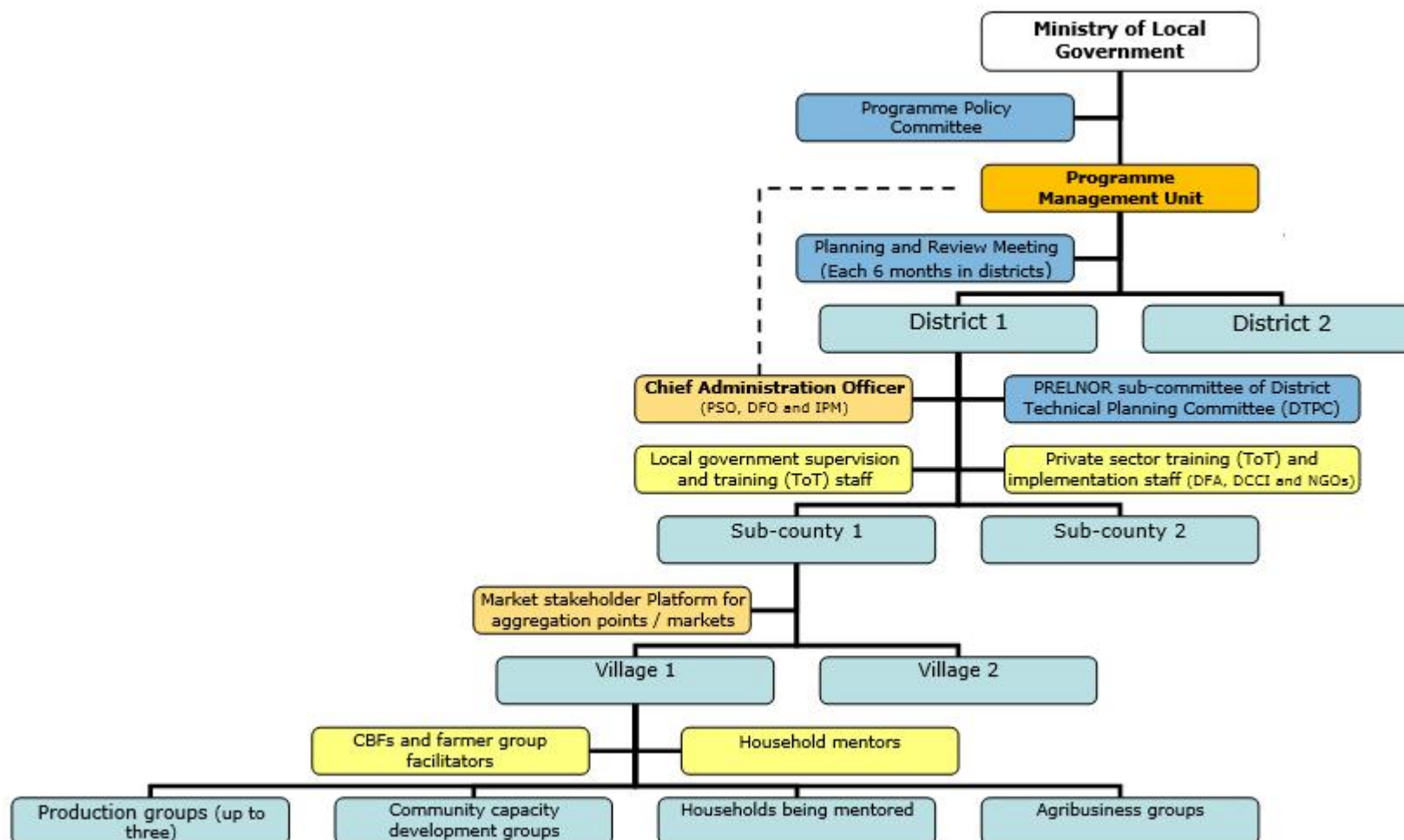
Parish level LG Facilitation	<ul style="list-style-type: none"> • Lead community selection process; facilitate village entry, PRA and participatory planning; identify possible CBF's and HH mentors • Community mobilization & sensitization • Facilitate HH mentors support individual vulnerable households • With sub-county resources, lead parish annual review and planning process 	<ul style="list-style-type: none"> • Very limited LG capacity. • Largely administrative support • Ensure that group / vulnerable household selection is fully inclusive and all community members have an opportunity to participate •
Support to active groups	<ul style="list-style-type: none"> • Links between group activities and PRELNOR LG and DFA support and coordination resources • Assist with capacity building for community groups in governance, leadership, group dynamics • Technical follow-up and referral of farmer-identified problems back to extension system 	<ul style="list-style-type: none"> • NAADS targeted farmer group clusters to own and manage parish level crop bulking storage facilities and value adding equipment are not working (elite capture, unsustainable)
Village level Farmer groups Existing VSLAs	<ul style="list-style-type: none"> • CBFs identified during start-up phase and given basic training CBFs <ul style="list-style-type: none"> • Facilitate active community and farmer groups to undertake priority capacity building and productivity activities. • Provide link between community/farmer groups and PRELNOR coordination and supervision resources • Where possible (and after training) provide technical inputs into production groups • Assist in facilitating annual parish and village review and planning process • Undertake on-farm trials • As agreed with DFA and LG agriculture technical resources and management have input to demonstrations, seed bulking for distribution to members and within village, and bulk marketing 	<ul style="list-style-type: none"> • Very limited technical, coordination and planning capacity at village level. • Some villages may have had experience in other project approaches, eg. CDD or input driven processes which will not be replicated in PRELNOR • PRELNOR to take strong lead in the start-up and implementation phase while building capacity of community groups to address priority areas • Existing VSLA groups are a good entry point for targeting of farmer group activities because of strong group cohesion, social inclusiveness and high (70 percent) female membership. PRELNOR should avoid injecting grants into savings groups so as not to wreck them. • Encourage formation of new project-specific groups with great caution [only for socially isolated households and youths] because most new groups are formed only to get project hand-outs and collapse once they get free inputs PRELNOR supported activities: <ul style="list-style-type: none"> • Capacity building for CBFs in facilitation and basic community development processes • Community capacity building led by CBFs with support from specialist trainers • Training of CBFs or farm group facilitators in extension of basic crop production technologies by ZARDI, NAADS or DFA technical trainers
Vulnerable households	<ul style="list-style-type: none"> • Household mentors identified during start-up phase and provided with training • Vulnerable households for mentoring identified during start-up process Household mentors <ul style="list-style-type: none"> • Mentoring implemented by household mentors over 12-18 month period • Food security grants provided to 	<ul style="list-style-type: none"> • Communities have no experience in household mentoring so PRELNOR needs to provide sensitization and training in process and expected outcomes.

	encourage progress and provide opportunities for improvement	
Project Management Unit	As set out in description of PMU roles and responsibilities	
District farmer associations		
Extension provision	<ul style="list-style-type: none"> • Assist LG in farmer mobilization • Participate in sub-county & parish selection • Manage CBFs and other farm group facilitators needed to implement PRELNOR activities • Train and provide follow-up supervision and support to CBFs and farmer / agribusiness development groups • Facilitate promotion and implementation of efficient cropping systems • Promoting proven technologies and adoption of climate resilient varieties • Linking farmers to technology facilitators for developing efficient seed systems • Creating awareness and skills development in the use of improved farm machinery • Represent farmer interests in district level market stakeholder platforms (MSP) 	<ul style="list-style-type: none"> • Sub-county DFA chapters non-existent or dormant and do not represent ordinary farmers • Sub-county FFS networks are project-driven and non-existent outside Gulu and Kitgum <p>Solution: PRELNOR will support annual experience sharing visits farmer-to-farmer to facilitate bottom-up, farmer driven process of aggregation of farmer groups</p> <ul style="list-style-type: none"> • Lack of technical capacity and financial resources limits their capacity to implement the activities • Largely dependent on donor support for operations
Market stakeholder platforms (MSP)	<ul style="list-style-type: none"> • Represent farmer interests in district level MSP • Support PRELNOR facilitators to develop and build capacity of MSP 	<ul style="list-style-type: none"> • Limited experience in this function (except for some inputs through WFP and EU project activities) • Should also encourage specialist agribusiness development groups with focus on PHH, value adding or market development supported by PRELNOR to join MSP activities.
Advocacy	<ul style="list-style-type: none"> • Through annual parish and village group review process, highlight areas where joint advocacy would be an advantage 	<ul style="list-style-type: none"> • Current DFAs have limited inputs to advocacy, although national farmer associations have role. • DFA have limited membership and resources to support advocacy. Thus development of this capacity is a low project priority.
District chambers of commerce and industry		
Service delivery	<ul style="list-style-type: none"> • Limited role as district resources are limited 	
Advocacy	<ul style="list-style-type: none"> • Only informally through inputs to market stakeholder platform (MSP) 	<ul style="list-style-type: none"> • As for DFAs, limited capacity to support advocacy but have stronger sub-regional representation on national chamber of commerce
District traders associations	<ul style="list-style-type: none"> • Major actor in formation and activities of MSP 	<ul style="list-style-type: none"> • Have capacity to raise awareness about marketable products
District level CBOs		
Extension services	<ul style="list-style-type: none"> • Participate in sub-county & parish selection 	<ul style="list-style-type: none"> •
	<ul style="list-style-type: none"> • Create awareness about resilient productions systems and agribusiness 	<ul style="list-style-type: none"> • Have capacity to mobilise farmer groups for community action but lack organisational skills for

	ventures and provide advice to members at sub county level	group cohesion.
Group support activities	<ul style="list-style-type: none"> Community based seed production and development of functional local seed business Seed exchange through local seed systems (seed fairs, women networks etc.) Direct farmer to farmer diffusion 	<ul style="list-style-type: none"> Lack capacity in group dynamics and coordination.
APEX groups		
Farmers association	<ul style="list-style-type: none"> Coordination of DFAs for efficiency Provide some advocacy support 	<ul style="list-style-type: none"> Limited capacity and confined to the capital city of Kampala.
CCI	<ul style="list-style-type: none"> Only informally through inputs to market stakeholder platform (MSP) by ;DCCI 	<ul style="list-style-type: none"> As for DFAs, limited capacity to support advocacy but have stronger sub-regional representation on national chamber of commerce Have some training/capacity building resources but located in Kampala so not necessarily cost-effective compared to sub-regionally based resources.
Agro-dealers Seed	<ul style="list-style-type: none"> Packaging and selling of high quality seeds close to farm level 	<ul style="list-style-type: none"> Most agro-dealers only sell vegetable seeds
Agro-chemicals	<ul style="list-style-type: none"> Sales and advice to farmers on safe use of agro-chemicals 	<ul style="list-style-type: none"> Often the chemicals are of questionable quality and not effective
Mechanisation	<ul style="list-style-type: none"> Sale of farm implements 	<ul style="list-style-type: none"> , Capacity to sell hand tools such as hoes, chemical sprayers but rarely labour saving equipment
Extension advice	<ul style="list-style-type: none"> Create awareness about appropriate agri-inputs to increase production Alternative sources of technical advice and ongoing crop growing extension advice 	<ul style="list-style-type: none"> Slowly developing capacity to provide necessary information about the use of agri-inputs. CATALIST and other programmes provide models for working through agro-dealers and creating opportunities for provision of new contract crop production services.
Seed companies Seed supply and markets	<ul style="list-style-type: none"> Provide seed and other supplementary inputs (e.g. fertilizers) Support out-grower or registered CBOs to enhance commercial seed volumes Produce breeder and foundation seeds in collaboration with ZARDIs 	<ul style="list-style-type: none"> Have capacity to produce breeder and foundation seed in a decentralized seed production system Donor driven emergency relief grain/seed has distorted the seed markets and has compromised seed quality and profitability
Extension advice	<ul style="list-style-type: none"> Can assist in demonstration and information dissemination of new varieties 	<ul style="list-style-type: none"> Lack financial capital to effectively implement these interventions Have some farmer credibility issues because of sales of branded poor quality seed.
Integrated traders processors / large commercial farms		
Input supply	<ul style="list-style-type: none"> Linking to out-grower or contract growing projects that will provide and finance purchase of improved seeds and supporting fertilisers and agro-chemicals 	<ul style="list-style-type: none"> In early stages of development in Acholi, often linked to crop purchase (see below)
Extension advice	<ul style="list-style-type: none"> To date, extension advice has not been a significant support to input supply 	<ul style="list-style-type: none"> One outgrower model (Gulu Agriculture Development Company) is providing technical

		advice to support production of organic crops required by GADC.
Crop purchase	<ul style="list-style-type: none"> Contracted crop production has been implemented by several sub-regional buyers 	<ul style="list-style-type: none"> Crop purchase model has been challenged by variable season and difficulties of pricing model leading farmers to sell to higher price bidders at harvest
Universities		
Makerere University	<ul style="list-style-type: none"> Conducting specialised studies Support to climate change studies Leading studies on ways to reduce impacts of charcoal production 	<ul style="list-style-type: none"> Have capacity to train students at a higher level in all aspects of agricultural sciences and conduct research
Gulu university Crops	<ul style="list-style-type: none"> Training in crop husbandry Assessing crop production economics and value chains 	<ul style="list-style-type: none"> Have capacity but lack financial resources to implement activities
Mechanisation	<ul style="list-style-type: none"> Developing and testing prototype appropriate agricultural machinery Testing imported agricultural equipment 	<ul style="list-style-type: none"> As above

Annex 2 PRELNOR Organisation Structure



Annex 3 Terms of Reference for Project Policy Committee

The Ministry of Local Government (MoLG) shall establish and chair a Project Oversight Committee (PPC) to provide guidance and overall oversight to implementation of PRELNOR. The PPC shall orient project implementation strategy, provide policy guidance, oversee project planning, review each annual work plan and budget (AWPB) and Procurement Plan prior to submission to the International Fund for Agricultural Development (IFAD), and review implementation progress and impact. It will also provide high level advice, address key issues raised by project management, and coordinate with parallel or complementary initiatives to strengthen the rural financial sector.

The PPC shall meet two times in a year and on an ad-hoc basis as and when necessary. To provide a link with the participating districts there will be six monthly project review and planning meetings held in Acholi timed to be before the PPC meetings and to review the proposed project annual work plan and budget each year before it is submitted to the PPC. Representatives of the local government, DFA, DCCI and other implementing and supervision partners will be invited to participate.

The Coordinator of PRELNOR shall act as Secretary to the PPC, and the Component Managers will convene the respective working groups.

The PPC membership will include representatives from government and key agencies that are responsible for development of the rural fin:

- Permanent Secretary (or his representative) Ministry of Local Government as the chair;
- Ministry of Finance, Planning and Economic Development (MFPED);
- Ministry of Works and Transport (MoWT);
- Ministry of Agriculture Animal Industry and Fisheries (MAAIF);
- the Ministry of Gender, Labour and Social Development (MGLSD),
- Ministry of Water and Environment (MWE) (and its newly formed Uganda National Meteorological Authority (UNMA));
- Ministry of Trade, Industry and Cooperatives (MTIC),
- Co-opted representatives of the district farmer associations and district chambers of commerce, particularly the grain traders associations to provide a strong link with local stakeholders in the project area.

Annex 4 Terms of Reference

4.1 Terms of Reference – Project Management Unit Staff

1. Project Coordinator

The Coordinator has overall responsibility for the day-to-day activities of PRELNOR. He/she will manage the project management unit (PMU) and report directly to the Ministry of Local Government (MoLG). They will act as Secretary to the PPC, liaise with and report quarterly to the agencies directly funding PRELNOR, and coordinate implementation activities with other projects engaged in support for community and rural development in Acholi sub-region and Adjumani district. The position is based in Gulu with frequent technical support and supervision visits to district government offices and field sites.

Specific duties of the coordinator include but are not limited to the following:

- Provide overall strategic guidance to PMU staff relating to PRELNOR strategy and implementation and the related administrative functions required.
- Provide technical and policy direction to PMU staff and implementing agencies for effective project implementation.
- Coordinate and supervise functions and activities of the PMU staff and regularly appraise them on job performance and otherwise. Ensure that work disciplines and ethics are adhered to by staff.
- Coordinate and follow up on the activities of the specialists responsible for implementation of project components to ensure effective delivery of project activities.
- Approve all procurement and accounting transactions performed at PMU, and facilitate disbursement of loan and grant funds needed for the implementation of PRELNOR.
- Liaise with MoLG, MFPED, Ministry of Trade, Industry and Cooperatives (MTIC), IFAD and other financiers on matters of policy and project administration.
- Liaise with other projects, partners and agencies supporting the rural development and commercial sectors in the project area to ensure consistency and complementarity.
- Supervise and guide preparation of annual work plan and budgets (AWPB) and procurement plans for PRELNOR activities for approval by the PPC. On the basis of the AWPB, approve the quarterly WPBs and authorize the subsequent releases of funds.
- Ensure timely and appropriate reporting on progress and problems of project implementation and submit semi-annual reports to PPC, MoLG, MFPED and the donor financiers.
- Ensure gender mainstreaming in the project through the timely development, review and implementation of a Gender Action Plan.
- Take ultimate responsibility, with the assistance of the sociologist / community development specialist, for ensuring that the project's poverty, gender and youth targeting mechanisms are respected by government and implementing partners at all administrative levels
- Ensure climate change, resilience and adaption activities are mainstreamed through the project activities.
- Undertake any other responsibility agreed with MoLG, IFAD and the PPC that will ensure smooth and effective implementation of the project.

Qualifications and experience: The Project Coordinator should hold at least a Master's degree in environment or natural resources management, or agriculture, or management, or social sciences, with experience in rural and/or SME development and in managing a major programme/project or institution. Other qualifications include:

- A minimum of eight years of work experience, including four years in management of financial institutions and/or government/donor-funded programmes and a track record as a successful manager and administrator in the Ugandan context.

- Demonstrated capacity to take on a leadership position with strong managerial skills and capacity to manage people and interact with a wide range of private sector partners and public sector representatives, as well as managers and implementers of large-scale rural / community / SME development projects.
- Strong organizational skills and knowledge of strategic planning.
- Strong oral and written communication skills in English.
- A good understanding of climate change, capacity building and gender issues.

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

2. Agribusiness and partnerships management specialist

The agribusiness and partnerships management specialist (APMS) has overall responsibility for achieving the project objectives, outcomes and targets identified in Outputs B1, B.2 and B.3B and will support the climate change / environment specialist to deliver A.2, the agronomist / extension specialist in delivering A.3 and the sociologist / community development specialist for A.1 and A.4. The agribusiness specialist reports to the Project Coordinator. The position is based in Gulu with frequent technical support and supervision visits to local government offices and project implementation sites.

Specific duties of the APMS include but are not limited to the following:

- Become thoroughly familiar with the proposed PRELNOR community, farmer, SME and MSP engagement and implementation processes.
- Establish lines of communications and coordinate with all major stakeholders for PRELNOR implementation the project local governments, the district farmers associations (DFA's), the traders' associations like district chambers of commerce and industry (DCCI), the UNFEE, the National CCI, the Uganda Cooperative Alliance, service providers for technical agriculture (including farmer field schools), climate change and business developments services and strategic partners) and international development agencies delivering similar technical services in the project area.
- Prepare contracts and bidding documents in accordance with IFAD and Government of Uganda (GoU) procurement requirements for the competitive procurement of project implementing agencies and service providers. Prepare memoranda of understanding for partnerships with other agencies designated to implement or benefit from specific activities under the project.
- Support development of and assist in finalising the AWPB for outputs managed by the APMS. Ensure that all plans are properly planned, implemented and monitored according to specified deadlines and within the allocated budget.
- Develop project management guidelines, procedures and operating practices for project execution and proactively manage changes in project scope, identify potential constraints and devise contingency plans.
- Finalize Training Guidelines based on the provisions contained in the PIM.
- Identify opportunities for community, SME or MSPs to apply or become agents for innovative applications of technical, information and communications technologies to improve adoption and/or uptake in rural areas; identify potential partners or agencies interested in piloting or scaling up such innovations.
- Establish procedures for screening and selecting applications for grants and cost-sharing under the Market Infrastructure sub-component; invite applications and process them.
- Take responsibility for implementation of income generating activities for rural youth under Component 2, Market Linkages; and oversee and support the work of the Sociologist for implementation of youth income generating activities under Component A Livelihoods, Sub-component A.4.

- Support the Monitoring, Evaluation / Learning specialist in establishing a monitoring, evaluation and knowledge management system for this component of the project and ensure the submission of all progress reports on time. In particular, establish a system of regular performance monitoring of group activities developed and implemented by PRELNOR.
- Identify how best to use the Technical Assistance included in the AWPB and develop the terms of reference and most appropriate timelines for use of this assistance.
- Support supervision and implementation support missions, mid-term review, and project completion report, including analysing project activities and making recommendations for improvement and ensuring that agreed recommendations are implemented.
- Any other relevant task assigned by the Project Coordinator.

Qualifications and experience: The agribusiness and partnerships management specialist should hold at least a Master's degree in agribusiness, agricultural economics, environment or natural resources, or business management, with experience in rural and/or SME development and in managing a major international programme or institution. Other qualifications include:

- A minimum of six years of work experience, including three years in financial institutions and/or government/donor programmes and a track record as a successful manager and administrator in the Ugandan context.
- Demonstrated capacity to take on a leadership position with strong managerial skills and capacity to manage people and interact with a wide range of private sector partners and public sector representatives, as well as managers and implementers of large-scale rural / community / SME development programmes.
- A clear understanding of aspects of technical writing to different categories of audiences
- Experience of working with different stakeholders.
- Ability to bring together various stakeholders for purposes of policy dialogue.
- Strong organizational skills and knowledge of strategic planning.
- Strong oral and written communication skills in English.
- A good understanding of climate change, capacity building and gender issues.

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

3. Agronomist / Extension Specialist

The Agronomist / Extension Specialist (AES) will provide project leadership and technical guidance in support of crop/livestock agriculture production and extension activities in Sub-component A.2 and ensuring that climate smart technologies and approaches are promoted and adopted by the smallholder farmers. These activities will complement the natural resource management (NRM) and climate adaptation activities in PRELNOR led by the climate change / environment specialist to maintain and improve the project quality, and document lessons learnt in the area of agriculture, with a focus on crop and livestock management, water for productive uses, agro-enterprise development and building household and community resilience.

The agronomist/extension specialist reports to the project coordinator and works alongside other program management unit based specialists to ensure that interventions to enhance crop production and productivity are implemented and monitored. S/he will assist in institution building and develop strong working relationships with the National Agricultural Research Organisation (NARO) through the ZARDIs in identification and application of appropriate technologies.

Specific duties of the Agronomist/Extension Specialist include, but are not limited to the following:

Project Implementation

- Provide overall strategic guidance on agronomic, farming system, seed system and demonstration practices to achieve the intended food security objectives
- In collaboration with ZARDI and climate change / environment specialist, evaluate new varieties and climate resilient agricultural practices
- Promote crop diversification options that lead to higher nutrition and food security for food insecure households
- Work collaboratively with district farmers associations to implement and supervise agreed activities in selected communities and enhance their capacity in effective extension service delivery
- Assist the CC / environment specialist to develop agro-meteorological products and decision support systems for use by the relevant departments of the MAAIF, extension services and the private sector/business partners
- Develop the working MOU and manage the contract for the pilot small-holder mechanisation adaption and demonstration activity will be implemented in one village in each of the eight districts based on experiences of the smallholder mechanization programme – Farm Mechanization and Conservation Agriculture for Sustainable Intensification across Eastern Africa programme.
- Work with the agribusiness / partnerships management specialist to introduce an appropriate set of post-harvest management technologies and conduct action research on its socio-cultural acceptability and cost effectiveness.

Capacity Strengthening

- Provide guidance to the project implementers (local governments, district farmer associations and other agencies) on effective agricultural and agribusiness extension services including farmer group, FFS and other participatory approaches for technology delivery to smallholder farmers
- Identify training needs for extension technical master trainers and farmer group facilitators and implement a capacity building project based on these needs
- Lead and supervise training of trainer activities and training of the community based facilitators (CBF) in required extension methodologies and technical innovations.
- Lead preparation of farmer user-friendly extension and technical literature to disseminate appropriate information and ensure it is relevant and appropriately written to suit farmers with limited educations.

Monitoring, Evaluation and Learning:

- In coordination with the PMU M&E / Learning specialist provide guidance to PRELNOR and partners in the design and/or enhancement of participatory M&E tools and protocols to strengthen data collection, analysis and reporting.
- Assist in the design and implementation of baseline, mid-term and final evaluations and ensure follow-up of findings/recommendations to improve program quality

Qualifications and experience: The agronomist / extension specialist should hold a Master's degree or higher qualifications in agricultural sciences with particular emphasis on extension, agronomy and/or soil science. Other qualifications / experience should include:

- Innovative, energetic individual with demonstrated contributions to the field of agriculture and committed to seeing measurable impacts at farm level.
- 5 to 10 years of working experience working with participatory extension approaches especially in farmer field school (FFS) and participatory approaches in technology transfer in the Ugandan context.
- Demonstrated capacity to take on a leadership position with strong managerial skills and capacity to manage people and interact with a wide range of private sector partners and

public sector representatives, as well as managers and implementers of large-scale rural / community / SME development programmes.

- Competency in field data collection, monitoring, analysis and reporting.
- Working experience in de-centralized government entities and systems.
- Excellence communication skills - including fluency in English.

The position is based in Gulu with frequent technical support and supervision visits (up to 50 % of the time) to local government offices and project implementation sites in the Acholi sub-region and Adjumani district.

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

4. Climate Change / Environment Specialist

The climate change and environment specialist will be responsible for orienting and ensuring the climate resilient implementation of PRELNOR activities supporting value chain development, so as to ensure that the project's climate resilience becomes reality. The climate and environment officer reports to the project coordinator and works alongside the PMU based specialists to ensure that climate and environment issues are mainstreamed in all aspects of project and activity development, implementation and follow-up. S/he will assist in institution building and developing strong working relationships with the major GoU and climate change and environment agencies working in Uganda and East Africa. The position is based in Gulu with frequent technical support and supervision visits to local government offices and project implementation sites. Specific tasks to be performed include:

- In collaboration with the agronomist / extension and agribusiness specialists design and supervise baseline assessments of the production systems and rural infrastructure development and develop a strategy/guidelines for necessary modifications to make them climate resilient.
- Working with the technical experts recruited to provide advice on climate resilience in the infrastructure component of the project (more specifically roads) to ensure appropriate integration of climate change and climate risks in project-sponsored infrastructural works.
- Providing guidance to the project implementers (local governments, district farmer associations and other agencies) on climate risk management in PRELNOR. This includes:
- Leading identification, planning, implementation, monitoring and evaluation of climate resilient project activities for community level production improvement and in post-harvest handling and value-adding support to farmer and SME groups,
- Promoting climate-smart production and post-harvest practices in farmers' groups and organisations;
- Working with the Uganda National Meteorological Authority (UNMA) and MAAIF to facilitate the development and transmission of climate and agro-climate information from central level to districts and to farmers, including through the development of Memoranda of Understanding and training, where relevant.
- Working with UNMA and MAAIF to collect data from the existing agro-met stations in each of the project districts and facilitate analyses relevant to PRELNOR
- Assisting in the development of agro-meteorological products and decision support systems designed for transmission to the various departments of the MAAIF, relevant extension services and the private sector/business partners
- Ensuring the sound integration of climate-resilient technologies in production and market access development
- Building PMU and MoLG and MAAIF capacities in climate resilient approaches;
- Supporting the M&E / Learning specialist in developing the project learning system;

- Monitoring the climate resilient activities and, in collaboration with the M&E / Learning specialist, ensure related knowledge management and the identification of policy lessons;
- Identifying training needs for public and private sector stakeholders and planning and implementing a capacity building project based on identified need;

Qualifications and experience: The Climate Change / Environment specialist should have a master's degree or higher qualifications in agricultural development / climatology/ environmental Science or related discipline. Other qualifications and experience should include:

- At least 5 years of experience in climate change adaption work and risk management or risk disaster management in a smallholder farming context.
- Experience in mainstreaming climate change adaptation issues within both public and private sector organizations for a wide range of agricultural sub-sectors would be advantageous, particularly rural and market infrastructure.
- Demonstrated capacity to take on a leadership position with strong managerial skills and capacity to manage people and interact with a wide range of private and public sector partners as well as managers and implementers of large-scale rural / community / SME development programmes.
- Result oriented management skills.
- A clear understanding of aspects of technical writing to different categories of audiences
- Ability to bring together various stakeholders for policy dialogue.
- Strong oral and written communication skills in English.
- A good understanding of gender and, community and institutional capacity building issues.
- Computer literate.
- Ability to work in an interdisciplinary team and meet crucial deadlines.

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

5. Sociologist / Community Development Specialist

Community development and empowerment within PRELNOR will be led by the sociologist / community development specialist. The sociologist / community development specialist has overall responsibility for achieving the project objectives, outcomes and targets identified in Outputs A.1 (with the project coordinator) and A.4 (with the agribusiness specialist). The sociologist / community development specialist reports to the Project Coordinator At local government level, the sociologist / community development specialist will work closely with the district and sub-county community development officers (CDOs) and the production and commercial officers.

The position is based in Gulu with frequent technical support and supervision visits to local government offices and project implementation sites.

Specific duties of the sociologist / community development specialist include but are not limited to the following:

- Under the guidance of the project coordinator, serve as focal point and advocate for mainstreaming of poverty, gender and youth targeting throughout project activities
- Ensure that the project activities are implemented in an integrated manner and take into account the needs of the local communities and the poor households
- Support local governments and other implementing partners to integrate cross cutting issues into project activities to ensure that correct targeting is done

- Take responsibility for overseeing the contracting of training of trainers (TOT) for district CD staff and CBFs in participatory rural appraisal skills linked to the initial village situation analysis and beneficiary selection process
- Assist the DCDOs in each district to plan and undertake community mobilization, sensitization, community entry, situation analysis, social and institutional mapping, wealth ranking, and assessment of existing community groups as a basis for beneficiary selection
- Take responsibility for overseeing the contracting of ToT for refresher training of district CDO staff and community-based facilitators (CBFs) and delivery of training to farmer groups in governance, leadership and group dynamics
- Take responsibility for identification and overseeing the contracting of ToT for roll-out of training for CDOs, CBFs and farmer groups in Gender Action Learning Systems (GALS) for value chains
- Take responsibility for technical oversight and contracting of an implementing partner to train CDOs, CBFs and farmer groups in appropriate business action planning, financial literacy and record keeping for illiterate/semi-literate people
- Take responsibility for overseeing and back-stopping sub-component 1.4 Poor Household Support, including but not limited to technical support for contracting of a service provider for update of the HH mentoring guide and trainer's manual including mainstreaming of GALS visioning and PRA tools and direct training of district CDO staff and HH mentors. Guide the process of identifying the poor households to be mentored and subsequently benefit from food security grants provided by PRELNOR and provide technical support to the districts in the mentoring of selected households. Oversee the identification, selection and training of volunteer household mentors. Provide technical support to the districts in the mentoring of selected households and assisting them to graduate.
- Monitor the implementation of the services and the outcomes achieved by the local service providers with regard to farmer group composition, social inclusiveness, internal cohesion and reciprocal trust
- Under the guidance of the PMU agribusiness specialist, take responsibility for overseeing the contracting of implementing partners for youth income generating activities related to agricultural services such as seed multiplication, crop protection, agro-processing, transport and marketing under component B.1.
- Together with district and sub-county community development officers), assess candidates, proposed by DFA Executive Board, to be trained as project lead trainers (PLTs)
- Monitor the implementation of the services and the outcomes achieved by the local service providers
- Develop an overall communication strategy for the project to enhance transparency and accountability of district staff and service providers to the local communities.
- Ensure that communication materials about the project activities are developed for the mobilization of communities and interest groups.
- Ensure that the information provided during the mobilization process e.g. newsletters, radio broad casts and productions is appropriate and accurate
- Maintain working relationships with the GoU ministry(s) responsible for gender, community development and youth affairs
- Assist the M&E / Learning specialist to monitor the effectiveness of poverty, gender, youth and vulnerable group targeting and to draw lessons
- Any other duties and assignments relating to PRELNOR as may be assigned by the project coordinator.

Qualifications and experience: The sociologist / community development specialist should have a higher-level university degree in social science / or a field related to rural community development. A minimum of 10 years of experience in community development and applied gender mainstreaming at project / or institutional level. Experience with poverty, gender and youth targeting in agriculture-based

rural development programmes. Mastery of Participatory Rural Appraisal. Experience in designing and implementing successful communication and knowledge management strategies for sustainable development. Desirable qualifications: familiarity with household mentoring approaches and GALS.

Other qualifications and experience should include:

- Rural development project management and implementation
- Computer literate
- Strong inter-personal skills
- Strong analytical skills
- Self-motivated and creative thinker
- Proven ability to work in teams
- Strong social skills and open-minded
- Ability to work independently and with limited supervision and to deliver work under pressure

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

6. PMU Civil Engineers (2 positions)

Under the direct supervision of the PRELNOR Project Manager, the PMU Civil Engineer(s) will be responsible for overall guidance and management of the infrastructure investment related activities under the PRELNOR market access infrastructure (MAI) sub-component in accordance with GoU regulations and approved procedures for supervision of design and civil works. The civil engineers would be responsible for supervising and guiding activities of contractors that due regard is given to the quality and quantity of works to be implemented throughout project operations in the framework of the PRELNOR/MAI. Within this overall role, the following tasks would be the specific responsibility of the PMU civil engineers.

- Contribute to development of the Project Implementation Manual (PIM) with regard to MAI Sub-component;
- In cooperation with the PMU relevant staff, review and assess proposals from the local governments for community access roads (CAR) or aggregation points / marketplaces rehabilitation or new works with regard to their technical feasibility and preliminary cost estimation, and agreed selection criteria;
- Assist the LG CDOs and other PMU resources set up and train road and market construction committees in their roles and responsibilities;
- Assess the appropriateness of proposed structures;
- Develop ToR for design works for selected infrastructure investment and for independent reviewers of design documents;
- Participate in MoLG bid opening and evaluation committees for evaluation of all bids for design services and construction contracts;
- Review and comment on Evaluation reports provided by the District Contracts Committees for civil works implementation and develop consolidated Bid Evaluation Reports and recommendations for contracts award for IFAD review and no-objection;
- Supervise design works and review detailed design solutions in terms of sound technical solutions, quality and identified scope and volumes of works;
- Participate and contribute in discussions with District Engineers, Design Contractors and other interested parties in decision making during design stage and review detailed design solutions in terms of feasibility;

- Supervise the implementation of civil works to ensure quality and timeliness, and accordingly endorse certificates of satisfactory work completed, for payment.
- As a member of the PRELNOR management team, provide reports and information on infrastructure investment operations as necessary to the PMU M&E specialist and project coordinator, and contribute to progress reports.

Qualifications and experience: A higher degree or an equivalent qualification in Civil Engineering with sound knowledge of contemporary issues in the rural infrastructure of Uganda.

- A minimum of five years working experience with projects for infrastructure rehabilitation including design and construction supervision with proven ability to work in a multi-disciplinary team and with rural population.
- Familiarity with engineering design requirements and construction supervision procedures of Uganda, as well as with the procurement procedures applicable under the legislation of Uganda and foreign donors' funded programmes.
- Computer literate.
- A pragmatic, creative and energetic approach to problem solving and decision-making and the capacity to operate effectively with contractors and rural populations.

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

7. Monitoring and Evaluation / Learning Specialist

The M&E / Learning specialist (MELS) has overall responsibility for monitoring and evaluation, targeting, gender, knowledge management (KM) and communications. The M&E / learning specialist reports to the Project Coordinator and supervises the work of an M&E assistant as leader of the *M&E, learning and impact team*. The position is based in Gulu with frequent technical support and supervision visits to local government offices and project implementation sites.

Specific responsibilities include but are not limited to the following:

- Oversee the development of, and manage the M&E system (database and e-library repository).
- Develop an M&E service pack (reporting formats for data and narrative) for the district government and district farmer association (DFA) staff supervising and managing implementation and service providers, and assess and develop trainings in data collection tools as needed, to ensure that appropriate measures are established and implemented by service providers to provide sufficient basis for review of project progress and for monitoring changes seen on ground.
- Support the sociologist / CD specialist to monitor the effectiveness of the project's gender, youth and poverty targeting, by ensuring appropriate data disaggregation. Provide technical assistance to service providers on gender issues and project targets with respect to inclusion of women and youth and ensure adequate awareness and activities in this respect, including during reporting.
- Support the district governments and DFAs prepare district level AWPBs and then consolidate inputs to the annual work plan and budget (AWPB), including arranging district level and project stakeholder review workshops. This work will be supported at national level by the financial controller.
- Assume responsibility for the public profile of the project, including developing a strategy and taking responsibility for media relations.
- Prepare and implement project knowledge management and communications strategy.
- Contribute to the knowledge management and communications aspects of the TORs of implementing agencies and service providers, and support the service providers in this respect, based on an assessment of capacity.

- Take responsibility for the creation of an e-library repository collecting knowledge and stories, and ensuring easy access for all staff.
- Support the project coordinator in their role as the project spokesperson by preparing write-ups and talking points, and pointers (questions to be expected), as well as the appropriate responses.
- Provide leadership in organizing and managing project events such that the events are viewed as learning experiences and not gatherings for the sake of it.
- Take responsibility for relations with service providers, including organising annual data verification exercises in the field.
- Work with the CDOs and CBFs to ensure that the annual parish and village review days have a structured format and information on the project activities being presented and are documented for future use in planning and evaluation activities.
- Coordinate reports from service providers for quarterly, semi-annual and annual reports.
- Manage special studies to be undertaken, including preparation of ToRs and overseeing the work of the consultants.
- Offer on-the-job training and backstopping to everybody involved in data collection, data entry and data transmission.
- Ensure that tools are used and procedures adhered to.
- Liaise with the financial controller and project accountant in Gulu to link physical and financial progress data.
- Support technical officers in monitoring activities.
- Coordinate input to and finalisation of progress reports.
- Support project manager in project reporting and accountability.
- Support project manager in development of logical framework and reaching the impact of the project.
- Develop statistical framework for impact evaluation.
- Oversee undertaking of specialised studies.
- Conduct radio programmes of climate change information.
- Develop e-library, web-site, newsletters and radio programmes.
- Support development of PMU and MSP knowledge management briefs / policy dialogue initiatives.
- Set up project web-site.
- Development of project brochures, calendars etc.
- Undertake stakeholder mapping and strategies for communication with each group.
- Report on impact, including the log-frame and impact on poverty, as well as ensuring a common understanding of these issues in the PMU.

Qualifications and experience. The M&E / Learning specialist should have a Master's degree in management, economics or a similar subject, and specific training in M&E, data management and gender and targeting tools. Other qualifications include:

- At least eight years of work experience, including at least four working with knowledge management, planning, M&E and/or MIS in government/donor programmes or large institutions, with knowledge of logical framework programmes and participatory systems.
- Strong managerial skills and demonstrated capacity to manage people and interact with a wide range of private sector partners, public sector representatives, and development partners.

- Self-motivated, with demonstrated ability to take initiatives and work under a minimum of supervision, but also to work effectively as a member of a team.
- Experience with performance based contract monitoring and output based work planning, budgeting and reporting.
- A clear understanding of aspects of technical writing to different categories of audiences
- Experience working with the media and different stakeholders, as well as events management.
- Ability to bring together various stakeholders for purposes of policy dialogue.
- Knowledge of work planning, budgeting and reporting.
- Excellent oral and written communication skills in English.
- Excellent quantitative and analytical skills.
- Ability to set up and follow through on a monitoring system in a complex environment, and capacity to design and carry out relevant field level verification and other data validation tools.
- Computer-literate and well-versed in the use of Word, Excel and the Internet. Basic knowledge of Access would be an asset.

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

8. Monitoring and Evaluation Assistant

The monitoring and evaluation (M&E) assistant (MEA) will, under the supervision of the project M&E / learning specialist, take responsibility for data and database management, and assist the MELS undertake their designated responsibilities. The position is based in Gulu with frequent technical support and supervision visits to local government offices and project implementation sites.

Specific responsibilities include but are not limited to the following:

- Assist in developing and take responsibility for operating the two databases of the project.
- Organise and manage the data collection framework for the project.
- Develop data collection formats for service providers, and compile inputs received on regular basis, including taking responsibility for quality, accuracy and timeliness of data.
- Undertake and provide technical support for analysis of project performance.
- Systematically compile lessons learned from project implementation into formats suitable for dissemination, as well as take lead in branding and production of project communications materials.
- Create and regularly update an e-library repository collecting knowledge and stories, and ensuring easy access for all staff.
- Assist in annual data verification exercises in the field.
- Help organize stakeholder workshops for feedback to and input from all stakeholders.
- Provide technical support to the team for developing an e-repository.
- Be an active team player of the "M&E, learning and impact team."

Qualifications and experience. The candidate should have at least a first degree (Master's degree is an added advantage) in statistical analysis, computer systems, or similar subject, and/or specific training in Moro MIS. Other qualifications include:

- At least four years of work experience, including two working with data management, Mean/or MIS in government/donor programmes or large institutions.

- An understanding of community, agriculture and/or SME development processes.
- A clear understanding of technical writing to audiences with different levels of technical understanding.
- Excellent quantitative and analytical skills.
- Good oral and written communication skills in English. Knowledge of one or more local languages would be an asset.
- Computer-literate and well-versed in the use of MS Word, MS Excel and the Internet, and have demonstrated capability in MS Access.
- Experience working with digital data collection tools (such as smartphones) and geographic information systems for implementation mapping.

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

9. Procurement Officer

The procurement officer will be responsible for coordinating the procurement function based on GoU and IFAD guidelines and procedures. Reporting to the project coordinator, the procurement officer will provide leadership and guidance to all PMU and local government project staff on procurement issues for goods, services and construction contracts. The position will be based at the project management unit office in Gulu with frequent travel to the eight project districts.

Specific responsibilities include but are not limited to the following:

- Review and provide more detail, where required, on the procurement sections of the draft PIM
- In collaboration with other members of the PMU, local government and implementing partners, prepare the rolling 18-month procurement plan for works, goods and services required by the project and submit same for approval by the GoU PPC and IFAD along with the AWPB
- Lead an orientation project for all PRELNOR district government and implementing agencies on the principles and application of procurement procedures and guidelines for PRELNOR and use of the PIM guidelines
- Supervise and advise, where needed, on the preparation and collation of tender and contract documents for specific procurements according to GoU and IFAD guidelines
- Assist the members of the PMU and other implementing partners in preparation of TORs and contractual documents and ensure that responsible district and national government agencies have necessary inputs into the preparation process
- Prepare tender notices and advertisements in appropriate national and international papers and websites as required
- Participate in relevant tender committee meetings at district and national levels and assist with the preparation of committee reports
- Review and advise on tender evaluation reports prepared by the Districts and other implementing agencies and make necessary follow-up
- Participate in monitoring visits of the PMU contract monitoring committee
- Maintain procurement files containing high quality and readily available information for review by supervision missions
- Maintain the contract register and regularly update the same with monitoring data on progress of all contracts
- Report in writing to the project coordinator on potential or actual violation of contractual terms by contractors and service providers for appropriate sanctions

- Undertake any other duties assigned by the project coordinator.

Qualifications and experience: The procurement officer should have a Bachelor's degree in Commerce, Public Administration, Law, Accounting or any other related field. A post graduate qualification will be an added advantage. Other experience include:

- A minimum of eight years of experience dealing with procurement of civil works, goods and services, and with the award of contracts for Government/donor funded programmes
- Experience in working within the Ministry of Local Government procurement processes
- Experience in preparing tender and contract documents for national and international competitive bidding
- A comprehensive knowledge of Public Procurement Regulations including the PPDA regulations, as well as procurement guidelines for IFAD and the World Bank
- Be computer literate
- Strong oral and written communication skills in both English and national languages
- Excellent interpersonal and communication skills.
- Strong organizational skills and knowledge of strategic planning.

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

10. Financial Controller

The financial controller reports directly to the project coordinator, and is responsible for financial management of the project and for maintaining all project accounts in good order. As head of the finance unit, the financial controller will take charge of all matters in the project accounting cycle. The project accounting cycle to be overseen by the financial controller starts from financial-related inputs in AWPB preparation and budget control, committing funds, disbursements and cash flow management in an effective and efficient manner, financial reporting to ensuring smooth audits and facilitation for supervision missions on all financial management aspects. The position is based in the PMU in Gulu.

The Financial controller will be responsible for expediting all loan management and disbursement activities through MoLG systems. Specific responsibilities include but are not limited to the following:

- Installation of appropriate accounting/reporting systems to ensure that the PMU and especially the Project Coordinator are regularly informed of on-going financial status and transactions.
- Ensure timely capture of PRELNOR in the GoU budget yellow book as required by the GoU budgeting processes and calendars to be able to access counterpart funding.
- Communicate to all implementing partner institutions, service providers and districts their financial responsibilities, the funds available and how to access it, and the requirements of reporting and record keeping in accordance with prevailing government practices which are acceptable to IFAD.
- Ensure that all project funds are used in accordance with the conditions of the financing agreements, with due attention to economy and efficiency, and only for the purposes for which the funds were provided;
- Ensure that all necessary supporting documents, records and accounts are kept in respect of all project activities, with clear linkages between the books of account and the financial statements presented to the financiers;
- Ensure that designated account and operational accounts are maintained in accordance with the provisions of the financing agreement and in accordance with the financier's rules and procedures;

- Ensure that the financial statements are prepared in accordance with International Public Sector Accounting Standards as adopted in Uganda;
- Liaise with external auditors to audit the project accounts to meet the required submission dates by both GoU and IFAD;
- Process documentation and follow up on disbursements from the government and IFAD to ensure that releases are not delayed. Ensure that funds for project implementation are disbursed in a timely manner to enable project interventions to be carried out on time:

Qualifications and Experience: The candidate should have a Bachelor's degree in accounting, and must be certified public accountant duly registered with the Institute of Certified Public Accountants of Uganda (ICPAU).

- At least eight years of relevant work experience, including at least four as a financial manager or accountant in government/donor programmes or large institutions.
- Strong managerial skills and demonstrated capacity to manage people and interact with a wide range of private sector partners and government representatives;
- Knowledge of work planning, budgeting and reporting;
- Excellent quantitative and analytical skills;
- Computer-literate including accounting packages and well-versed in the use of Excel, Word and basic data base set-ups.

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

11. Districts Support Accountant

The **Districts Support Accountant** will report to the Project Coordinator but will have a collegial working relationship with the financial controller.

Specific responsibilities include but are not limited to the following:

- Follow-up the districts for expenditure justifications
- Review eligibility of expenditure in accordance with the financing agreement
- Report on the operation of internal control including budget controls and report any deviations
- Prepare project reports to enable the withdrawal of funds from financiers and manage the overall treasury/ cash flow planning aspects of the project.
- Assess compliance with Uganda laws and regulations governing the operation of the implementing institutions including accountancy standards and the requirements for audits and financial reporting.
- Review external auditor's reports (Audit Opinions and management letters), including any qualifications and whether any concerns raised by auditors have been adequately addressed.
- Review reports of IFAD/GoU supervision or review missions and follow-up on the implementation of agreed to actions.
- Evaluate the accounting software used in terms of its adequacy, suitability and recommend necessary changes, upgrading or modifications to the way the systems are configured and used.
- Examine the financial management information provided to Project Coordinator/ steering committee/ MoLG/ IFAD in terms of its adequacy and timeliness.
- Evaluate programme/project accounting procedures including the adequacy of financial reports in terms of accountability to multiple funding sources.

- Evaluate systems for asset management, provision for asset maintenance and replacement.
- Review documented accounting procedures and accounting manuals in terms of their adequacy, and correspondence between actual and documented procedures.
- Evaluate annual work plan and budgeting procedures, and budgetary control systems applied to monitor actual expenditures versus budget including commitment controls to avoid commitments beyond available resources.
- Review other aspects of the accounting and financial control systems including: cash management and banking; procurement of goods and services; advances and acquittals; authorisation of expenditure and budget/actual comparisons.

Qualifications and Experience: The candidate should have a Bachelor's degree in accounting.

Other skills and experience should include:

- At least five years of relevant work experience
- Knowledge of work planning, budgeting and reporting;
- Excellent quantitative and analytical skills;
- Computer-literate including accounting packages and well-versed in the use of Excel, Word and basic data base set-ups.

12. Assistant Accountant

The assistant accountant reports to the financial controller, and is responsible for ensuring a proper accounting filing system; follow up of accountabilities from districts, staff, and other implementers, data entry and reconciliations.

Specific responsibilities include but are not limited to the following:

- Preparation of source documents, e.g. payment vouchers, journal vouchers
- Chronological filing of documents with adequate cross reference to ensure ease of retrieval
- Follow up of accountabilities, maintaining a detailed log of outstanding accountabilities
- Data entry into the accounting system
- Preparation of reconciliations for review by the financial controller;
- Facilitate; both internal and external auditors to audit the project's financial transactions and reports to meet the required submission dates by IFAD;
- Support the financial controller in preparation of reports to enable the withdrawal of funds from IFAD and GoU;
- Proactive support to the district designated project support accountants;
- Maintain key registers such as fixed assets; inputs into the contracts register, contract monitoring forms
- Support the financial controller in the preparation of informative management accounts in the form of monthly, quarterly, semi-annual and annual reports regarding aspects of project financial monitoring bringing out variances and advising implementers as to the limits of expenditure;
- Carry out any other activities that are assigned by the financial controller

Qualifications and experience: The candidate should have a Bachelor's degree in accounting.

Other skills and experience should include:

- At least two years of relevant work experience
- Excellent quantitative and analytical skills;

- Computer-literate including accounting packages and well-versed in the use of Excel, Word and basic data base set-ups.

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

4.2 District Level Project Support Staff

4.2.1 Project support officer (PSO), to assist the CAO to coordinate implementation and technical supervision of district activities.

4.2.2 Financial officer/accountant to ensure that project district expenditure ledgers are kept up to date, reconciliations are regularly made for audit purposes and funds are properly accounted for.

4.2.3 Infrastructure project manager to be responsible for design, procurement, construction, contract management and final acceptance of project road and market access structures constructed in each district. The role may be taken by the district engineer or an engineering department staff member, nominated by the CAIO with adequate experience in the nominated areas of expertise.

4.3 Project Implementation Resources

4.3.1 Community based facilitators (CBF)

Background

The Community-based facilitators (CBFs) are intended to serve as a critical link between the lowest level of the local government administration in the relevant sectors and target groups at village level. Their role in project implementation is three-fold: (a) to facilitate a socially inclusive and democratic participatory process at village entry, including situation analysis, participatory resource mapping, wealth ranking and beneficiary selection; (b) to facilitate farmer group and other project activities on a day-to-day basis, thereby providing continuity between the periodic visits by agricultural and community development staff attached to the district and sub-county; and (c), to enhance sustainability after the district or implementing partner staff are withdrawn, by remaining in the community as a positive role model and as resource person to whom villagers can turn for advice and to help them link to outside sources of advice.

Responsibilities

The CBF reports to the sub-county Project Coordinator at local government level. The CBF will work closely with the district and sub-county community development officers (CDOs) and the production and commercial officers and with project implementing partners and the Household Mentor(s) attached to the same parish.

The position is based in (insert name) _____ district, _____ sub-county, _____ parish. The position holder has the obligation to reside in the same parish to which s/he is assigned. The work entails frequent visits by bicycle or on foot to farmer groups in a cluster of 3 or more project villages, throughout all seasons including the rainy season.

Specific duties of the CBF include but are not limited to the following:

- Under the guidance of the sub-county project coordinator, and the parish chief, participate successfully in project-related capacity building, earning a certificate for each training. Trainings will be spread over years 1 and 2 and will include:
 - Induction training about the PRELNOR project;
 - Participatory facilitation and participatory rural appraisal (PRA) and participatory planning skills
 - Group formation, governance, constitution, bylaws, registration, leadership and group dynamics
 - Gender Action Learning Systems (GALS): visioning

- Business action planning, financial literacy and record keeping
- M&E and reporting skills for CBFs
- Technical training (e.g., farmer group seed multiplication, community-based natural resource management – CBNRM, etc.)
- Assist the sub-county project coordinator and parish chief to mobilize villagers including women, youths, food insecure households and the disabled, to participate in the project activities;
- Assist the sub-county project coordinator and parish chief to sensitize villagers, including women, youths, food insecure households and the disabled, about project components, activities and how they can participate
- At the time of project entry in each new village, assist the DCDOs in each district to plan and facilitate, situation analysis, social and institutional mapping, wealth ranking, and assessment of existing community groups as a basis for beneficiary selection;
- On the basis of the community's analysis of existing groups, during the village entry process, assist the sub-county community development staff and/or implementing partners to select farmer groups among those meeting the project targeting criteria (those with the best social cohesion and solidarity, the highest percentage of women, youth, and food insecure; and the strongest commitment to project objectives).
- Assist the sub-county CDO/ACDO to strengthen group governance, constitution, bylaws, leadership and group dynamics.
- Within 10 days of completing GALS training, with the assistance of the SCDO whenever possible, convene each project-assisted farmer or youth group and facilitate gender awareness raising among group members, by use of the life's rocky road visioning tool, the gender challenges and opportunities tree tool, and the livelihood challenges and opportunities tree tool. Preferably, each farmer group should do the exercise the same day, under a different tree. After finishing, each group should present their own analyses in front of the other groups (and whole village) and compare their analysis with that of the other two groups. At closing, the CBF should mobilize group members to use the GALS tools to repeat the exercise with their own households.
- In each village, during start-up of farmer group activities, assist sub-county agricultural officers and/or implementing partner staff to facilitate farmer group action planning and launch of farming activities on the plot of land that the group has designated for their group learning activities
- Participate in/assist in all visits by the sub-county CDO or agricultural staff or implementing partner staff to the farmer groups in the villages assigned to the CBF. In each village, the CBF is expected to provide day-to-day support and follow-up for 3 farmer groups, and – if directed by the sub-county project coordinator – with a youth income generating group.
- When local government staff or implementing partners are not around, the take responsibility for day-to-day facilitation and follow-up of farmer group and youth activities in the assigned villages.
- During the first year in each village, visit each project group on a weekly basis, at a time and place agreed by the group, to facilitate planning for the next week's farm operations and to follow-up on topics discussed during previous visits.
- Within 10 days of attending training in business action planning, financial literacy and record keeping, under the supervision of the sub-county CDO/ACDO, convene each of the project-assisted groups, and – using visioning techniques – assist them to develop a business action plan. In addition, teach each group how to use and understand the financial literacy and record keeping tools introduced by the training.
- Serve, on a continuous basis, as a resource person to help groups to solve their own problems, while referring the groups' identified challenges and information needs to the appropriate local government services (for instance, helping a group to report a crop pest or poultry disease outbreak to the competent authority);

- Serve as a positive role model for villagers, as an example of honesty, hard work, sobriety, friendly, helpful attitude, and respect for women, youth, food insecure households and people living with disability of HIV/AIDS;
- Complete and submit satisfactory reports on project activities accomplished, outputs and outcomes, according to the work plan, as a condition for release of the quarterly honorarium;
- Work closely with the household mentor assigned to the same villages, to coordinate timing of visits and exchange of information;
- During the second year, make intensive weekly visits to a new village. In addition, follow up periodically with farmer groups in the first village according to the CBFs agreed work plan. In year 3, meet farmer groups intensively on a weekly basis in the 3rd village. In addition, follow up periodically with groups in the 2nd and 1st project village according to the work plan.

Any other duties and assignments relating to PRELNOR as may be assigned by the sub-county project coordinator, with approval by the district project coordinator.

Qualifications and experience

Candidates for community-based facilitators must be:

- residents in the same parish in which they are expected to work, preferably in one of the villages where they are to work or in the parish headquarters,
- be literate, preferably with O-level education,
- have a good command of English,
- be able to communicate with illiterate households in the local language (luo) in the 7 Acholi districts (Agago, Amuru, Kitgum, Gulu, Lamwo, Nwoya and Pader)
- have experience of being involved with community development work,
- be respected by the community,
- have a volunteer spirit,
- be able to mobilize and organize others,
- be able to work with farmer and youth groups in a supportive manner,
- be supportive of gender and youth inclusiveness,
- be willing to travel on foot or by bicycle from their residence within the parish to and from the project villages on a continuous basis, and
- not overloaded with other responsibilities.

Possible candidates for community-based facilitators will be identified by community members during the initial community mobilization, sensitization process. They will be vetted by community members. They will be interviewed and selected by community development staff in consultation with local authorities.

Contract

The contract will be for 1 year, with a 6 month probation period, annually renewable based on agreed performance targets and delivery. Confirmation at the end of the probation period and annual renewal will also be conditional on satisfactory rating of their performance by the farmer groups that they assist.

4.3.2 Household mentors

Background

The household mentors are intended to serve as a critical link between the lowest level of the local government administration in the relevant sectors and the poorest, most disadvantaged households at village level. Their role in project implementation is three-fold: (a) to facilitate a socially inclusive and democratic participatory process at village entry, including situation analysis, participatory resource mapping, wealth ranking and selection of poor vulnerable households to benefit from mentoring; (b) to assist the mentored households to analyse their own personal situation, through visioning exercises, to make a plan to overcome their poverty and to implement that plan; and finally, to assist the mentored households to graduate, by achieving food security, putting their children back in school, and joining community groups to benefit from development programmes. Finally, (c) after the project ends, the household mentors will contribute to sustainability, by remaining in their community as

resource persons to whom the mentored households can turn periodically for advice and to help them link to outside sources of support.

Responsibilities

The household mentor will be based at parish level but will report to the sub-county Project Coordinator at local government level. The household mentors will work closely with the district and sub-county community development officers (CDOs/ACDOs) assigned to their sub-county. There will be two household mentor posts per parish, ideally one female and one male, each covering 3 project villages phased over the 6-year implementation period. The 2 household mentors will work closely with each other and with the 2 Community based facilitators (CBFs) assigned to the same to the same parish. In total, the project is expected to engage 200 household mentors to cover poor households in 600 villages of 100 parishes.

The position is based in (insert name) _____ district, _____ sub-county, _____ parish. The position holder has the obligation to reside in the same parish to which s/he is assigned. The work entails frequent visits by bicycle or on foot to farmer groups in a cluster of 3 or more project villages, throughout all seasons including the rainy season.

Specific duties of the household mentor include but are not limited to the following:

- Under the guidance of the sub-county project coordinator, and the parish chief, participate successfully in project-related capacity building, earning a certificate for each of the required trainings. Trainings will include:
 - Induction training about the PRELNOR project;
 - Participatory facilitation and participatory rural appraisal (PRA) and participatory planning skills;
 - Household mentoring skills, including Gender Action Learning Systems (GALS); and
 - M&E and reporting skills for household mentors.
- Assist the sub-county project coordinator and parish chief to mobilize villagers including women, youths, food insecure households and the disabled, to participate in the project activities;
- Assist the sub-county project coordinator and parish chief to sensitize villagers, including women, youths, food insecure households and the disabled, about household mentoring activities intended to enable poor and vulnerable to build the capacity to participate in the project.
- At the time of project entry in each new village, assist the DCDOs in each district to plan and facilitate situation analysis, social and institutional mapping, wealth ranking, and to identify poor households that meet the criteria for household mentoring⁹⁴, as a basis for beneficiary selection.
- On the basis of the community's analysis of existing groups, during the village entry process, assist the sub-county community development staff and/or implementing partners to select 10 poor households among those meeting the project targeting criteria for household mentoring.
- Make individual visits to each of the 10 mentored households according to the mentoring cycle outlined in the Household Mentor manual. The mentoring cycle has 5 stages spread over an 18 month period. It calls for weekly visits to each household during the first 9 months, followed by monthly visits over the next 9 months, followed by less frequent visits on demand during the final 6 months. The phases are outlined below.

⁹⁴Target households for mentoring will be identified during the village entry and situation analysis process, starting from a participatory wealth ranking carried out by villagers. Households suitable for mentoring should have: access to land and/or other natural resources that are not being used productively, poor nutrition, poor shelter, malnourished children, school dropouts; many dependents, including orphans, the chronically ill or elderly; limited or no income generating activities; limited or no household assets; socially isolated from community and development activities; households headed by women or children, or in which women or children are the main source of family labour, and show willingness and physical and mental capacity to respond to mentoring and other opportunities.

- Phase 1 - Establish rapport with each of the mentored households during the visits to their home, meeting with all adult members including older children. Assist each of the mentored households to identify household resources and challenges, and to do a visioning exercise, in which it draws a picture of what its situation is like now, and what situation it intends to be in at the end of the mentoring process, and the challenges to be met and resolved along the line between the present and the envisioned future.
- Phase 2: Encourage self-reliance: assist each mentored household to make and commit to an action plan for achieving its own goals, such as getting children back into school, achieving food security, improving housing conditions including sanitation, ending alcohol abuse or gender-based violence, resolving inter-generational conflicts, and to start implementing the action plan. Assist each mentored household to prepare to receive a small food security grant, containing seeds, hand tools and possibly a goat, which is intended as a catalyst to help it to improve household food security
- Phase 3: At the start of the next cropping season, assist the mentored households to use the food security grant to boost self-provisioning food production. Link the households to outside support for agricultural advice. Assist the household to monitor its own progress in achieving food security and the other goals in the action plan.
- Phase 4: Start clustering mentored households that share a common interest, encouraging household members to join one or more groups with which they share a common interest. As they begin to achieve some of their goals, gradually wean the mentored households from dependency on the mentor, assisting them to graduate.
- Phase 5: graduation and handover of the household to the community groups that they joined.
- All household mentors must complete and submit satisfactory reports on project activities, outputs and outcomes, according to the annual work plan, as a condition for release of the quarterly honorarium.
- During the second year, start up in the 2nd village, with weekly visits to 10 new households, plus monthly or less frequent visits to those of the 10 households in the 1st village who have yet to graduate.
- During the 3rd year, start up in the 3rd village with weekly visits to 10 new households, plus monthly visits to those of the 10 households in the 2nd village that have yet to graduate. (By the 3rd year, all mentored households in the 1st village have either graduated or been terminated).
- During the 4th year, start up with an additional 10 households, either in one of the previous villages (if there were enough households meeting the criteria) or in a 4th village. In the latter case, in the 4th village, farmer group activities might not be foreseen in parallel with the household mentoring.
- During the 5th year, start up with an additional 10 households either in one of the original villages or a 5th village, for a total of 50 mentored households per mentor over the 7 year project period.

Qualifications and experience

Candidates for household mentors must be:

- residents in the same parish as the mentored households,
- be literate, preferably with O-level education,
- have a good command of English,
- be able to communicate in the local language (*Luo* in Agago, Amuru, Kitgum, Gulu, Lamwo, Nwoya and Pader)
- have experience of being involved with community development work,
- be respected by the community,
- have a volunteer spirit,
- be able to mobilize and organize others,

- be able to work with individual households in a supportive manner,
- be supportive of gender and youth inclusiveness, and
- not overloaded with other responsibilities.

Possible candidates to become household mentors will be identified by community members during the initial parish level mobilization and sensitization process. Candidates will be vetted by local communities. They will be interviewed and selected by district-level community development staff.

Contract

The household mentor contract will be for 1 year, with a 6 month probation period, annually renewable based on agreed performance targets and delivery. Confirmation at the end of the probation period and annual renewal will also be conditional on satisfactory rating of their performance by the mentored households that they assist. The household mentors will receive a bicycle from the project to facilitate their movement between the parish and the villages assigned to them.

Annex 5 PRELNOR Group Activities and Progression Paths

	Proposed PRELNOR activities and progression	PRELNOR Groups								Undertaken by / Activities include
		Village community - start-up	All groups	Vulnerable households	Youth activities	Food-insecure groups	Food secure groups	Market oriented groups	Agribusiness development groups	
A.1	Community planning and capacity building									
A.1.1	Community introduction meetings	X	X							
A.1.2	Village NRM PRA and development of NRM plan		X							DCDO and DFA with training in NRM planning
A.1.3	Identification of vulnerable HHs and youth		X	X	X					Community group
A.1.4	Identification and training of HH mentors and CBFs		X							CBFs contracted to DFA
A.1.5	Community capacity building		X							Group governance, group dynamics, GALS, financial literacy, savings mobilisation
A.2	Effective Information and capacity building for climate smart NRM									
A.2b	Complementary NRM initiatives implemented									
	(a) Natural revegetation of trees and tree nurseries and woodlots		X		X	X	X			
	(b) Soil and water management for erosion control		x		x	X	X			For soil and water conservation
	(c) Demonstration of rainwater harvesting (for potable and micro-irrigation water)			X	x	X				For public buildings and vegetable gardens for food insecure
	(d) Energy saving through biogas and energy saving stoves			X						Biogas where enough livestock
A.2c	Using agro-meteorological information for farming decision		X	X		X	X	X		This information is vital for the entire farming community
A.3	Priority climate resilient crop production systems									Activities selected to meet farmer group needs
A.3.1	Basic crop production (all crops)									
	(a) Basic crop production activities (all crops)					X	X			Improved seed/ planting material, improving basic cultural practices with existing tools
	(b) Basic crop production with moisture management /conservation					X	X	X		Reduced tillage, planting to contour, residue retention
	(c) Demonstration plots					X	X			With improved cultural practices and planting material
A.3.2	More intensive crop production activities (all crops) -graduated from basic stage									Introduction of fertilisers, basic agro-chemicals
	(a) Crops selected to suit cropping history / projected seasonal conditions					X	X			Link with weather prediction information and market traders
	(b) Fertiliser inputs tailored to meet crop needs and profitable responses					X	X			Macro/micro nutrients, micro-dosing, types of application
	(b) Moisture / soil conservation techniques with chemical weed control					X	X			Use farmer to farmer exchanges to introduce approach
	(c) Mechanised basic cultivation					X	X			Using animal or machine primary cultivation
	(c) Double cropping					X	X			Taking account of weather predictions and climate risk
	(d) Harvesting, handling and basic processing					X	X			Timing, improved harvesting techniques, drying and threshing
	(e) Introduction to outgrower and contract farming models					X	X	X		:

		Village community - start-up	All groups	Vulnerable households	Youth activities	Food-insecure groups	Food-secure groups	Market oriented groups	Agribusiness development groups	MSPs at sub-county / district level	
A.3.3	Improved crop production activities (all crops) - graduated from medium stage										
	(a) Machine mechanised land preparation and weeding						X				Need cultivated plot size of > 2 ha to justify use of equipment
	(b) High input production system management						X				Could use FFS or lead farmer / focus farm approach
	(c) Improved harvest and post harvest handling approaches						X				Introduce with farmer to farmer (and trader/market needs) visits
	(d) Improved storage and packing for markets						X				Link with MSP members, pest control, storage conditions
A.3.4	Community seed multiplication and production										
	(a) Breeder seed production (currently responsibility of ZARDs)						X	X			Critical to ensure varietal genetic purity and production of subsequent classes of seed (foundation and commercial)
	(b) On-farm participatory demonstrations/trials				X	X	X				Undertaken as part of ongoing crop extension activities linked to ZARDs
	(c) Seed marketing						X	X			Undertaken to ensure that producers are familiar with seed business dynamics
	(d) Capacity building-training seed technicians, farm group facilitators)						X	X			Cultural techniques, links to foundation seed and end-markets, PHH
	(e) Training farmers in integrated seed production techniques						X	X			Isolation needs, planting pop., rouging, pest identification / treatment
	(f) Training in harvesting, handling and storing crops for seed						X	X			Threshing, drying, treatment, moisture / temperature control, pest control, packing
	(g) Marketing and distribution of seeds and planting material						X	X			Forecasting demand, promotion/awareness, new varieties, contracting
B.1	Rural Agribusiness Development Groups										
B.1.1	Basic agribusiness management capacity development						X	X			Entrepreneurship, business planning, business management, financial management, market identification, linking to BDS and other service providers
B.1.2	Basic agribusiness technical capacity development			X			X	X			Basic PHH, simple value adding (V/A), farmer contracting services
B.1.3	Agribusiness development and investments (initial basic businesses)			X				X			Business planning, sourcing finance, implementing a business plan, mentoring
B.1.4	Advanced agribusiness development (including accessing PHH investment grants to invest in new technology and/or develop new markets / products)							X			Piloting and demonstrating new PHH and V/A, identifying and developing new market products and niches
B.2a	Agricultural market information						X	X	X		AMIS contractor with awareness and extension activities
B.2b	Market Stakeholder Platforms										
B.2b.1	(a) District level MSP established								X		Formed, capacity developed. Link to LG and other stakeholders
	(b) Assess opportunities to improve market access / facilities								X		Feasibility study of best options.
	(c) Business case for best option including benefit: cost assessment								X		If positive, negotiate with LG on access to land for best location
B.2b.2	Sub-regional MSP forum implemented								X		Formed, capacity developed. Link to LG and other stakeholders
B.2b.3	Aggregation point / bulk market developed										
	(a) Form MSP market construction sub-committee								X		
	(b) Design and construction contracted and supervised by LG								X		MCSC advise LG supervisors
	(c) Market management company formed and contracted by LG								X		MMC in most cases owned by MSP members and represented on board
	(d) Market facilities operate and return levies/taxes to LG								X		

Appendix 6: Planning, M&E and learning and knowledge management

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Annexes

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Appendix 6: Planning, M&E, learning and knowledge management

A. Objectives and approach

1. A knowledge management system, comprising information management, monitoring and evaluation (M&E), communication and innovation and experimentation, will be developed for PRELNOR. The objectives of the developed system will be to:

- Monitor and guide project implementation in terms of relevance, efficiency and success in impacting the lives of the target groups;
- Share knowledge; and
- Evaluate project impact.

2. The system provides data, information and feedback to improve the effectiveness, efficiency, sustainability, relevance and impact of project activities. The project log-frame and intervention logic provide a complete set of indicators for monitoring project progress towards the development objectives, while more detailed activity plans are in place for monitoring physical implementation. The project development objective originates from the IFAD Country Strategic Opportunities Paper (2013), and forms part of the overall monitoring of the IFAD country project in Uganda.

3. The project will adapt innovative and up-to-date M&E approaches, including the mainstreaming of knowledge management, a dedicated focus on communications, application of the new MPAT methodology for systematically assessing changes in households and communities working with PRELNOR, well as establishment of beneficiary databases to track project impact. All data collection will be digital and interventions mapped, supplemented by agro-ecological monitoring under the technical components.

4. The PMU will establish an M&E system, satisfactory to IFAD, prior to project implementation, based on DLSP and other project experiences. The M&E system will be connected and inter-linked at all levels and will consider the effects / impact of project investments on project beneficiaries and key stakeholders. The M&E system will include financial and physical reporting, the Government of Uganda (GoU) reporting requirements and IFAD's reporting requirements, including RIMS.

5. A key output from monitoring will be development of annual data on people's progress out of poverty, disaggregated wherever possible by gender and youth. Monitoring will cover process (group formation, implementation) and progress (number of people actively participating, activities being implemented) monitoring. Impact /outcomes will be monitored and assessed as groups complete their programme of activities that will contribute to outputs and outcomes. District level implementers such as local government (LG) and district farmer's associations (DFA) and service providers / strategic partners, where used, will undertake most of the project monitoring – they will be provided with guidance and training on how this is to be done and held accountable for delivering results. Important elements of the monitoring processes include being:

- **Integrated into district systems.** Planning and monitoring will be led by district and sub-county staff, supported by the PMU.
- **Publically available:** The data will be publically available and provide information to all stakeholders. Appendix will provide a key list of stakeholders with whom data and knowledge generated by the project will be shared with.
- **Participatory:** Stakeholders involved in implementation and beneficiaries themselves will play an active monitoring activity and performance of implementing partners, as well as modifying implementation approaches and activities.
- **Knowledge and results based** so communication can inform policy development and efficiency and relevance of project implementation and ensure achievement of results through: 1) specialised studies at baseline and completion for impact evaluation and 2) establishment of beneficiary databases for progress monitoring.

B. Roles and Responsibilities

6. M&E activities will be led by a monitoring and evaluation (M&E) / Learning specialist based in the project management unit (PMU), responsible for supporting the PMU technical staff in planning,

monitoring, reporting, evaluation, learning, knowledge management and communication, ensuring appropriateness and efficiency of implementation, as well as ensuring maintenance of an up-to-date database of project interventions. The M&E / Learning specialist will similarly support the Project Coordinator in national level coordination and policy dialogue. The M&E / Learning specialist will be supported by an M&E assistant with a data management background, who will support the technical departments to take responsibility for data collection, database development and maintenance. The primary role of the officers will be to support the work of the technical staff, as well as work closely with implementing partners.

7. The specialist will be based in the Gulu Office, with frequent travels in the project area. The district planning officers, supported by the M&E / Learning specialist and the Project Coordinator will lead district level planning and monitoring activities which will align with local government procedures.

8. **Financing agreement responsibilities.** An IFAD financed project is subject to a negotiated finance agreement and IFADs 'General Conditions for Agricultural Development Financing' ('general conditions'). Article VIII 'implementation reporting and information' sets out the requirements for which the M&E Specialist will be responsible. This includes maintaining records and documents, through appropriate information management systems in accordance with the IFAD 'Guide for Project Monitoring and Evaluation', on which this document is based. In short, the general conditions state the need to gather data and information to monitor implementation progress and achieve objectives. Progress reports, mid-term reviews and completion reports, are similarly requirements within the guidelines.

C. Planning

9. Project planning will be an on-going process with annual reviews of activities at all level (community, district and project area level) contributing to the development of Annual Work Plans and Budgets (AWPBs). The AWPBs, together with the log frames' quantified results-based indicators and process indicators, will be the primary basis for project monitoring, for identifying and integrating management priorities for implementation, forecasting procurement requirements and facilitating the mobilization of staff and resources when needed. As current DLSP staff are expected to be in place during the start-up of the project, an initial AWPB should be ready by the time of loan signing, to ensure timely start-up and usage of start-up funds prior to Entry into Force of the loan. The activities will be based on the design document, but consultations with main stakeholders (including district staff) will play an important role.

10. **AWPBs** will cover both the IFAD loan, ASAP grant resources and Government and beneficiary contributions. The project structure is output based, with each activity developed to achieve a certain output, which in terms guides the outcomes. The same structure should be followed for the AWPBs, with a clear indication of responsibilities and division of budget lines amongst each of the PMU staff. The first AWPB will be based on the project design report, differentiating between start-up activities (period between entry into force and loan signing following IFAD and parliamentary approval) and satisfying disbursement conditions, as specified in the financing agreement) and project implementation activities. Activities will be indicated at quarterly level for monitoring and for ensuring availability of funds at the right time. Following the first year, physical progress and lessons learnt will play an increasingly important role. The AWPB should include a rolling 18 month procurement plan, which is updated every 3 months, and activities and payments should be budgeted at the appropriate time, following contract signing, approval of service provider AWPBs in the case of framework contracts etc. Supervision missions will assess AWPB execution regularly, with a target of 100% execution (not above or below). Changes to the AWPB must be sent for non-objection by IFAD. Detailed outline is available in the draft Project Implementation Manual.

11. **Responsibilities for planning and coordination.** Overall coordination of project components lies with the project coordinator and component heads. After initial targeting and roll-out planning has been undertaken, the main responsibility for planning and coordination lies at various levels for each sub-components (see below). Similar structures will be used to support service provider AWPB development. AWPBs will be developed and consolidated at each level, with support of the M&E specialist, who is also responsible for the final compilation:

- Sub-component A.1 (community planning): Sub-county level Community Development Officers; District Designated Project Support Officer; PMU Community Development Specialist.
- Sub-component A.2.b(NRM activities): Project area level contracted service providers; PMU Climate Change Specialist.
- Sub-component A.2.a (Ag productivity): District Level District Farmer Association Focal points; District Designated Project Support Officer; PMU Agriculture Specialist.
- Sub-component A.1.b (vulnerable HHs/Youth): Sub-county level Community Development Officers; District Designated Project Support Officer; PMU Community Development Specialist.
- Sub-component B.1 (agribusiness development): District Commercial Officers and PMU Agribusiness Specialist.
- Sub-component B.2.c (market info): PMU Agribusiness Specialist.
- Sub-component B.1. (market access): District Commercial Officers; District Level Focal points; PMU Agribusiness Specialist.
- Sub-component B.2.a (CAR): District Engineers; PMU Engineer.
- Sub-component B.2.b (market infrastructure): District Engineers; PMU Engineer

12. **Timing.** A draft AWPB highlighting overall levels of expenditure and in particular identifying Government Counterpart funding needs will be prepared by the PMU for submission to Ministry of Local Government by the end of Q2 (31 Dec). Following this, a more detailed planning exercise with input from each of the above stakeholders will be taken, based on evaluation of the previous year, to be approved by the Project Steering Committee and sent to IFAD for NO objection by 31 March 2015. If a No Objection is not received within 30 days, the AWPB is considered approved. Any major changes to the AWPB (in terms of activities or budget estimates), must be sent to IFAD for No Objection, throughout the year.

13. **Start-up activities.** The most common reason for project implementation delays, is at project start-up. The PRELNOR design process will provide as much detail as possible, outlining the implementation strategy in great detail. This means that there should not be a need for specialised studies at start-up, other than collection of updated baseline information. Rather the focus will be on conducting baselines, setting up the systems and agreeing with strategic partners on modalities and outcomes of cooperation.

14. Internally, there will be start-up workshop for project staff and ministry officials directly involved in project implementation (such as members of the contracts committee; ministry engineers), with the participation of IFAD as presenters, focused on implementation arrangements, setting the stage and updating and validating the roll-out plan for project implementation. All staff will participate in this, including drivers and office attendants, for everyone to understand their role in reaching the development objective of the project.

15. A public launch will be held in the project area, including a wide range of stakeholders. Conjointly, or immediately after, a launch with District Technical Staff will be held to introduce the project. One workshop will be held comprising staff from all 8 districts. At this workshop the roll-out plan will be validated and agreed upon.

16. This will be followed by the information campaign on identifying location for roads and the target villages, as described in the detailed project description. This launch will also sensitise beneficiaries to the upcoming surveys to be undertaken, and alert possible service providers of upcoming calls for proposals.

D. Reporting

17. **Progress reports.** Progress reports will be assembled quarterly, for internal project management use. Six month programmes (with the annual report being larger) will be submitted to IFAD and GoU. Reports will similarly be shared with service providers and beneficiaries. The PMU will produce monthly, quarterly and annual reports. Formats and content will be further developed during the final design mission and during project start-up, including for various service providers and implementers. Key elements will include: progress reporting against physical and financial targets,

evidence of outcomes for each component, etc. Standard sections on targeting, gender, partnerships and knowledge management. It will be the responsibility for each of the component implementers to provide input, while the KP manager will consolidate and provide technical backstopping. A summary of reporting responsibilities is provided in Appendix 1.

18. **Monthly exception reports.** District Farmers Associations and other service providers will monthly submit 1-page reports on planned activities that have not taken place, and identify the constraints and any type of support required. The Project Manager will review these with the purpose of initiating immediate actions to ensure that quarterly performance is on track. Standard reporting formats will be developed.

19. **GoU reporting.** As per Ministry of Local Government requirements, the project will feed into annual sector reviews and reporting formats provided. Coordination with relevant ministry departments as well as participation in policy development meetings will be the responsibility of the Project Coordinator.

20. **RIMS.** As part of its corporate reporting system, IFAD has developed the Results and Impact Management System (RIMS), which aims to create a common set of indicators that can be compared across programmes and countries. All IFAD-financed projects supervised by IFAD are required to report on the indicators annually, as well as undertake RIMS compliant baseline and impact assessment studies for reporting on anchor indicators of child malnutrition, food security and household assets. Considerable effort has been made during the design to ensure that this reporting requirement is consistent with the reporting requirements internally in the project. Each year, by 31 March, the project will report on the selected RIMS indicators and on project outreach, for the previous calendar year, in an Excel format provided by IFAD. RIMS will also be used for impact measurement as described below. Examples of the RIMS requirements are presented in Appendix 3.

21. **ASAP reporting.** The ASAP results management framework and relevant indicators have been mainstreamed into the project log-frame. However, special attention will be paid to report on outcomes and impacts such as “how to” ensure resilience and adaptive capacity, as well as through the various monitoring tools described below. Participation in some international stakeholder events is expected.

E. Monitoring

22. The project logical framework matrix reflects the theory of change behind the intervention, namely the reasoning behind the selected activities and outputs, for reaching the outcomes and objectives. The theory of change is the description of the changes we wish to see and the linkages between them that we believe to exist. The logical framework represents a simple framework for monitoring project key performance indicators and for presenting the logic in reports etc. The logical framework is structured with a left hand side logic, ranked from output, to outcome, objective and goal level; the projects ability to reach the results and influence them is high at output level and lower at goal level (attribution). The PMU will be held accountable for reaching the development objective, as negotiated in the financing agreement, with the risk that external factors can limit the success for the project. These are mentioned on the right hand side, but others might emerge. The number of indicators included in the log-frame is limited in number, and will act as key performance indicators. This will be supplemented by a series of more detailed progress indicators and data to be collected.

23. **Establishing baseline sector performance.** Sector performance, including stakeholder mapping, establishment of population figures and statistics should be done at baseline, using national and district level statistics. External data sources include the Census, expected to be undertaken by Uganda Bureau of Statistics in August 2014, and the Uganda National Panel Survey (part of the World Bank Living Standard Measurement Study). This work will be done within the first six months after entry into force, by the PMU staff. It will also serve as a familiarisation of the region for staff.

24. **Collecting baseline information on participating individuals and groups.** A baseline data collection index will be developed prior to identification of groups under the various outputs. Data will be collected at individual and group level, following panel methodologies, and feed into a beneficiary database, tracking also the name and location of the individual or group. The data collection will be done by the implementers of the various activities, and the quality monitored closely by the PMU, and done as a minimum on annual basis. Appendix 3 sets out the types of information to be collected.

25. **Indicator profiling.** To ensure harmonised understanding and data collection modalities, each indicator should be profiled in detail. Similarly, progress indicators should be established to fully enable monitoring not only to facilitate impact evaluation and PCR reviews, which is the main purpose of the log-frame. A draft indicator profiling is presented in the PIM, based on activities, costing and assumptions. This information, as well as the targets, should be updated based on the above two exercises and will form the basis for project monitoring. Care should be taken in aggregation of figures across components to avoid double counting. The beneficiary database (as described in detail below), will track the direct beneficiaries as well as (as a minimum) a random sample of road beneficiaries (data collected under the poverty and gender assessment exercise). Indirect beneficiaries will be estimated using information from the baseline sector performance exercise. In the PIM, an attempt has been made to quantify the targeted number of beneficiaries for each component, as well as the overlap between them. Tacking of beneficiaries of each activity within the same system will allow for overlap analysis and mitigate elite capture, as well as quantify impact based on the number of interventions received by each beneficiary, in their given status of development and asset ownership.

F. Impact

26. Evidence based reporting on impact is receiving increased attention, as also reflected in the logical framework as described above. Various standardised tools are available in IFAD, which will be adopted by the project. Detailed outline is found in the PIM. Impact measured through specialised studies will capture indicators of household assets and food security (RIMS) as well as resilience (ASAP) and poverty (MPAT), with a particular focus on women's empowerment (WEIA), as described below.

27. **RIMS baseline and impact studies.** For reporting on the project goal, RIMS anchor indicators (HH assets, child malnutrition and food security) will be reported on using the standardized RIMS+ Questionnaires, through a random sampling exercise of 900 households.

28. **Focus on gender, poverty and resilience.** To ensure adequate tracking of project impact within the areas of gender empowerment, poverty reduction as well as increased resilience of households, two tools will be used concurrently, supplemented by NRM monitoring by strategic partners. The two tools are the IFAD Multidimensional poverty assessment tool (MPAT) and the Women Empowerment in Agriculture Index (WEAI) reduced form. The framework is elaborated in the PIM.

29. **Traffic and road survey.** Traffic and beneficiary surveys will be carried out prior to construction/rehabilitation; upon completion of the first batch using not-yet constructed batches as controls, as well as at project completion.

30. **First progress review.** As the project has a planned implementation period of seven years, a regular mid-term review will be due 3½ years after entry into force, which would be the end of December 2018. However, for purposes of progress review, as opposed to "half-way evaluation", a "first progress review" is expected in December 2016. At this stage participatory group activities will have been on-going for two years and the first market linkage activities in progress. The main purpose of the review will be to assess the processes being used and progress made, and the relevance and effectiveness of the approaches used. At this stage there will be only limited outcomes on ground to document. This will be the time for up-scaling results and down scaling in areas that have not worked well. Adequacy of funding availability will be assessed, targets adjusted as needed, and annual work plans and budgets (AWPB) and contracts and performance of service providers reviewed. The progress review team would include external consultants who had not worked in the supervision activities plus representatives of stakeholders to allow them to assess the project progress and ensure their buy-in to the findings of the review. The first progress review would also recommend if a second external review should be undertaken before the end of the project.

31. **Project completion report.** Between project completion and loan closing, the PMU will be responsible for developing a project completion report, following the IFAD guidelines. Main elements of the report include documentation of achievements and impacts (supported by the above mentioned studies) and documenting lessons learnt. This will feed into any future project design as well as inform policy in the relevant areas. It is recommended to recruit an individual for 60-90 days, based on CV.

G. Data management and beneficiary database

32. **Beneficiary database.** A project M&E system will be set up comprising a beneficiary database; an inventory of internal and external documents (such as progress report, specialised studies and national policies) (e-library); service provider (including district farmers associations) performance information; library of case stories and news clippings; a mapping database and a market information production database. Data will be collected at various levels under each component. The main unit of aggregation will be the group level, supplemented by individual level tracking of 1) a sample of minimum 100 individuals from various groups; 2) mentored households; 3) any trainers trained (ToT) as well as a sample of traders and road beneficiaries.

33. **Data collection tools.** All data collection will be digital through use of tablets. Standardised digital data collection tools and frameworks will be developed by the PMU for each of the components of activities, using freeware available for download on the internet. These will be adopted by district, sub-county and district farmer association staff, to whom tables will be made available by PRELNOR. While data collection modalities will vary between contracted service providers, they will be expected to provide input in the digital formats requested; priority will be given in procurement processes to innovate data collection and management tools in place. In addition to limiting mistakes and time consumption, digital data collection plays some key functions for a modern M&E system namely: geo-referencing of data allowing activities to be mapped; households to be identified over time and quality control in that officers were actually in the field as expected. Digital data collection is also a prerequisite for a project like PRELNOR to be able to handle the amounts of data expected in the beneficiary database which will be a key aspect of both monitoring and evaluation of performance and poverty targeting and movements. The M&E will be highly integrated with various NRM activities carried out using satellite imagery and other landscape modelling tools.

34. Areas of natural resource management, land use mapping etc. will be monitored and analysed through strategic partnerships with research organisations through existing IFAD grants with e.g. CIAT. There will be a need to ensure that the data management systems established are compatible for data exchanges. Capacity building of staff in areas of Excel, Access and digital data collection will be crucial to ensure skills for efficient M&E.

H. Knowledge Management and Communication

35. Knowledge management activities, including internal and external communications, will be led by the M&E / Learning Specialist who will play an important role in the project, helping to inform piloting, replication and scaling up. Due to the regional geographic focus of the project, communication activities outside the project area are not expected to be needed. Communication with the Centre, national dialogue forums (if relevant) and policy dialogue initiatives will be the responsibility of the Project Coordinator. Policy dialogue initiatives at national level will largely be initiated through the Project Policy Committee (PPC). The M&E Specialist will be responsible for structuring information in appropriate ways for various stakeholders.

36. **Communication strategy.** Stakeholder and service provider/implementer coordination and information sharing will be paramount in terms of activity coordination, knowledge sharing and participatory processes. The initial stakeholder mapping, as well as the service provider database will be key tools for development of a targeted communication strategy, during the first year of implementation. Similarly, the strong focus of the ASAP initiative on knowledge management and dissemination will play a strong role in the strategy. Tools recommended include a web-page linked to an e-library, newsletters and radio programmes. Newsletters should be maximum 2 pages, and capture information on new documents available in the e-library, as well as activities of other development programmes in the area, such as those of DfID and the EU. The e-library should as a minimum be ready at the first process review stage. All information should be publicly available and accessible to the public, for example by being "googlable". It is not expected that external support will be required to develop this strategy, as most information should become available in the baseline sector exercise.

37. **Mobilization and sensitisation.** As district and sub-county staff will be the key actors for mobilisation and sensitisation of beneficiaries, the PMU should work closely with them (a participatory approach) to develop key messages thus avoiding risks of misinformation or miscommunications about the activities and objectives of the project, and identify the roles of various stakeholders. Key

messages should cover all project components, but be attractive and memorable “soundbites”, preferably in the local language.

38. Communication channels. Local radio programmes will be used actively by the PMU throughout the project period, and possibilities of using SMS dissemination systems will be explored, particularly linked to the market information systems to be supported and the multi-stakeholder platforms. Radio programmes will be suitable channels for both mobilization and sensitisation; delivery of key extension messages and information on cross-cutting issues and climate change.

39. Qualitative information handling. As part of monitoring, a database of structured case studies (of beneficiaries, stakeholders and implementation arrangements) will be maintained, along with video documentation. It is recommended to identify a few project beneficiaries to be tracked throughout project implementation, such interview methods such as Most Significant Change, to document impact, especially at outcome and impact levels. The M&E Specialist will spearhead collection of such stories, supporting service providers and by recruiting students, master students or similar.

I. Innovation and scaling up

40. Monitoring failure. Appendix 1 provides a detailed description of the indicators, as well as suggests additional indicators to be monitored as part of project implementation. It should be noted that the targets indicated is the successful interventions. However, for example, a greater number of groups might have to be supported to reach the number of sustainable groups envisaged. The clearest example will be from household mentoring, where not all households supported can be expected to graduate. As a minimum, a failure rate of 5% must be expected. Experiences from other projects show that as many as 20-50% of those trained to not reach graduation stage. Under farmer field schools, it can similarly be expected that only 10-15% of members will increase production substantially, while others might only become better off in terms on income to be spent on school fees or family emergencies.

41. Structured learning methodologies. Under the markets activities, as well as for farmer field school demonstration, study tours/exchange visits are envisaged, with large amounts of budgetary resources spent. Such trips, as well as workshops and other activities organised, should follow the learning route methodology outlines in Appendix 3. The methodology pre-identifies learning objectives (similar to individual TORs), ensuring professional and technically competent facilitation, systematic capturing of learning points and implementation plans for follow-up. Every officer of stakeholder who receives training or participated in external events, must report back (through a presentation or “back to office report”), within two weeks of return, to ensure that knowledge gained is beneficial to as many as possible.

42. Policy dialogue. By systematically capturing lessons learnt, “learning notes” will be developed, documenting best practices, lessons learnt and failures, for policy dialogue and sharing with other projects. A main area for capturing such information is at MSIPs and through service provider progress reports. This will contribute to the tacking of “what works” in climate change adaptation, one of the key objectives under the ASAP framework, as well as establish linkage to other IFAD supported projects such as VODP2 and PROFIRA. Anticipated topics include on farm level systems, on efficient market systems, as well as development of appropriate SACCO loan products, linking project beneficiaries with financial service providers. While the messages will be developed by the M&E Specialist, the Financial Controller will have responsibility of dissemination to national stakeholders, including within the Ministry of Local Government.

Annex 1: Reporting

- **Monthly reports** will be simple flash-reports indicating in bullet points areas of concern to enable adjustment of implementation. To be used by PMU management.
- **Quarterly reports** will be more detailed and will be the basis for self-assessment workshops and reporting on indicators. Budgetary reporting and progress in relation to the AWPB should be included. In addition, stakeholders should be encouraged to provide any observations on strengths and weaknesses of implementation. To be submitted to MoLG.
- **Semi-annual and annual reports** should follow the format of the quarterly report, but include an executive summary of no more than 2 pages, indicating key progress and actions to be taken. Tables including expenditures, compared to the AWPB, and reporting on indicators should be included (log-frame indicators as well as others, as identified in the monitoring plan). Targeting and inclusion of the rural poor in project implementation are crucial elements for reporting. The reports should include pictures and field reports. The reports will be submitted to IFAD and government. To be submitted to MoLG, IFAD.
- **Progress reports to IFAD supervision and implementation support missions** should include, as a minimum, i) the quantitative and qualitative progress achieved in implementing the project and achieving goals, ii) problems encountered during the period of reporting iii) the steps taken or proposed to remedy these problems, and iv) the proposed program of activities and expected progress during the reporting period. To be submitted to IFAD.

Table 5: Proposed timetable for reporting

Steps	Calendar	Responsible
Monthly		
Delivery of report to PMU	25th every month	Implementing partners
Consolidation of reports from partners	5th of next month	Technical staff
Production of report and submission to management	10th of next month	M&E Specialist
Quarterly		
Delivery of report to PMU	5th of next month	Implementing partners
Consolidation of reports from partners	10th of next month	Technical staff
Production of report and submission to management	15th of next month	M&E Specialist
Semi-annually		
Delivery of report to PMU	31 January	Implementing partners
Consolidation of reports from partners	15 February	Technical staff
Production of report and submission to management	15 March	M&E Specialist
Annual		
Delivery of report to PMU	10 July	Implementing partners
Consolidation of reports from partners	15 July	Technical staff
Production of report and submission to management	30 July	M&E Specialist and Financial Controller
Presentation of report to IFAD and government	1 August	Project Manager

Annex 2: RIMS reporting

1. **RIMS reporting.** The project will be part of IFAD corporate level reporting. Every 31 March, the project will upload information into the IFAD database, following a request from the IFAD head office. Every year, the project will report at the immediate results level; in years 3 and onwards, the project will also report on sustainability indicators. RIMS indicators are indicated in the log-frame, to be collected through regular data collection mechanisms. In the first year and final years, the project will report on the anchor indicators from the logical framework. First level indicators are quantitative, with information based on numbers collected in the field; second level are more qualitative assessments, although clearly specified within the technical components of the project. Reporting will follow the table below.

RIMS reporting tracking sheet

RIMS	Log-frame	Indicator number for reporting	PY1	PY2	PY 3-6	PY7
Indicator	Indicator	RIMS level 3				
Anchor	0.1	Households in the project area with improvements in assets ownership index at project completion				
Anchor	0.1	Reduction in the prevalence of child malnutrition				
		Sustainability indicators (RIMS level 2)				
2.6.3	A.1.1	Likelihood of sustainability of community groups: number of groups still operational				
2.1.4	A.1.2	Likelihoods of sustainability of groups formed: number of groups still operational				
2.1.5	A.3.2 A.4	Effectiveness of climate resilient practices: hectares of land improved through usage of the methods				
2.4.2	B.3a.1	Likelihood of sustainability of roads constructed: number of infrastructures still functioning				
2.4.3	B.3b.1	Likelihood of sustainability of the facilities constructed: number of facilities functioning				
		Immediate result indicators (RIMS level 1)				
1.8.1	0.3	# individuals receiving one or more project services				
1.6.4	0.4	# groups receiving project services				
Anchor	A.1	Increased HH assets				
1.6.6	A.1.1	# and % of groups with women in leadership positions				

1.1.10	A.1.2	# and % of groups involved in productivity and climate risk and natural resources management formed/strengthened				
1.1.14	A.3.2	# and % increase in hectares managed under climate resilient practices				
1.4.2	B.3a.1	Km climate change resilient roads constructed and/or rehabilitated				
1.4.3	B.3b.1	# and % market structures constructed				

Rating scale for Level 2 results (sustainability level indicators)

Effectiveness		
1	Highly unsatisfactory	The intended results are highly unlikely to be achieved. No further resources should be committed until a new approach is devised. Consideration should be given to cancelling component/output
2	Unsatisfactory	The intended results have not been achieved. Major corrections need to be introduced to improve performance
3	Moderately unsatisfactory	The intended results have been achieved to a limited extent. Corrections need to be introduced to improved performance
4	Moderately satisfactory	The intended results have been partly achieved. Modifications should be introduced to improve performance
5	Satisfactory	The intended results have been achieved
6	Highly satisfactory	Intended results have been surpassed. The implementation approach can be considered as a best practice
Sustainability		
1	Very weak	None of the supporting factors are in place. Sustainability is very unlikely
2	Weak	Hardly any of the supporting factors are in place. Sustainability is unlikely
3	Modest	Some of the supporting factors are in place but they are not sufficient to ensure sustainability. Sustainability is unlikely
4	Moderate	Some supporting factors are in place but additional support is needed to ensure sustainability.
5	Strong	The most important supporting factors are in place. Sustainability is likely
6	Very Strong	All supporting factors are in place that will ensure sustainability

Annex 3: Individual baseline assessment questions

1. As indicated in the logical framework a simple baseline assessment index will be developed to assess, in particular, usage and relevance of project services. The questionnaire should be no more than 20 questions, and for the basis of a beneficiary database. A rating from 0-5 can be given by the beneficiaries. A suggested list of questions can be seen below. For groups, capacity assessments etc. are highlighted under the various objectives, but should also form part of the database.

Questions:

- 1) Has there been an extreme weather event on your farm?
- 2) What did you do when it happened?
- 3) What business/marketing skills do you have, and how do you use them?
- 4) Do you have any access to weather related information?
- 5) Or market prices?

2. Other information to be collected (through the above mentioned index or through baseline studies etc.) include the below. Preferably the data should be collected for beneficiary households, for purposes of project monitoring, and at project implementation level for impact monitoring. For assessment of roads impact, random selection along roads is suggested.

- Participation in community activities
- Access to land (and ownership of it)
- Access to labour
- Food security status of hh
- Knowledge of methods to increase production
- Degree of commercialisation (quantity (%) sold to market and assessment of mind-set)
- Gender, age, marital and disability status
- Degree of on-farm mechanisation
- Any energy and water saving technology at household level
- Geographical location of household
- Number of dependants of household

3. Some information should also be captured on people trained as training of trainers, community facilitators etc.

Annex 4: Group baseline assessment questions

1. The project database will capture all information from the technical components of group support, including rapid appraisals, capacity assessments etc. Specifically, the below will be captured.

- Existing or new group (existing can contain: FFS, VSLA, revolving labour groups, youth groups, FAL classes etc.)
- Type of training received:
 - FFS: climate change, junior, starting, or advanced
 - ISSD: Seed multiplication
 - Social capital: leadership, governance and management, group dynamics, vision setting and sustainability, inclusive and gender mainstreaming (GALS), work plan development
 - Business Development Skills: Entrepreneurship, business mentoring, BDS

Appendix 7: Financial management and disbursement arrangements

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Annexes

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Annex 2:	Proposed Structure of PRELNOR Finance Unit
Annex 3:	Terms of Reference for Financial Management Team

Appendix 7: Financial management and disbursement arrangements

Overall Financial Management Assessment

1. A Financial Management Assessment (FMA) has been undertaken as part of the project design. The objective of FMA is to provide assurance that the implementing agency (MoLG) and participating districts will have sufficiently strong financial management systems and controls in place to properly manage, control and report on project finances in order to ensure that project funds are used effectively and efficiently for the purpose intended. The FMA involves assessing: (i) the inherent risk at country level; (ii) the project specific risk. In the case of PRELNOR, as a similar set-up as for DLSP is envisaged, the latter has provided the basis to complete the assessment. The overall PRELNOR fiduciary risk assessment at design is assessed as **medium**. Mitigation measures are proposed to reduce the risk assessment to **low**.

GoU Treasury Single Account System

2. PRELNOR is to be implemented at a time when the Government of Uganda (GoU) is moving to implement the Treasury Single Account (TSA). In brief, the processes under TSA will operate as follows.

- The Accountant General will profile the PRELNOR project in the GoU Integrated Financial Management System (IFMS). Profiling will involve assigning unique coding to the project which will allow for traceability/ monitoring of expenditures.
- GoU under the TSA arrangement is trying to agree with Development Partners (DPs) so that project specific bank accounts will be replaced with one holding account for each DP. The one holding account per DP means that multiple projects will receive funding going through the same account. PRELNOR will be the first project under the IFAD portfolio in Uganda to be under this arrangement. Therefore, the Accountant General will open an IFAD holding account at the Bank of Uganda (BoU) where all new IFAD Uganda project funding will first be held before transfer to the consolidated fund.
- As the name suggests, the IFAD holding account is not a transacting account but rather an intermediary account. Funds released from IFAD would have to be supported by a budget breakdown specific to the released amount. The lead agency (MoLG) will be able to earmark the funding received to the project budget codes within IFMS. After the earmarking of the funds, the funds will be transferred from the holding account to the Uganda Consolidated Fund (UCF). From this point forward the project would be able to make payments against the budget lines on which the funds received have been earmarked. The earmarking of funds against the budget lines in respect of which funds have been released by the DP is like an encumbrance to protect project funds when comingled with other GoU funds in the UCF. There are many benefits and also risks of the TSA from a conventional project accounting perspective.
- Once the funds have been encumbered, the PMU (MoLG) will be able to process electronic payment instructions in IFMS to Bank of Uganda through the treasury for settlement of payments as and when they are ready to pay in accordance with the project budgets in respect of which funds received were earmarked. Districts are not to be included in the TSA rollout at least for the next 2-3 years. Districts will be given activity tagged advances to project specific bank accounts as explained later.

Implications of using TSA under project mode of funding

- As IFMS can be very strong in blocking payments outside budget ceiling, profiling of PRELNOR should be done carefully to allow flexibility needed in project implementation. At the central government level, funds will only be accessed if the AWPB has been profiled in IFMS. IFMS has strong controls that can block any payments not profiled in the system; but not all details of a conventional project budget must be included in IFMS. Only a few high level output based budget lines/ codes (1-3 lines maximum) will be needed to allow the needed flexibility.
- IFAD will need to make some adjustments to its disbursement processes. Conventional initial advance and replenishment processes will not be suitable under the TSA. PRELNOR will, therefore, use work plan/report based disbursement as is used by the World Bank in most of its

programmes in Uganda, as well as by IFAD in other countries using similar account systems. Details of how report based disbursement will operate have been included in the draft PIM.

- With any advance tagged to specific budget activities, the conventional designated account reconciliation will be replaced by another reconciliation suitable to trail specific fund releases.
- It will not be possible to obtain project specific bank statements. This is because the payments will not take place from the holding account but rather from the UCF as already noted above. In the place of bank statements, ledger prints from IFMS will show the status of funds utilisation under the respective budget lines.
- The TSA is still at central government level and it will take some time before districts are rolled-on. TSA can only work where IFMS has been rolled-out and there are many districts that are still off IFMS. At district and regionally based PMU level funds sub-accounts will be opened in commercial banks. With TAS transfers to the sub-accounts will be accounted for as advances.
- Commingling of PRELNOR funds (GOU, ASAP grant and IFAD Loan) will occur at all levels of project implementation. Thus, the off shelf PRELNOR software chart of accounts will be structured to separate expenditures and receipts per funding source.
- The standard external audit requirements will need to be slightly adjusted, for instance, an opinion on the designated account may be replaced with an opinion on the balance of funds held in the UCF and on the use of the TSA / report based disbursement.
- In conclusion it is possible that an IFAD project can be managed through TSA but some adjustments on the side of IFAD will be needed and the precautions above on the side of GoU are also necessary. IFAD will undertake a more thorough review of the TSA arrangement.

3. **Inherent Risk.** Although Uganda's annual Corruption Perceptions Index (as published by Transparency International) decreased from 2.4 in 2011 to 2.9 in 2012, the country has dropped ten places in 2013 from the former 130th position scoring 2.3 and still falls in the high risk category (<3). PRELNOR design arrangements have taken into account this fiduciary risk, and proposed appropriate financial management safeguard measures to be put in place at project level; these are summarised in this Appendix and will- be detailed in the draft PIM.

Project Specific Assessment

4. As required by IFAD Financial Management assessment guidelines, the summarised scoring at design is as follows:

	Initial Risk Assessment	Proposed mitigation	Final Risk Assessment
Inherent Risk			
1. TI Index	-	-	H
Control Risks			
1. Organisation and Staffing	M	Par 5-6	L
2. Budgeting	M	Par 7-9	L
3. Funds Flow and Disbursement arrangements	H	Pars 10-17	M
4. Internal Controls	L	Par 18	L
5. Accounting systems, Policies and Procedures	H	Par 19-21	L
6. Reporting and Monitoring	M	Par 22-23	M
7. Internal Audit	M	Par 24	L
8. External Audit	L	Par 25	L
PRELNOR Fiduciary Risk @ Design	M		L

Note: H/M/L = High Medium and Low risk as per the Guideline Note on undertaking Financial Management Assessment at design

PRELNOR Financial Management

5. **Organisation and staffing:** The lead implementation agency will be the Ministry of Local Government (MoLG) that will constitute a Project Management Unit (PMU). The PMU will be located within the Project Area. The FMA assessment shows that some districts do not have substantive (working in the position) Chief Finance Officers (CFOs) with senior accountants working in acting capacity for extended periods. At the DLSP, the PMU is staffed with a financial controller and an assistant accountant but still there are complaints from the finance unit that they are under staffed chocking with heavy workloads.

6. For the case of PRELNOR, a three person finance unit is proposed especially given the need to proactively support some of the districts with weak capacities. One of these officials will be specifically charged with following up expenditure justifications by districts. The PMU will be staffed with among others a financial controller, an internal auditor / district follow-up accountant, and an assistant accountant. Each of the participating districts will designate an accountant from their existing staff to be the focal officer with responsibility for day to day project accounting at district level. The proposed

organization structure of the project accounting unit and terms of reference are shown in appendix 2 and 3 attached.

7. **Budgeting and budget control:** The financial management assessment carried out as part of the design shows keenness to control budgets at the two districts visited. Gulu is using the Integrated Financial Management System (IFMS) and Nwoya is using manual books as the IFMS has not yet been rolled out to this district.

8. At DLSP, however, budget control is not strong attributed mainly to the failure to use the accounting package procured (Tompro) but manual vote books are used. The MS Excel sheets used can only control the budgets reactively and up to component/ sub-component level but not down to individual activity level.

9. PRELNOR budget control will be at three levels: Level 1: through IFMS at very high level outputs as discussed above; Level 2 at PMU level where more details will be entered in the off the shelf accounting system and Level 3 at the districts where vote books.

10. **Funds flow/ disbursement arrangements:** In Uganda no agency can claim to have experience in the use of the TSA. Thus, even with the mitigations proposed the fiduciary risk cannot be rated as better than medium risk. There will be no need for conventional designated account; PRELNOR will be the pioneer to use the single IFAD holding account, but even this will not be a transacting account the funds will ultimately get mingled into the UCF.

11. As already noted above, even with the TSA, there will still be operational accounts at the districts and also for PMU given its location. These sub-accounts will receive advances from the TSA system. The report based disbursement will cascade down to district level as a hybrid whereby in addition to reports as a basis of disbursement, Statement of Expenditures (SOEs) will be provided to the PMU. The DLSP FMA has revealed the difficulties that arise from the delays by districts to justify advances some taking their time and thus unnecessarily clogging the replenishment cycle.

12. Under PRELNOR, the key remedies and/or start-up activities will include:

- Training of the designated district and PMU accountants in the IFAD PRELNOR disbursement arrangements in the context of the single treasury account.
- Positioning the PMU work station in Gulu (within the project area) and this should accelerate proactive support to those districts with weak capacity, especially the new districts.
- AWPB/ report based release system, as it will apply between IFAD and the GoU, will also cascade downwards between the PMU and the districts. Initially, each district will be allocated a quarterly release tagged to the apportioned budgets and will only be able to receive further funding on submission of expenditure justifications and the key reports needed for a report based disbursement. Therefore, a district that is inactive in terms of submission of these requirements, will find itself lagging behind compared to others that will be more active in justifying expenditures and submitting the required reports. The PMU will, however, ensure to provide proactive support to the weak districts that may be lacking capacity to achieve efficient implementation.

13. With the TSA system, the ASAP grant will be fully mainstreamed across all project activities and commingling of funds will occur at all levels. Thus the PMU based accounting software (chart of accounts) will be structured to effectively isolate the respective expenditures by both category and component, and therefore, the balances attributable to each respective funding source. The proposed funds flow is attached as appendix 1.

14. **Accounting for beneficiary contributions:** In Uganda, beneficiary contribution in works such roads is not enforceable because these works are contracted out to commercial construction firms that are bound by time deadlines and cannot be held back waiting for in kind contributions from beneficiaries. Minimal beneficiary contributions will crystallise under PRELNOR and, therefore, no elaboration is being made in this design report on how to manage the accounting for beneficiary contribution.

15. **Financial management follow-up where there is implementation by communities:** Some parts of the project activities will be implemented by communities/ NGOs. The most common one will be the group facilitation and trainings that will be undertaken by community facilitators from within the community. The projection is that there will be 200 facilitators spread across 600 villages. Within the

community there will be trained community facilitators spread across 600 villages (one facilitator/village). In terms of disbursement, this can be challenging. DLSP faced difficulties in remitting funds (a quarterly allowance of UGX 75,000) to volunteers. Channelling community allowances through sub-county systems involved some leakages. It is, therefore, proposed that there should be supervisor at sub-county level who will follow up the community facilitators, pick evidence of training signed off by the groups and then pass these to the district for payment of the facilitators through efficient methods such as mobile money (with print outs of remittance details as the supporting evidence).

16. Financial management follow-up where there is implementation by NGOs: Some services, including support for farmer groups and marketing linkage activities, will be implemented using service providers, NGOs and/or specialised organisations under MoU/ partnership arrangements. Some of these organisations will already be implementing grant supported activities for IFAD.

17. Any dealings with NGOs or specialised organisations on partnership arrangements will, first and foremost, have to be justified from a procurement perspective. This justification will require explicit MoUs that will include clear funds flow/ disbursement arrangements that align with the TSA report based disbursement arrangements and will be subject to Fund's No Objection. The latter will ensure adequate financial control/ reporting mechanisms are embodied in the MoUs.

18. Internal controls: A sample of transactions tested by the design team at the two assessed districts and DLSP showed application of control processes such as segregation of duties in requisitioning, procurement, receipt of goods, issuance of goods, and recording of transactions. Standard control checks such as bank reconciliations, stamping of vouchers PAID are in operation. The only deviation was noted in the two districts where financial instruments received as bid or performance securities are retained by the procurement section. These financial instruments are not passed to finance section for authentication with issuing authorities and for safe custody under key and lock (one district did not have a safe in the finance unit). PRELNOR PIM and follow-up missions will ensure this segregation of duty as some non-genuine financial instruments may remain undetected under the current set-up of operations and the safety of these financial instruments may not be assured.

19. PRELNOR accounting systems, policies and procedures: These will be detailed in a Financial Management Manual (FMM). The GoU Integrated Financial Management System (IFMS) is still being rolled-out and some districts such as Nyowa are not yet on it while others such as Gulu are on. It will not be possible, therefore, to have PRELNOR entirely on IFMS. It will be on IFMS only for the TSA requirements but at PMU simple off shelf accounting package is inevitable. DLSP has continued to use manual systems/ MS Excel to process its financials. This is, in spite of acquiring project specific accounting software called Tompro. This situation appears to be due to lack of interest by the DLSP accounting team to spend some time and master the intricacies of this specialised software.

20. Under PRELNOR, the use of MS Excel sheets to process financials by the PMU is **prohibited**. A simple off-shelf accounting package (similar to Tompro) will be installed at PMU with ability to generate expenditure trends by component, category, and activities in both USD and UGX using a chart of accounts coding that will cut across the budgeting, expenditure requisition etc.

21. Districts will use simple vote books (but under the common coding) to record expenditure assisted by simple tools such as MS Excel. These will be passed on monthly basis to the regional level PMU that will be the accounts processing/ consolidation hub. The accounting will comply with International Public Sector accounting standards (IPSAS) - Cash basis of accounting as has been adopted in Uganda. However, in order not to lose vital information the following information will also be kept:

- Commitments
- Outstanding advances to staff or organisations: these will not be expensed at the point of payments, but will be treated as imprest/ cash held
- Fixed assets will be expensed but a consolidated assets register will be maintained at the PMU and sub-registers maintained at each of the cost centres.

22. Reporting and Monitoring: A risky part of dealing with the eight districts and lower level local governments is the slow submission by these implementing centres of financial returns to feed into the financial reporting and monitoring. The eight project area districts, the key partner institutions and service providers will provide financial returns to the PMU, on a monthly basis, to enable the latter

process these in the accounting software. Submission of simplified financial returns will be the basis for the replenishment of funds to these cost centres—this is the inbuilt incentive for them to comply.

23. The PMU, after processing the information through the accounting software, will then be able to generate informative consolidated monthly management accounts for internal management decisions and control. FAD will, in addition, to the annual audited financial statements require interim financial reports on a six monthly interval. The templates and formats will be detailed in the Project Implementation Manual.

24. **Internal audit:** Both the districts assessed and the MoLG have fully fledged internal audit departments. It appears, however, that the MoLG internal auditors did not include DLSP in their rolling internal audit plans. There was no specific audit report on the operations of DLSP. For PRELNOR, at each cost centre, the internal audit units will include PRELNOR as part of their rolling annual internal audit plans. The internal audits will be expected to issue a PRELNOR specific internal audit report at least on semi-annual intervals. Provision has been made to include internal audit services under the project.

25. **External audits:** The quality of the external audits is satisfactory. The Auditor General raised some pertinent matters such as indications of mis-procurements at the district level. External audits will be executed by the Auditor General or a firm appointed by the Auditor General. The Terms of Reference (if the audit is done a firm) will require the Fund's No Objection. IFAD will require specific audit opinions: (a) general opinion on the financial statements, (b) opinion on the balances of funds held in the UCF and (c) opinion on the use of the TSA procedure. These call for modifications to the IFAD standard arrangements. A specialised procurement audit is also recommended given the assessment of procurement risk in Appendix 8.

Supervision

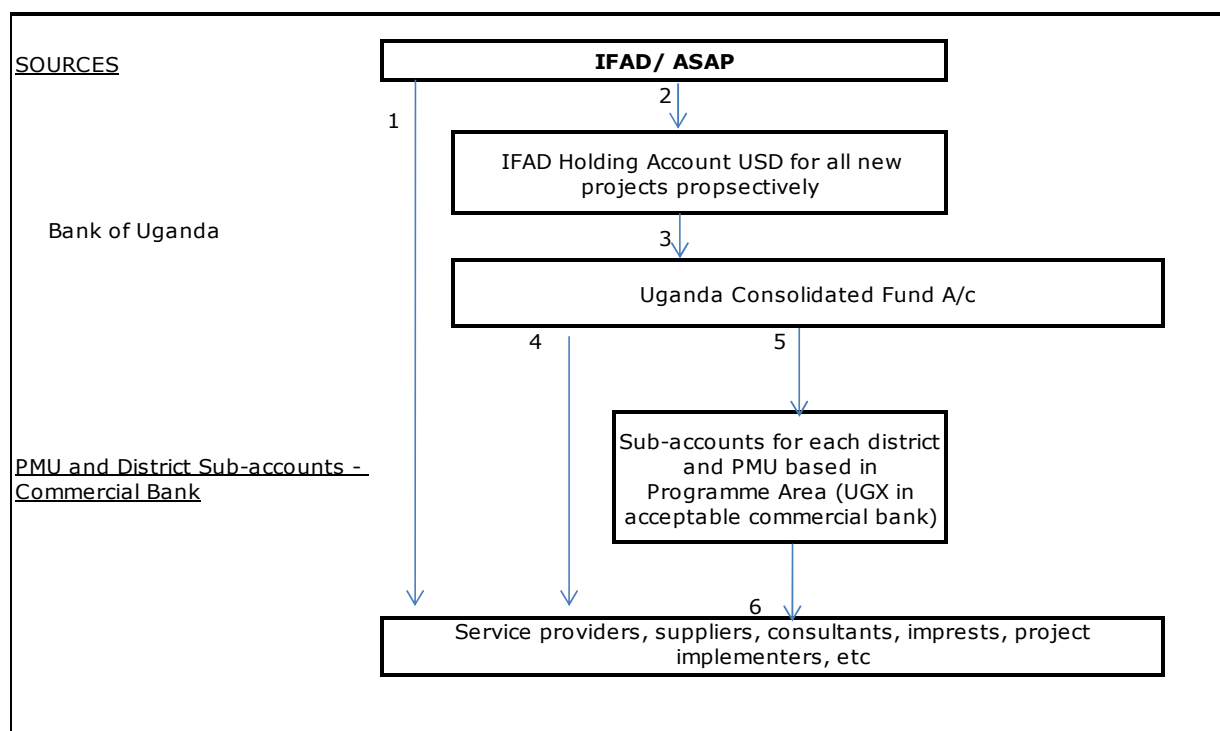
26. PRELNOR will be directly supervised by IFAD with annual implementation support missions, followed initially by shorter follow-up missions six months later. Supervision will not be conducted as a general inspection or evaluation, but rather as an opportunity to assess achievements and lessons jointly, and to reflect on ways to improve implementation; and impact. From a financial management perspective, IFAD missions will keenly follow up the fiduciary risk at various levels including the use of the TSA/ report based disbursement. If the risk will be assessed as high, IFAD will still have the option of recommending approaches such as the use of the SOE procedure.

Governance and Anti-corruption

27. Specific measures to mitigate identified fiduciary risks include: (a) computerised accounting system at the PMU to substantially reduce the scope of human error; (b) checks and balances in contracting and administration (discussed in Appendix 8); (c) inclusion of PRELNOR internal audit plans at all cost centres; (d) engagement of specialised firm to undertake procurement audits; (e) annual external audits; (f) cascading replenishment system of operation as opposed to general cash releases; (g) reduced SOE ceiling given the inherent risk (initially suggested as USD 20,000); (h) allowing the project financial controller restricted agent status to all bank accounts to be able to print from the online bank branch networks bank statements.

Annexes

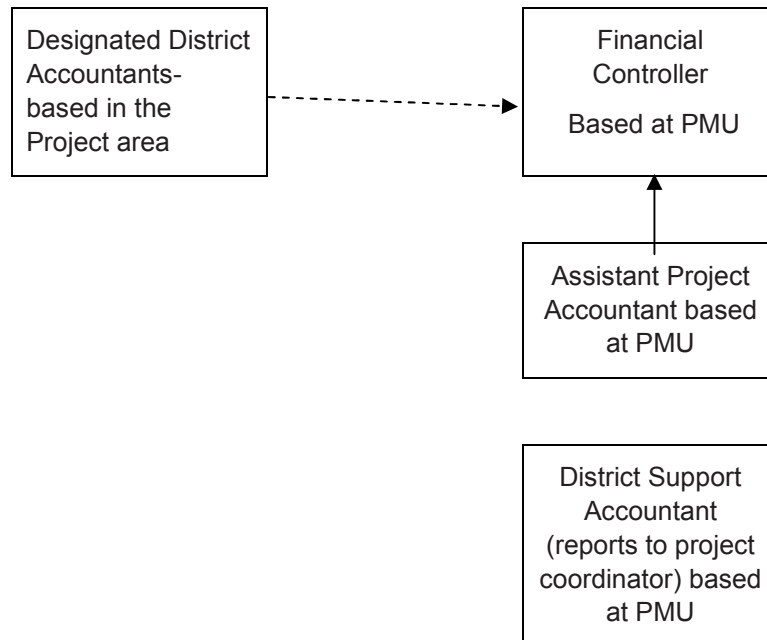
Annex 1: PRELNOR Funds Flow Chart



The funds flow chart above depicts the use of the standard IFI disbursement methods including (a) Direct payment method for bigger payments over USD 100,000; (b) use of banks account; and (c) reimbursement if GoU has pre-financed any transactions. Treasury Single Account will start at the Central Government level while a project operating in 8 districts will still use the operational accounts at district level. PMU Located in Gulu will also require an account to receive advances just like the eight districts. An explanation of each of the above lines on the PRELNOR funds flow chart is as follows:

- Line 1: Direct payments from IFAD (IFAD Loan and Grant funds) to suppliers etc. for disbursement valued at a minimum of USD 100,000 otherwise the project accounts must be used.
- Line 2: Disbursement from IFAD (IFAD Loan and ASAP grant funds) to the GoU IFAD Holding account to be determined basing on the projects quarterly AWPB requirements.
- Line 3: Transfer of IFAD loan and ASAP grant funds from the holding account to the Uganda Consolidated Fund.
- Line 4: payment of IFAD loan, ASAP Grant and GoU counterpart funds to service providers, suppliers, consultants and project implementers in Uganda shillings and USD's.
- Line 5: Transfer of the IFAD loan, ASAP grant and GoU counterpart funds from the Uganda Consolidated A/c to the sub accounts (PMU based in Gulu and districts accounts).
- Line 6: payment of IFAD loan, ASAP Grant and GoU counterpart funds from the Sub accounts to service providers, suppliers, consultants and project implementers in Uganda shillings.

Annex 2: Proposed Structure of PRELNOR Finance Unit



Annex 3: Terms of Reference for Financial Management Team

1. Financial Controller

Duration: Aligned to project duration

Recruitment: National

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

Reports to: Project Coordinator

Position Description

The Financial Controller reports directly to the Project Coordinator, and is responsible for financial management of the project and for maintaining all project accounts in good order. As head of the finance unit, the financial controller will take charge of all matters in the project accounting cycle. The project accounting cycle to be overseen by the Financial Controller starts from financial-related inputs in AWPB preparation and budget control, committing funds, disbursements and cash flow management in an effective and efficient manner, financial reporting to ensuring smooth audits and facilitation for supervision missions on all financial management aspects.

Key Responsibilities and Duties

- Installation of appropriate accounting/reporting systems to ensure that the PMU and especially the project coordinator are regularly informed of on-going financial activities and transactions.
- Ensure timely capture of PRELNOR in the GoU budget yellow book as required by the GOU budgeting processes and calendars to be able to access counterpart funding.
- Communicate to all implementing partner institutions, service providers and districts their financial responsibilities, the funds available and how to access it, and the requirements of reporting and record keeping in accordance with prevailing government practices which are acceptable to IFAD.
- Ensure that all project funds are used in accordance with the conditions of the financing agreements, with due attention to economy and efficiency, and only for the purposes for which the funds were provided;
- Ensure that all necessary supporting documents, records and accounts are kept in respect of all project activities, with clear linkages between the books of account and the financial statements presented to the financiers;
- Ensure that TSA and operational accounts are operated in accordance with the provisions of the financing agreement and in accordance with the financier's (GoU and IFAD) rules and procedures;
- Ensure that the financial statements are prepared in accordance with International Public Sector Accounting Standards as adopted in Uganda;
- Liaise with external auditors to audit the project accounts to meet the required submission dates by IFAD;
- Process documentation and follow up on disbursements from the government and IFAD to ensure that releases are not delayed. Ensure that funds for project implementation are disbursed in a timely manner to enable project interventions to be carried out on time;

- Follow up on all project funds released to implementing partners for timely retirement and proper utilization;
- Ensure that statements of expenditure (SOEs) are carefully compared for eligibility with relevant financial agreements and the disbursement handbook, and with budget control discipline;
- Ensure that fixed assets are well accounted for and annual verification is undertaken of the condition of assets and their location;
- Review and present management accounts in the form of monthly, quarterly, semi-annual and annual reports regarding aspects of project financial monitoring bringing out variances and advising implementers as to the limits of expenditure;
- Act as a counter-signatory to project fund releases as required for project financial transactions and also sign as witness to contracts as much as possible;
- Carry out any other activities that are assigned by the project coordinator.

Minimum Qualifications

The candidate should have a Bachelor's degree in accounting, and must be certified public accountant duly registered with the Institute of Certified Public Accountants of Uganda (ICPAU).

Skills and Experience

- At least eight years of relevant work experience, including at least four as a financial manager or accountant in government/donor projects or large institutions;
- Strong managerial skills and demonstrated capacity to manage people and interact with a wide range of private sector partners and government representatives;
- Knowledge of work planning, budgeting and reporting;
- Excellent quantitative and analytical skills;
- Computer-literate including accounting packages and well-versed in the use of Excel, Word and basic data base set-ups.

Selection Criteria and Maximum Scores

No.	Criterion	Maximum score
1	Depth and relevance of educational background - accounting background training at university level	20
2	Membership of ICPAU or equivalent	20
3	Depth and length of project financial management experience, in particular of donor-funded programmes/projects	30
5	Level of understanding of project accounting software	10
9	Strong writing, analytical and interpersonal skills	20
	TOTAL	100

2. Internal auditor/ Districts Follow-up Accountant

Duration:	Aligned to project duration
Recruitment:	National
Contract:	Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables
Reports to:	Project Coordinator

Position Description

The international auditor will report to the Project Coordinator but will have a collegial working relationship with the financial controller.

Key Responsibilities and Duties

- Follow-up the districts for expenditure justifications
- Review eligibility of expenditure in accordance with the financing agreement
- Report on the operation of internal control including budget controls and report any deviations
- Prepare project reports to enable the withdrawal of funds from financiers and manage the overall treasury/ cash flow planning aspects of the project;
- Assess compliance with Uganda laws and regulations governing the operation of the implementing institutions including accountancy standards and the requirements for audits and financial reporting.
- Review external auditor's reports (Audit Opinions and management letters), including any qualifications and whether any concerns raised by auditors have been adequately addressed.
- Review reports of IFAD/GOU supervision or review missions and follow-up on the implementation of agreed to actions.
- Evaluate the accounting software used in terms of its adequacy, suitability and recommend necessary changes, upgrading or modifications to the way the systems are configured and used.
- Examine the financial management information provided to Project Coordinator/ steering committee/ MoLG/ IFAD in terms of its adequacy and timeliness.
- Evaluate programme/project accounting procedures including the adequacy of financial reports in terms of accountability to multiple funding sources.
- Evaluate systems for asset management, provision for asset maintenance and replacement.
- Review documented accounting procedures and accounting manuals in terms of their adequacy, and correspondence between actual and documented procedures.
- Evaluate annual work plan and budgeting procedures, and budgetary control systems applied to monitor actual expenditures versus budget including commitment controls to avoid commitments beyond available resources.
- Review other aspects of the accounting and financial control systems including: cash management and banking; procurement of goods and services; advances and acquittals; authorisation of expenditure and budget/actual comparisons.

Minimum Qualifications The candidate should have a Bachelor's degree in accounting.

Skills and Experience

- At least five years of relevant work experience
- Knowledge of work planning, budgeting and reporting;
- Excellent quantitative and analytical skills;
- Computer-literate including accounting packages and well-versed in the use of Excel, Word and basic data base set-ups.

Selection Criteria and Maximum Scores

No.	Criterion	Maximum score
1	Depth and relevance of educational background - accounting background training at university level	20
3	Depth and length of project financial management experience, in particular of donor-funded programmes/projects	40
5	Level of understanding of project accounting software	30
9	Strong writing, analytical and interpersonal skills	20
	TOTAL	100

3. Assistant Accountant

Duration: Aligned to project duration

Recruitment: National

Contract: Two-year contract, with six months' probation period, renewable based on agreed performance targets and deliverables

Reports to: Financial Controller

Position Description

The Assistant Accountant reports to the Financial Controller, and is responsible for ensuring a proper accounting filing system; follow up of accountabilities from districts, staff, and other implementers, data entry and reconciliations.

Key Responsibilities and Duties

- Preparation of source documents, e.g. payment vouchers, journal vouchers
- Chronological filing of documents with adequate cross reference to ensure ease of retrieval
- Follow up of accountabilities, maintaining a detailed log of outstanding accountabilities
- Data entry into the accounting system
- Preparation of reconciliations for review by the Project Accountant;
- Facilitate both internal and external auditors to audit the project's financial transactions and reports to meet the required submission dates by IFAD;

- Support the financial controller in preparation of reports to enable the withdrawal of funds from IFAD and GoU;
- Proactive support to the district designated project support accountants;
- Maintain key registers such as fixed assets; inputs into the contracts register, contract monitoring forms
- Support the financial controller in the preparation of informative management accounts in the form of monthly, quarterly, semi-annual and annual reports regarding aspects of project financial monitoring bringing out variances and advising implementers as to the limits of expenditure;
- Carry out any other activities that are assigned by the financial controller

Minimum Qualifications

The candidate should have a Bachelor's degree in accounting.

Skills and Experience

- At least two years of relevant work experience
- Excellent quantitative and analytical skills;
- Computer-literate including accounting packages and well-versed in the use of Excel, Word and basic data base set-ups.

Selection Criteria and Maximum Scores

No.	Criterion	Maximum score
1	Depth and relevance of educational background - accounting background training at university level	20
3	Depth and length of project financial management experience, in particular of donor-funded programmes/projects	40
5	Level of understanding of project accounting software	30
9	Strong writing, analytical and interpersonal skills	20
	TOTAL	100

Appendix 8: Procurement

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Appendix 8: Procurement

I. Assessment of procurement systems

A. Country Procurement Systems Assessment

1. As background studies for the elaboration of the Country Strategic Opportunities Programme (COSOP, 2013-18), IFAD financed a study of the Uganda National Procurement System by Crown Agents. The overall finding was that the legal framework for public procurement in Uganda is strong and provides clear guidance for the procurement practitioners and providers. There are checks and balances within the system which, if utilised, ensure the public procurement is undertaken transparently and competitively.

2. In spite of the strong procurement regulatory environment, Uganda's annual Corruption Perceptions Index as published by Transparency International has, in 2013, dropped ten places from the former 130th position with a score of 26 out of a possible 100.

3. With effect from 1 March 2014, the Government of Uganda (GoU) has amended the Public Procurement and Disposal of Assets (PPDA) Act and related regulations. The implications of these changes have been taken into account as part of the design of Project for the Restoration of Livelihoods in the Northern Region (PRELNOR) and are summarised in Appendix 1.

B. Project Specific Assessment

4. During the design mission, a comprehensive assessment of the degree of practical implementation of the regulatory frame work in DLSP and in Gulu district was undertaken in order to draw lessons to be applied in PRELNOR. The overall assessment is partially satisfactory.

5. **Procurement planning:** Procurement planning is mandatory under the Public Procurement and Disposal of Assets (PPDA) Act. It is a requirement for every Procurement and Disposal Unit (PDU) to share their entity's procurement plan with the procurement oversight authority. The gaps noted during the assessment include unrealistic time frames. For instance, the DLSP procurement plan included in the 2013/14 AWPB lacked consideration for the key roads contracting processes and milestone date for each of the following: (i) road designs and preparation of bid documents and IFAD No Objection; (ii) advertising, issue of bid documents and close of bidding; (iii) evaluations at each of the respective districts; (iv) review by the project management unit (PMU); (v) approval by the respective district Contracts Committees; (vi) preparations for the request for and receipt IFAD's No Objections; (vii) GoU Solicitor General's approvals; and, (viii) contract signature.

6. In addition, the plans do not include an "Actuals" row to measure progress in achieving agreed milestones. For PRELNOR, the template of the procurement plan as included in the IFAD procurement handbook will be adapted. Milestone dates will be reviewed by IFAD supervision and implementation support missions for reasonableness and compliance. Slippages will be detected through using the procurement plan as a performance measure.

7. **Bidding documents:** The PPDA standard bidding documents provide a good basis for bidding and the MoLG procurement officers have not had difficulties adapting these for the IFAD funded District Livelihoods Support Programme (DLSP). The challenge is at district level. The mitigation activities adopted by DLSP for the Works contracts have been to help the districts by providing draft bidding documents with all the fundamental components so that the district government only have to insert the physical bid delivery address and other periphery aspects. This has helped reduce the number of inconsistencies in bidding documents from district to district. This arrangement will continue under PRELNOR.

8. **Prequalification:** Projects have not been undertaking their own pre-qualifications as they use the prequalified lists for the lead ministry. This may not be optimal given the specialised nature of services/ works that the projects may require under restricted bidding. It will be necessary for PRELNOR to undertake its own prequalification processes with support of the MoLG PDU.

9. **Advertising:** Advertisements are placed in widely read national/ international media and websites, depending on the bidding thresholds. The challenge remains with limited bidding where the invitations to tender are not sent to all bidders at the same time which can impair competition so some

bidders are given less time to prepare responsive bids. This will be closely monitored by supervision missions in the case of PRELNOR.

10. **Communication with bidders:** Generally, bidders are provided with procuring entity address and all details needed for any clarifications within specific period of time. There is evidence seen by the assessor that any clarified information is shared amongst all bidders. A gap was however noted in Gulu where the design mission was informed that sometimes clarifications are provided on phone which is not acceptable. This will be monitored for PRELNOR.

11. **Receipt and opening of bids:** Receipts, provided on purchase of bid documents, are included in proposals/bids on delivery and registered in forms provided by the entity to show time of delivery. Generally, bid opening is done a few hours after the bid closing time. Controls to ensure that bids delivered after bid closures are rejected are only effective when bidders attend the bid opening immediately after bid closing. This will be emphasised in PRELNOR.

12. **Bid evaluation:** This has been amended in the PPDA Act where evaluation teams have been restricted to a fixed time frame within which a bid evaluation should be completed. There are cases where evaluations have been still incomplete by time of bid validity expiry which would cause delays in the procurement.

13. **Contract award:** The assessment based on DSLP showed that post-qualification analysis to assess the financial soundness and capacity to perform the contracts is not done. This will need to be improved in PRELNOR.

14. **Contract management:** The review of DLSP processes revealed that there were contracts that expired and yet both physical and financial progress stood at less than 75%. The performance guarantees were not closely monitored thus they expired without being executed, thereby, losing the funds involved. Post-qualification analysis to assess the financial soundness and capacity to perform the contract was not well done in these cases. In the two districts assessed, the PDU did not have contract administration tools such as Contract Monitoring Forms or Contracts Registers. Under PRELNOR, training as part of start-up activities in contract management will be emphasised.

II. Summary of PRELNOR Procurement arrangements

15. The PRELNOR procurement processes will involve a number of players: (i) eight district level PDUs; (ii) the PMU; (iii) MoLG – PDU; (iv) MoLG Contracts Committee; (v) Solicitor General; and, (vi) IFAD. Procurement processes such as on civil works will involve all these procurement actors which can make procurement process planning/ coordination more challenging.

A. Use of Prequalification

16. As shown in Appendix 1, thresholds have been increased. Limited bidding is now allowed for services up to UGX 200 million (USD 80,000) and for supplies and works up to UGX 500 million (USD 200,000). This means that if PRELNOR has a list of prequalified bidders, it would be able to shorten / streamline the procurement processes for bulk of its procurement.

17. Pre-qualifications can lead to misuse, if not well managed. It is proposed that the MoLG PDU and contracts committee will develop a PRELNOR specific prequalified list of bidders for use under limited bidding. The prequalified list should be updated every two years and will require the Fund's No Objection prior to being used for limited bidding. The districts will use this prequalified list for procurements under the limited bidding threshold. Splitting of procurements to fit within these limited bidding thresholds will be avoided through procurement planning. For instance, road works will be packaged in batches (in lots) and will not be procured through limited bidding although some individual roads may be within the threshold.

B. Works Procurement Arrangements

18. Design of works: Design work will be centrally done through contracted consultants and coordinated by the PMU. The consultants / PMU will ensure the participating districts are involved in the contracting process for ownership. The design consultants will be procured by the PMU.

19. Development of bidding documents: Bidding documents will be prepared by the PMU with support from the MoLG PDU. The districts will be provided with completed bidding documents for them to insert administrative aspects such as physical address of bid delivery and other periphery

aspects. The districts would, however, have to be involved in the development of aspects such as specifications and would have a right to seek clarification or request adjustments if their needs are not taken care of.

20. Advertising: Bid advertisements will be placed in the newspapers by the MoLG (PMU and PDU) directing bidders to purchase the bid documents from the respective districts.

21. Handling of submitted bids: Receipt of completed tenders from bidders will be handled by the district PDUs in accordance with PPDA procedures. Bid opening will also be handled by the district PDU in attendance of bidders who choose to attend. As part of a quality due diligence review, officials from the PMU / MoLG PDU will attend bid opening and obtain copies of the bids to be evaluated.

22. Bid evaluation and approval will be a responsibility the district government structures (PDU, and contracts committees). Post qualification analysis will be an integral aspect of evaluation to avoid signing of contracts that are bound to fail

23. Due diligence reviews, approvals and No Objections: Before the contract is awarded, the PMU will undertake a due diligence review and provide comments to the districts if they don't concur with the result. These comments should avoid taking procurement decisions or forcing districts to take bidders other than those recommended by evaluation committees; the PMU should provide the type of comments used in No Objections, leaving the district governments to take decisions that have legal mandate implications. The PMU will request IFAD's No Objection once the PMU is satisfied with the due process. On receipt of the Fund's No Objection the Solicitor General's approval will be sought by the districts and, after it is received, the contracts are signed off.

24. Contract administration: Experience under DLSP shows that the quality of road works supervision by the districts was less than satisfactory. The PMU will engage supervising engineers to support the districts in the supervision of works. Payment certificates will require signatures of the district engineer. To support payments, measurement sheets will be reconciled to the progress completion certificates. More details will be given in the project implementation manual (PIM).

C. Procurement Arrangements

25. Goods: Goods and supplies such as vehicles, motorcycles and computers that may be common to the PMU and across districts will be procured centrally through the MoLG PDU and Contracts Committee in order to gain the benefits of bulk / quantity purchases.

26. Some supplies may be unique to a given district / cost centre. The supplies may be common across districts but, through procurement planning, it may be deemed not optimal to try and purchase all the requirements for all districts. For example, certain seed varieties may be suitable only for specific areas. In these scenarios, districts will undertake the procurement process through their respective PDUs and Contracts Committees. Therefore, the consolidated procurement plan will indicate which entity is responsible for the procurement of each item.

27. Services: There will services (see above) such as the design of works that will cut across districts. These services will be procured centrally by the PMU through MoLG PDU and Contracts Committee. Certain services that are unique to the districts will be procured at the respective district through the respective PDU and Contracts Committee. More details will be given in the project implementation manual.

D. Public Private Partnerships (PPPs)

28. PRELNOR may, as part of implementation, use PPP arrangements. These may arise in the development of aggregation points or market facilities (sub-county, district or sub-regional levels). The current concept for financing the aggregation points / market facilities is that they will be financed and owned by the local governments. The market management companies (MMC) set up to manage (not own) the aggregation points / market facilities will be wholly or largely owned by market linkage stakeholders (especially market stakeholder platform (MSP) members). Therefore, there will be limited need for PPP agreements.

29. PPPs can be a source of audit queries if not well managed. Fortunately, PRELNOR comes at a time when the guidelines for PPPs for Local Governments (LGs) have been adopted by the GoU. In accordance with these guidelines, PPP proposals to LGs will take account of a number of public interest criteria covering: accountability; transparency; equity; public access; consumer rights;

security; privacy, and the rights of affected individuals and communities, as appropriate. With these guidelines, it will be possible for PRELNOR to enter into PPPs without having to be tied down by the conventional procurement processes.

Annex1: Changes in GoU Procurement Framework

1. **Increased thresholds to improve procurement efficiency:** As the Ugandan shillings has **depreciated** since 2003 when the PPDA Act became effective, the thresholds of the different procurement methods have been increased as follows with effect from 1 March 2014:

Supplies, non-consultancy services and Works

Procurement method	Threshold in UGX (UGX/ USD 2500)	
	Supplies and non-consultancy services	Works
Open bidding	>200 million	>500 million
Restricted Bidding	≥ 100 Million to <200 Million	≥ 200 Million to <500 Million
Request for Quotations (RFQ)	≥5 Million to <100 Million	≥10 Million to <200 Million
Micro Procurement	<5 Million	<10 Million

Consultancy services

Procurement method	Threshold in UGX
Request for Proposals(RFP) with Expression of Interest	≥200 Million
Request for Proposals(RFP) without Expression of Interest	≥ 50 Million to <200 Million

2. For PRELNOR, this means there will better turn round of “smaller value” procurements using restricted bidding. Most of the consultancy contracts under the project will hardly reach UGX 200 million (USD 80,000) and even the kinds of goods to be procured may not reach UGX 500 million (USD 200,000) even with highest level of bulking. This means many of the contract packages won't need to go through the lengthy open bidding processes. This, however, can be risky in light of the high inherit risk environment. Therefore, for PRELNOR the prequalification processes will be **subjected** to thorough due diligence to ensure that only competent bidders make it to that list. IFAD No Objection will be required before PRELNOR prequalification is finalised. Limited bidding will be restricted to PRELNOR prequalified firms.

3. **Non- monetary bid declaration forms (bid security Declaration) to encourage competition:** Under the amended Act and regulations, for certain procurements, bidders will be allowed to submit non-monetary bid securing declaration forms. This is an undertaking by the bidder that they shall not withdraw bids prior to finalisation of the procurement. This is meant to encourage competition because the monetary bid security was prohibitive for some bidders. The bid declaration form works on the understanding that a bidder who withdrawals from the bid prior to finalisation of the procurement would be barred from public procurement for some time.

4. However, in Uganda, the Company registry is not yet very strong and debarring a bidder does not necessarily translate into actual punitive results as non-complying bidders then register other companies and still participate in public bidding/ or own a chain of other companies. To mitigate this

risk, under PRELNOR, non-monetary bid securities will not be allowed for works and services worth over USD 100,000.

5. **Fees for administrative reviews increased:** Fees for filing of complaints with accounting officers have been increased from a minimum of UGX 500,000 to a maximum of UGX 15,000,000. This is meant to discourage time wastage from unserious complainants. However, this has potential to perpetuate mis-procurements/ corruption as bidders who would have raised alarm bells may be constrained by the exorbitant complaint filing fees. IFAD will engage GoU at loan negotiation to consider lowering the complaint filing fees to between UGX 500,000 to UGX 5 million.

6. **Targeting special groups:** Under the amendment reservations scheme, some contracts will be set aside to benefit special interest groups like the youth, women, people with disabilities and any other groups that need to be promoted. This can be taken on board by PRELNOR at the point of bid document preparation and later on at evaluation.

7. **Fixed evaluated periods:** The evaluation teams have now been given a fixed timeframe within which to complete evaluation of bids: (a) 21 working days from opening bids for supplies and services; (b) 40 days for works. This will enable PRELNOR to have better planning.

Annex 2: Indicative first 18 Month Procurement Plan

Uganda: Programme for Restoration of Rural Livelihoods in Northern Uganda (PRELNOR)

First 18 month Procurement Plan- GOODS

First 10 Month Procurement Plan - GOODS												
				Bid Documents		Bidding Period		Bid Evaluation		Contract Finalization		
	Estimated	Procurement	Prior or Post	Date	Date	Bid Invitation	Bid Closing-Opening	Bid Evaluation	No- objection	Contract Amount in US \$	Date Contract Award	Date Contract Signature
Description*	Amount in US \$ (000)	Method	Review	Proposed	No-objection	Date		Report				
Vehicles and Bicycles Lot 1 - 4 WD Double Cabin Pick ups (13 No) Lot 2 - Bicycles (400 No)	700	ICB	Prior	M1	M1	M2	M3	M3	M3		M4	M4
Computers, Tablets and GPS Lot 1- Computers (30 No) Lot 2- Tablets (50 No) Lot 3- Hand held GPS	76	NCB	Prior	M1	M1	M1	M1	M2	M2		M3	M3
Furniture Sets (22 No)	71	NCB	Prior	M1	M1	M1	M1	M2	M2		M3	M3
HH food security packs	250	CPP	Post	CPP continuous								
Agro Inputs for Farmer Extension activities	188	ICB	Prior	M6	M6	M7	M8	M8	M8		M9	M9
Farm Mechanisation Demonstration Equipments	400	ICB	Prior	M6	M6	M7	M8	M8	M8		M9	M9
NRM specialised Equipments Lot 1: Water harvesting Equipments Lot 2: Synoptic station Equipments Lot 3: Automatic weather stations Equipments	298	ICB	Prior	M7	M7	M8	M9	M9	M9		M10	M10
Fuel saving stoves	250	ICB	Prior	M7	M7	M8	M9	M9	M9		M10	M10
Accounting Software	17.7	RFQ	Post	M1	N/a	M1	M1	M1	N/a		M2	M2
Local Area networking	25	RFQ	post	M1	N/a	M1	M1	M1	N/a		M2	M2

Legend:

NCB

RFQ

M

ICB

CPP

National Competitive Bidding

Request for Quotation

Month of activity occurrence, e.g M1 means months 1 from effectiveness

International Competitive bidding

Community Participation in Procurement

WORKS: During the first 18 months, No works are foreseen, only designs.

Uganda: Programme for Restoration of Rural Livelihoods in Northern Uganda (PRELNOR)
First 18 month Procurement Plan- SERVICES

Indicative 18 Months Procurement Plan														
SERVICES														
								</						

Assumes that requests for expression of interest and short list will be done before full loan effectiveness

M refers to month after loan effectiveness

QCBS = Quality and Cost Based Selection

QBS (IC)= Quality Based Selection (QBS) individual Consultant (IC)

Appendix 9: Project cost and financing

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Table 3. Project Management

Appendix 9: Project cost and financing

A. Main Assumptions for Cost Estimation

Introduction. The Appendix describes the assumptions underlying the derivation of the project costs, presents the summary and detailed cost tables and the financing plan. The project will have seven years duration with a probable start date in early 2016.

Inflation: Although the Bank of Uganda cut the main policy rate by 50 basis points in December 2013, the impact of this on inflation will be relatively weak; supply-side factors, such as global commodity prices, have a greater impact (as food accounts for 27.2% of the consumer price index). It is forecast that inflation will increase only slightly to an average of 7.2% in 2014-15 as relative currency stability limits the **threat** from imported inflation, and global commodity prices remain muted. Forecasts however show acceleration to more than 15% in 2016, owing to higher pre-election spending. It should then ease in 2017-18 as the government tries to bring the fiscal deficit under control. Given these forecast trends most unit prices in the costab have been set in USD terms. A price contingency of USD3.2 million has been included in the costing.

Exchange rates: The twin fiscal and current-account deficits are expected to outweigh the impact of steady economic growth and robust foreign-exchange inflows, causing the currency to depreciate for most of the forecast period. Flaws remain in Uganda's economic fundamentals: it continues to post wide fiscal and current-account deficits, and it is expected the Uganda shilling to return to a depreciatory path in the coming months as a result. It is forecast that the average exchange rate will weaken from USh2,587 :USD1 in 2013 to USh3,093: USD1 in 2017. It is then expected to appreciate slightly in 2018 as large-scale oil production starts.

Taxes and Duties. The imported items for the project attract custom duties of 25%, and a Value-Added Tax (VAT) of 18% is levied on most goods, works and some services. The government will finance the cost of all taxes on goods and services procured under the project.

B. Project Costs

Total Project Costs. The total project investment and incremental recurrent costs, including physical and price contingencies, are estimated at USD 70.98 million (UGX 205.7 billion). Price contingencies make up 13% of the project costs. The foreign exchange component is estimated at USD 7.9 million (11%). Taxes represent approximately USD 9.3 million. The total baseline costs are USD 62.9 million, while price contingencies account for USD 8 million. Table 1 below presents a breakdown of the costs by PRELNOR components and sub-components. The detailed cost tables and additional summary tables are presented in Appendices 1 and 2 to this Appendix.

Table 1: Project Cost by Component

Republic of Uganda								%	% Total
Programme for the Restoration of Livelihoods in Northern Uganda								Foreign	Base
Components Project Cost Summary		(UGX Million)			(USD '000)			Exchange	Costs
		Local	Foreign	Total	Local	Foreign	Total		
A. Rural Livelihoods									
1. Community planning and capacity development		6,414	4,276	10,689	2,565	1,710	4,276	40	7
2. Priority climate resilient crop production systems		30,652	9,947	40,599	12,261	3,979	16,240	25	26
Subtotal		37,066	14,223	51,288	14,826	5,689	20,515	28	33
B. Market Linkages and Infrastructure									
1. Improved market access processes		7,694	1,057	8,752	3,078	423	3,501	12	6
2. Market access infrastructure		81,863	30	81,893	32,745	12	32,757	-	52
Subtotal		89,557	1,087	90,644	35,823	435	36,258	1	58
C. Programme management and oversight		12,435	2,931	15,366	4,974	1,172	6,146	19	10
Total BASELINE COSTS		139,057	18,241	157,298	55,623	7,296	62,919	12	100
Physical Contingencies		5,370	2	5,372	2,148	1	2,149	-	3
Price Contingencies		38,900	4,133	43,033	5,344	572	5,916	10	9
Total PROJECT COSTS		183,328	22,376	205,704	63,115	7,869	70,984	11	113

The investment in Component A. Rural Livelihoods, in base costs totals USD 20.5 million (33% of total base costs) while Component B. Market Linkages and Infrastructure, accounts for USD 36.3 million (58% of total base costs). Project Management accounts for 10% of base cost or USD 6.1 million, including provision for monitoring and evaluation and knowledge management.

C. Financing Plan

Financing Plan. The project is to be financed by the Government of Uganda, IFAD Loan, ASAP grant and beneficiaries. IFAD will finance 70.7% of the project costs (USD 50.2 million) through a loan to the government, on highly concessionary terms. The ASAP grant will finance 14.1% of total costs (USD 10.0 million). The government will finance the taxes and duties (USD 9.3 million, representing 13.1 % of total costs). Beneficiaries will contribute USD 1.5 million. The details of financing arrangements are shown in Table 2.

Table 2: Financing Plan by Components (USD'000)

Republic of Uganda

Programme for the Restoration of Livelihoods in Northern Uganda

Components by Financiers

(USD '000)

	GoU		IFAD Loan		Beneficiaries		ASAP Grant		Total		For.	Local	Duties &
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Exch.	(Excl. Taxes)	Taxes
A. Rural Livelihoods													
1. Community planning and capacity development	669	14.3	3,996	85.7	-	-	-	-	4,665	6.6	1,866	2,130	669
2. Priority climate resilient crop production systems	1,423	8.4	4,432	26.1	1,321	7.8	9,774	57.7	16,949	23.9	4,253	11,274	1,423
Subtotal	2,092	9.7	8,428	39.0	1,321	6.1	9,774	45.2	21,615	30.5	6,119	13,404	2,092
B. Market Linkages and Infrastructure													
1. Improved market access processes	550	14.2	3,152	81.3	173	4.5	-	-	3,875	5.5	474	2,851	550
2. Market access infrastructure	6,028	15.4	32,908	84.0	-	-	226	0.6	39,163	55.2	13	33,121	6,028
Subtotal	6,579	15.3	36,060	83.8	173	0.4	226	0.5	43,038	60.6	487	35,972	6,579
C. Programme management and oversight	620	9.8	5,712	90.2	-	-	-	-	6,332	8.9	1,263	4,449	620
Total PROJECT COSTS	9,291	13.1	50,200	70.7	1,493	2.1	10,000	14.1	70,984	100.0	7,869	53,824	9,291

Annexes

Annex 1 Summary Cost Tables

Table 1: Components Project Cost Summary

Republic of Uganda

Programme for the Restoration of Livelihoods in Northern Uganda

Components Project Cost Summary

	(UGX Million)			(USD '000)			%	% Total
	Local	Foreign	Total	Local	Foreign	Total	Exchange	Base Costs
A. Rural Livelihoods								
1. Community planning and capacity development	6,414	4,276	10,689	2,565	1,710	4,276	40	7
2. Priority climate resilient crop production systems	30,652	9,947	40,599	12,261	3,979	16,240	25	26
Subtotal	37,066	14,223	51,288	14,826	5,689	20,515	28	33
B. Market Linkages and Infrastructure								
1. Improved market access processes	7,694	1,057	8,752	3,078	423	3,501	12	6
2. Market access infrastructure	81,863	30	81,893	32,745	12	32,757	-	52
Subtotal	89,557	1,087	90,644	35,823	435	36,258	1	58
C. Programme management and oversight	12,435	2,931	15,366	4,974	1,172	6,146	19	10
Total BASELINE COSTS	139,057	18,241	157,298	55,623	7,296	62,919	12	100
Physical Contingencies	5,370	2	5,372	2,148	1	2,149	-	3
Price Contingencies	38,900	4,133	43,033	5,344	572	5,916	10	9
Total PROJECT COSTS	183,328	22,376	205,704	63,115	7,869	70,984	11	113

Table 2: Expenditure Accounts Project Cost Summary

Republic of Uganda

Programme for the Restoration of Livelihoods in Northern Uganda

Expenditure Accounts Project Cost Summary

Programme for the Restoration of Livelihoods in Northern Uganda										
Expenditure Accounts Project Cost Summary	(UGX Million)					(USD '000)				
				%	% Total				%	% Total
				Foreign	Base				Foreign	Base
	Local	Foreign	Total	Exchange	Costs	Local	Foreign	Total	Exchange	Costs
I. Investment Costs										
A. Equipment and Materials	742	361	1,104	33	1	297	145	442	33	1
B. Consultancies	16,030	3,047	19,077	16	12	6,412	1,219	7,631	16	12
C. Trainings	19,087	10,053	29,140	34	19	7,635	4,021	11,656	34	19
D. Vehicles	1,325	925	2,250	41	1	530	370	900	41	1
E. Works	76,702	-	76,702	-	49	30,681	-	30,681	-	49
F. Grants and subsidies (Matching grants)	14,238	1,200	15,438	8	10	5,695	480	6,175	8	10
Total Investment Costs	128,124	15,587	143,710	11	91	51,249	6,235	57,484	11	91
II. Recurrent Costs										
A. Salaries and allowances	9,924	522	10,447	5	7	3,970	209	4,179	5	7
B. Other operating costs	1,885	1,257	3,141	40	2	754	503	1,257	40	2
Total Recurrent Costs	11,809	1,779	13,588	13	9	4,724	712	5,435	13	9
Total BASELINE COSTS	139,932	17,366	157,298	11	100	55,973	6,946	62,919	11	100
Physical Contingencies	5,370	2	5,372	-	3	2,148	1	2,149	-	3
Price Contingencies	39,185	3,848	43,033	9	27	5,383	533	5,916	9	9
Total PROJECT COSTS	184,488	21,216	205,704	10	131	63,504	7,480	70,984	11	113

Table 3: Project Components by Year – Totals Including Contingencies

Republic of Uganda

Programme for the Restoration of Livelihoods in Northern Uganda

Project Components by Year -- Totals Including Contingencies

(USD '000)

	Totals Including Contingencies							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
A. Rural Livelihoods								
1. Community planning and capacity development	1,089	662	617	657	677	674	288	4,665
2. Priority climate resilient crop production systems	2,687	4,110	4,029	3,371	1,340	931	480	16,949
Subtotal	3,777	4,772	4,646	4,029	2,017	1,605	768	21,615
B. Market Linkages and Infrastructure								
1. Improved market access processes	365	601	634	653	673	670	278	3,875
2. Market access infrastructure	262	4,393	7,255	7,329	9,423	6,995	3,507	39,163
Subtotal	627	4,994	7,889	7,982	10,096	7,665	3,784	43,038
C. Programme management and oversight	1,292	811	807	836	1,066	785	735	6,332
Total PROJECT COSTS	5,696	10,576	13,343	12,847	13,179	10,056	5,287	70,984

Table 4: Expenditure Accounts by Year –Totals Including Contingencies (USD 000)

Republic of Uganda
Programme for the Restoration of Livelihoods in Northern Uganda
Expenditure Accounts by Years -- Totals Including Contingencies
(USD '000)

Expenditure Accounts by Years		Totals Including Contingencies						
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
(USD '000)								
I. Investment Costs								
A. Equipment and Materials	211	47	53	50	51	29	30	471
B. Consultancies	1,688	1,675	1,504	1,323	863	702	464	8,219
C. Trainings	2,067	2,327	2,448	2,192	1,752	1,334	493	12,611
D. Vehicles	660	-	-	-	286	-	-	945
E. Works	-	3,996	6,790	6,749	9,001	6,747	3,475	36,758
F. Grants and subsidies (Matching grants)	252	1,707	1,718	1,730	417	429	151	6,404
Total Investment Costs	4,877	9,752	12,512	12,044	12,370	9,241	4,613	65,409
II. Recurrent Costs								
A. Salaries and allowances	637	637	637	604	604	604	457	4,179
B. Other operating costs	182	188	193	199	205	211	218	1,396
Total Recurrent Costs	819	824	830	803	809	815	674	5,575
Total PROJECT COSTS	5,696	10,576	13,343	12,847	13,179	10,056	5,287	70,984

Table 5: Components by Financiers

Republic of Uganda
Programme for the Restoration of Livelihoods in Northern Uganda
Components by Financiers
(USD '000)

	GoU		IFAD Loan		Beneficiaries		ASAP Grant		Total		For. Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%			
A. Rural Livelihoods													
1. Community planning and capacity development	669	14.3	3,996	85.7	-	-	-	-	4,665	6.6	1,866	2,130	669
2. Priority climate resilient crop production systems	1,423	8.4	4,432	26.1	1,321	7.8	9,774	57.7	16,949	23.9	4,253	11,274	1,423
Subtotal	2,092	9.7	8,428	39.0	1,321	6.1	9,774	45.2	21,615	30.5	6,119	13,404	2,092
B. Market Linkages and Infrastructure													
1. Improved market access processes	550	14.2	3,152	81.3	173	4.5	-	-	3,875	5.5	474	2,851	550
2. Market access infrastructure	6,028	15.4	32,908	84.0	-	-	226	0.6	39,163	55.2	13	33,121	6,028
Subtotal	6,579	15.3	36,060	83.8	173	0.4	226	0.5	43,038	60.6	487	35,972	6,579
C. Programme management and oversight	620	9.8	5,712	90.2	-	-	-	-	6,332	8.9	1,263	4,449	620
Total PROJECT COSTS	9,291	13.1	50,200	70.7	1,493	2.1	10,000	14.1	70,984	100.0	7,869	53,824	9,291

Table 6: Expenditure Accounts by Financiers USD 000

Republic of Uganda
Programme for the Restoration of Livelihoods in Northern Uganda
Expenditure Accounts by Financiers
(USD '000)

	GoU		IFAD Loan		Beneficiaries		ASAP Grant		Total		For. Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%			
I. Investment Costs													
A. Equipment and Materials	116	24.5	356	75.5	-	-	-	-	471	0.7	155	201	116
B. Consultancies	742	9.0	4,083	49.7	26	0.3	3,368	41.0	8,219	11.6	1,287	6,191	742
C. Trainings	1,694	13.4	7,977	63.3	460	3.6	2,481	19.7	12,611	17.8	4,347	6,571	1,694
D. Vehicles	324	34.3	535	56.6	-	-	86	9.1	945	1.3	391	230	324
E. Works	6,017	16.4	30,741	83.6	-	-	-	-	36,758	51.8	-	30,741	6,017
F. Grants and subsidies (Matching grants)	189	3.0	1,143	17.8	1,007	15.7	4,065	63.5	6,404	9.0	533	5,682	189
Total Investment Costs	9,081	13.9	44,835	68.5	1,493	2.3	10,000	15.3	65,409	92.1	6,713	49,615	9,081
II. Recurrent Costs													
A. Salaries and allowances	-	-	4,179	100.0	-	-	-	-	4,179	5.9	209	3,970	-
B. Other operating costs	209	15.0	1,187	85.0	-	-	-	-	1,396	2.0	558	628	209
Total Recurrent Costs	209	3.8	5,365	96.2	-	-	-	-	5,575	7.9	767	4,598	209
Total PROJECT COSTS	9,291	13.1	50,200	70.7	1,493	2.1	10,000	14.1	70,984	100.0	7,480	54,213	9,291

Annex 2 Detailed Cost Tables

Table 1.1. Community planning and capacity development

Republic of Uganda
Programme for the Restoration of Livelihoods in Northern Uganda
Table 1.1. Community planning and capacity development
Detailed Costs

Detailed Costs		Unit	Quantities							Total	Unit Cos		Unit Cost (USD)	Totals Including Contingencies (USD '000)							Total
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7		(UGX '000)	Cost		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
I. Investment Costs																					
A. Effective capacity building and information																					
1. District capacity support																					
District staff capacity assessment (and hardware) /a	Person Day	24	-	-	-	-	-	-	24	813	325	8	-	-	-	-	-	-	8		
District staff induction training /b	Person Day	160	-	-	-	-	-	-	160	125	50	8	-	-	-	-	-	-	8		
Computers	Set	8	-	-	-	-	-	-	8	6,250	2,500	20	-	-	-	-	-	-	20		
Hand held GPS and Software	Set	8	-	-	-	-	-	-	8	12,500	5,000	41	-	-	-	-	-	-	41		
Subtotal												77	-	-	-	-	-	-	77		
2. Public information, mobilization and sensitization at district, sub-county, parish																					
Mass media advertising rural radio	Per district	8	-	-	-	-	-	-	8	2,500	1,000	8	-	-	-	-	-	-	8		
Travel and allowances /c	Field days	125	-	-	-	-	-	-	125	500	200	25	-	-	-	-	-	-	25		
Subtotal												33	-	-	-	-	-	-	33		
3. Sub-county, parish and village selection process																					
a. Selection of parishes by sub-counties																					
Facilitation /d	Field days	50	-	-	-	-	-	-	50	500	200	10	-	-	-	-	-	-	10		
b. Selection of villages by parishes /e																					
	Field days	200	-	-	-	-	-	-	200	250	100	20	-	-	-	-	-	-	20		
Subtotal												30	-	-	-	-	-	-	30		
4. Participatory NRM mapping, situation analysis, planning, beneficiary selection																					
a. Training of lead trainers in Participatory Rural Appraisal (PRA) /f																					
Service provider /g	Person days	15	-	-	-	-	-	-	15	813	325	5	-	-	-	-	-	-	5		
Actual training by the service provider of the lead trainers	Per lead trainer trained	330	-	-	-	-	-	-	330	500	200	67	-	-	-	-	-	-	67		
Subtotal												72	-	-	-	-	-	-	72		
b. Training of community based facilitators																					
Honorarium for lead trainers /h	Person days	500	-	-	-	-	-	-	500	500	200	102	-	-	-	-	-	-	102		
Facilitation (meals, transport, accommodation per trainee) /i	per lead trainer trained	2,000	-	-	-	-	-	-	2,000	125	50	102	-	-	-	-	-	-	102		
Training material and logistics /j	per lead trainer trained	200	-	-	-	-	-	-	200	63	25	5	-	-	-	-	-	-	5		
Bicycles	per lead trainer trained	200	-	-	-	200	-	-	400	250	100	20	-	-	-	23	-	-	43		
Subtotal												228	-	-	-	23	-	-	251		
c. Community facilitator monthly honorarium /k	Person months	600	2,400	2,400	2,400	2,400	2,400	2,400	15,000	90	36	22	90	93	96	99	102	105	606		
d. Experience sharing workshop for Community facilitators	Per mentor	-	200	200	200	200	200	200	1,200	125	50	-	10	11	11	11	12	12	68		
Subtotal												322	101	104	107	133	113	117	997		
5. Governance, leadership and group dynamics																					
a. Training of lead trainers																					
Service provider /l	Person days	20	-	-	-	-	-	-	20	813	325	7	-	-	-	-	-	-	7		
Actual training by the service provider of the lead trainers /m	Per lead trainer trained	25	-	-	-	-	-	-	25	500	200	5	-	-	-	-	-	-	5		
Subtotal												12	-	-	-	-	-	-	12		
b. Training of community based facilitators																					
Honorarium for lead trainers /n	Person days	500	-	-	-	-	-	-	500	250	100	51	-	-	-	-	-	-	51		
Facilitation (meals, transport, accommodation per trainee) /o	per lead trainer trained	1,000	-	-	-	-	-	-	1,000	25	10	10	-	-	-	-	-	-	10		
Subtotal												61	-	-	-	-	-	-	61		
Subtotal												73	-	-	-	-	-	-	73		
6. Gender Action Learning System (GALS)																					
Service provider /p	Person days	375	-	-	-	-	-	-	375	813	325	124	-	-	-	-	-	-	124		
Facilitation of the actual training /q	Training days	3,000	-	-	-	-	-	-	3,000	50	20	61	-	-	-	-	-	-	61		
Subtotal												185	-	-	-	-	-	-	185		
7. Business action planning, financial literacy, record keeping																					
Service provider /r	Person days	-	125	-	-	-	-	-	125	813	325	-	42	-	-	-	-	-	42		
Actual training /s	Person days	-	1,000	-	-	-	-	-	1,000	50	20	-	21	-	-	-	-	-	21		
Subtotal												63	-	-	-	-	-	-	63		
Subtotal												720	164	104	107	133	113	117	1,458		
B. Vulnerable household support																					
1. Training of HH mentoring lead trainers																					
Service provider /t	Person days	375	-	-	-	-	-	-	375	813	325	124	-	-	-	-	-	-	124		
Facilitation of the actual training /u	Training days	3,000	-	-	-	-	-	-	3,000	50	20	61	-	-	-	-	-	-	61		
Follow-up by CDOs /v	Field days	600	600	600	600	600	600	-	3,600	125	50	30	31	32	33	34	35	-	197		
Experience sharing workshop for mentors	Per mentor	-	200	200	200	200	200	200	1,200	125	50	-	10	11	11	11	12	12	68		
Subtotal												215	42	43	44	46	47	12	449		
2. HH food security packs /w	Packs	-	2,000	2,000	2,000	2,000	-	10,000	300	120	-	251	258	266	274	282	-	1,332			
3. monthly facilitation for HH mentors /x	Person months	600	2,400	2,400	2,400	2,400	600	13,200	90	36	22	90	93	96	99	102	26	528			
4. Bicycles	Person months	200	-	-	200	-	-	400	250	100	20	20	-	-	22	-	-	42			
Subtotal												257	383	395	429	419	431	38	2,351		
Total Investment Costs												978	547	498	535	552	545	155	3,381		

Table 1.1. Community planning and capacity development (continued)

Table 1.1. Community planning and capacity development

Detailed Costs

II. Recurrent Costs

- A. CDO operating costs
- B. Parish Review meetings
- C. Supervision of Household mentors

Total Recurrent Costs

Total

Unit	Quantities							Unit Cos' (UGX	Unit Cost	Totals Including Contingencies (USD '000)								
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total	'000)	(USD)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Ls/ sub-county	25	25	25	25	25	25	25	175	5,000	2,000	51	52	54	55	57	59	61	389
Ls/ sub-county	100	100	100	100	100	100	100	700	250	100	10	10	11	11	11	12	12	78
Ls/ sub-county	25	25	25	25	25	25	25	175	5,000	2,000	51	52	54	55	57	59	61	389
											112	115	118	122	126	129	133	856
											1,089	662	617	657	677	674	288	4,665

- ia Three person days per each of the districts
- ib Each of the 8 districts times 4 facilitators for 5 days
- ic Assumes one field day for each sub-county (25), plus another day for each parish (100)
- id Assumes 2 officials from the district will visit each of 25 sub-counties for this one day exercise
- ie Assumes two officials from the sub-county for this one day exercise
- if 2 trainees per sub-county (CDO and agric officer) for 5 days plus 2 official from district also for 5 days. Unit costs includes actual
- ig Includes the actual 5 days training and another 10 for preparations
- ih 2 lead trainers per sub-county for 10 days
- ii Two Community Facilitators will be trained per each of 100 parishes for 10 days
- ij Each of the 200 participants will get a kit with training materials such as flip charts
- ik 2 Community facilitators for each of the 100 parishes for 12 month each year, 3 months for year 1
- il 2 days per district plus travel days
- im 1 CDO from the participating sub-counties travel to district
- in 1 CDO for 5 days for each parish
- io Two Community Facilitators will be trained per each of 100 parishes for 5days
- ip 15 days for each of the 25 sub-counties
- iq 2 people from each parish for 15 days: meals
- ir 5 days for each of the 25 sub-counties
- is Actual trainees are 200 going through the training for 5 days
- it 15 days for each of the 25 sub-counties
- iu 2 people from each parish for 15 days: meals
- iv Estimated at 6 visits per year for each of the 100 parishes
- iw pack for @mentored HH). 20 HH will be mentored per village and will receive a one off pack
- ix 2mentors for each of the 100 parishes for 12 month each year; year one only 3 month

Republic of Uganda
Project for the Restoration of Livelihoods in the Northern Region (PRELNOR)
Detailed design report
Appendix 9: Project cost and financing

Table 1.2. Priority climate resilient crop production systems

Republic of Uganda
Programme for the Restoration of Livelihoods in Northern Uganda
Table 1.2. Priority climate resilient crop production systems
Detailed Costs

Detailed Costs		Quantities								Unit Cost	Unit Cost	Totals Including Contingencies (USD '000)							
	Unit	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total	(UGX '000)	(USD)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
I. Investment Costs																			
A. Priority climate resilient crop production systems																			
1. Training of extension staff /a																			
Meals, accomodation, travel /b	No of training	3	-	-	-	-	-	-	3	45.000	18.000	55	-	-	-	-	-	-	55
Honorarium of master trainers, resource person /c	No of training	3	-	-	-	-	-	-	3	7.875	3.150	10	-	-	-	-	-	-	10
DSA, Travel master trainers, resource person /d	No of training	3	-	-	-	-	-	-	3	11.813	4.725	14	-	-	-	-	-	-	14
Travel master trainers and resource persons	No of training	3	-	-	-	-	-	-	3	1.500	600	2	-	-	-	-	-	-	2
Training Materials	Per training	3	-	-	-	-	-	-	3	5.000	2.000	6	-	-	-	-	-	-	6
Subtotal												87	-	-	-	-	-	-	87
2. Implementation of farmer groups activities																			
a. Training of farmers facilitators																			
Meals, accomodation, travel	Person day	8	8	-	-	-	-	-	16	90.000	36.000	292	301	-	-	-	-	-	593
Honorarium of master trainers, resource person	Per training	8	8	-	-	-	-	-	16	13.125	5.250	43	44	-	-	-	-	-	87
DSA, Travel master trainers,resource person	Per training	8	8	-	-	-	-	-	16	19.688	7.875	64	66	-	-	-	-	-	130
Travel master trainers and resource persons	Per training	8	8	-	-	-	-	-	16	1.125	450	5	3	-	-	-	-	-	7
Training Materials	Per training	8	8	-	-	-	-	-	16	5.000	2.000	16	17	-	-	-	-	-	33
Subtotal												420	430	-	-	-	-	-	850
b. Cost running Farmer Extension group activities /e																			
Inputs (stationary,agro inputs learning field)	Group/year	-	600	1,200	900	600	300	-	3,600	750	300	-	188	388	299	206	106	-	1,187
Facilitation support per group per year	Group/year	-	600	1,200	900	600	300	-	3,600	2.400	960	-	602	1,240	958	658	339	-	3,798
Subtotal												-	790	1,628	1,258	864	445	-	4,985
c. Training, technical support and supervision of Farmer group activities /f	Ls/ year											480	330	380	-	-	-	-	1,190
Subtotal												900	1,550	2,008	1,258	864	445	-	7,025
3. Mobility																			
District vehicles /g	No	8	-	-	-	-	-	-	8	125.000	50.000	406	-	-	-	-	-	-	406
DFA mobility Costs /h	Ls/ DFA	8	8	8	8	8	8	8	56	37.500	15.000	122	125	129	133	137	141	145	933
Subtotal												528	125	129	133	137	141	145	1,339
4. DFA equipments /i	Ls/ DFA	8	-	-	-	-	-	-	8	6.250	2.500	20	-	-	-	-	-	-	20
5. Climate resilience and timeliness mechanisation demonstrations /j																			
Establishing pilot mechanisation groups /k	Group	4	4	-	-	-	-	-	8	125.000	50.000	200	200	-	-	-	-	-	400
Technical support and monitoring	Per year	1	1	1	1	1	1	-	6	187.500	75.000	75	75	75	75	75	75	-	450
Subtotal												275	275	75	75	75	75	-	850
6. Community seed multiplication groups /l																			
a. Support to Groups	Ls/ per annum											127	131	135	139	143	147	151	972
b. Output based contract with ZARDIs /m	Ls/ per annum											200	200	200	200	-	-	-	800
Subtotal												327	331	335	339	143	147	151	1,772
Subtotal												2,137	2,282	2,547	1,804	1,219	808	297	11,093
B. Other CBNRM investments																			
1. Bio physical monitoring																			
Establish Sentinel sites /n	Site	4	3	-	-	-	-	-	7	62.500	25.000	100	75	-	-	-	-	-	175
Satellite Imagery for mid term and final evaluations	Satelite imager	-	-	-	8	-	-	8	16	6.250	2.500	-	-	-	20	-	-	20	40
Technical support	Per year	1	1	-	1	-	-	1	4	125.000	50.000	50	50	-	50	-	-	50	200
Subtotal												150	125	-	70	-	-	70	415
2. Financing Community based NRM plans	Grants	-	200	200	200	-	-	-	600	15.000	6.000	-	1,200	1,200	1,200	-	-	-	3,600
3. Demonstration and promotion of water harvesting technologies from HH to catchment level /o	Site	-	30	30	40	-	-	-	100	1.250	500	-	15	15	20	-	-	-	50
4. Train community groups to build rain water harvesting structures /p	Groups	-	30	30	40	-	-	-	100	2.000	800	-	24	24	32	-	-	-	80
5. Climate information services																			
a. Investment in synoptic stations	Station	3	4	-	-	-	-	-	7	87.500	35.000	105	140	-	-	-	-	-	245
b. Recruitment and training of weather station workers	persons	3	4	-	-	-	-	-	7	1.250	500	2	2	-	-	-	-	-	4
c. Staff salaries	persons	3	7	7	7	7	7	7	45	12.000	4.800	14	34	34	34	34	34	34	216
d. Automatic weather stations /q	Stations	10	15	-	-	-	-	-	25	3.750	1.500	15	23	-	-	-	-	-	38
e. Meteorological information	Stations											90	90	32	32	32	32	20	328
Subtotal												226	288	66	66	66	66	54	830
6. Support to dissemination of fuel saving stoves /r	Ls/ per annum											125	125	125	125	-	-	-	500
Subtotal												501	1,777	1,430	1,513	66	66	124	5,475
Total Investment Costs												2,638	4,059	3,977	3,317	1,284	874	421	16,568
II. Recurrent Costs																			
A. Vehicle operating costs	10% p.a											41	42	43	44	46	47	48	311
B. Field allowance /s	Field day	900	900	900	900	900	900	900	6,300	25	10	9	9	10	10	10	11	11	70
Total Recurrent Costs												50	51	53	54	56	58	59	381
Total												2,687	4,110	4,029	3,371	1,340	931	480	16,949

- ia average 12 extension staff per district, 90 in total. Year 1 three trainings of 30 extension staff
- ib 600/21 days/ 1 person
- ic 50 per day
- id 2 mater trainers and 1 resource person
- ie On average 3 groups per village running for two years
- if Contracted to appropriate service provider
- ig Districts will pay running costs/drivers
- ih this is in lieu of buying vehicles for DFAs
- ii Includes computers and basic office package
- ij For example conservation and minimum tillage practices
- ik One group per district and including the procurement of the relevant equipment
- il Includes technical assistance and supervision of the seed multiplication groups
- im For identification and multiplication of resilient varieties and for dissemination of climate-smart technologies
- in Nwoya already has one such site established
- io Establish two demo site at a parish level institution
- ip 4 days training per parish, two groups per parish, targeting women and youth groups
- iq One per sub-county
- ir For priority vulnerable households
- is About 90 extension staff- 10 days/ month

Table 2.1. Improved market access processes

Republic of Uganda
Programme for the Restoration of Livelihoods in Northern Uganda
Table 2.1. Improved market access processes
Detailed Costs

I. Investment Costs

A. Relevant crop livestock and input market price information and intelligence

1. Agric market information system (AMIS) management (collecting and computing data /a
2. Computers, cell phones /b
3. Software development /c
4. Training
5. Publicity, product development

Subtotal

B. MSP

1. Market-stakeholder platform (MSP) implementation

- a. Institutions/ back-stopping /d
- b. Facilitation of MSP formation and operation /e
- c. Facilitation (market infrastructure management organisation) /f
- d. District CO institutional development (registration, monitoring, contract process) /g
- e. Training directors and staff (market management structure) /h
- f. Training for local govt and market operators on tax, by laws /i
- g. Study Tours (abroad and local) /j

Subtotal

C. HIV/AIDS and other public health and safety issues in and around the markets

1. Sensitization campaigns, VTC on site /k

D. Rural agribusiness development market linkages /l

1. Training: business skills, cost management, negotiation skills /m
2. Sensitization on support for business plans on small enterprise management /n
3. Facilitation and backstopping--(existing and new enterprise development) /o
4. Training on quality control, post harvesting handling and storage technologies /p
5. Facilitation and backstopping (modules, quality control, scaling up learnings) /q
6. Demonstration in Post Harvest and value addition

Subtotal

Total

Unit	Quantities								Unit Cost (UGX '000)	Unit Cost (USD)	Totals Including Contingencies (USD '000)							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Person month	12	12	12	12	12	12	-	72	1,750	700	9	9	9	9	10	10	-	55
Ls	1	-	-	-	-	-	-	1	62,500	25,000	25	-	-	-	-	-	-	25
Ls	1	-	-	-	-	-	-	1	37,500	15,000	15	-	-	-	-	-	-	15
Ls											20	21	22	22	23	-	-	108
Quarterly Ls	4	4	4	4	4	4	-	24	5,000	2,000	8	8	9	9	9	9	-	53
											78	38	39	40	42	19	-	256
Quarterly	4	4	4	4	4	4	4	28	25,000	10,000	41	42	43	44	46	47	48	311
Person month	12	12	12	12	12	12	-	72	3,500	1,400	17	18	18	19	19	20	-	110
Person month	24	24	24	24	24	24	-	144	1,750	700	17	18	18	19	19	20	-	110
Quarterly	40	40	40	40	40	40	-	240	2,500	1,000	41	42	43	44	46	47	-	263
Quarterly Ls	-	20	20	20	20	20	20	120	5,000	2,000	-	42	43	44	46	47	48	270
Per Year	-	40	40	40	40	40	40	240	1,250	500	-	21	22	22	23	24	24	135
Ls	2	2	-	-	-	-	-	4	150,000	60,000	122	125	-	-	-	-	-	247
											237	307	187	193	198	204	121	1,447
Per Year	-	10	10	10	10	10	10	60	15,000	6,000	-	63	65	67	69	71	73	406
Person days	2,000	2,000	2,000	2,000	2,000	2,000	-	12,000	63	25	51	52	54	55	57	59	-	328
Person day	-	500	1,000	1,000	1,000	1,000	1,000	5,500	63	25	-	13	27	28	29	29	30	156
Person month	-	18	36	36	36	36	36	198	1,000	400	-	8	16	16	16	17	17	90
Person days	-	500	1,000	1,000	1,000	1,000	1,000	5,500	63	25	-	13	27	28	29	29	30	156
Person month	-	6	12	12	12	12	12	66	1,000	400	-	3	5	5	5	6	6	30
Ls											-	105	215	222	228	235	-	1,006
											51	193	344	354	365	376	84	1,766
											365	601	634	653	673	670	278	3,875

\a 2 trainers/officers during 12 months for 6 years

\b 10 laptops, one central desktop, 100 cellphones

\c On 12 computers

\d for district level DFA, traders associations, and relevant organisations

\e one officer during 6 years during 12 month

\f 2 trainers/officers during 12 months for 6 years

\g 10 sites for 4 quarters for 6 years

\h 10 sites for 2 semester for 6 years

\i 2 trainers/officers during 12 months for 6 years

\j 2 international study tours and 2 regional study tour per year

\k 10 market site during 6 years

\l these use acquired business knowledge and skills to link with commodity and inputs markets

\m 10 days for 20 groups per 10 sites for 6 years

\n 10days for 20 Groups per 10sites for 6 Years

\o 3 trainer during 12 months for 6 years

\p 10 days bfor 10 groups per 10 sites for 6 years

\q 1 trainer during 12 months for 6 years

Table 2.2. Market Access Infrastructure

Republic of Uganda
Programme for the Restoration of Livelihoods in Northern Uganda
Table 2.2. Market Access Infrastructure
Detailed Costs

I. Investment Costs																			
A. Community Access Roads																			
1. Training of road construction Committees /a	For each 15 km	13	13	20	27	20	10	-	103	1.125	450	6	7	10	14	11	6	-	54
2. Design	km	200	200	300	400	300	150	-	1,550	2.065	826	179	184	284	390	302	155	-	1,495
3. Construction	km	-	200	200	300	400	300	150	1,550	44.840	17.936	-	3,996	4,116	6,359	8,734	6,747	3,475	33,427
4. Supervision	km	-	200	200	300	400	300	150	1,550	413	165	-	37	38	59	80	62	32	308
5. CAR rainwater harvest pilots	Sites	-	2	4	4	-	-	-	10	37.500	15.000	-	33	69	71	-	-	-	173
Subtotal												185	4,257	4,518	6,894	9,127	6,970	3,507	35,456
B. Strategic Markets																			
1. Design	Market	-	2	-	-	-	-	-	2	75.000	30.000	-	67	-	-	-	-	-	67
2. Construction	Market	-	-	2	-	-	-	-	2	2,500.000	1,000.000	-	-	2,295	-	-	-	-	2,295
3. Supervision	Market	-	-	2	-	-	-	-	2	12.500	5.000	-	-	11	-	-	-	-	11
Subtotal												-	67	2,306	-	-	-	-	2,373
C. Satellite Markets																			
1. Design	Market	-	3	3	2	-	-	-	8	16.500	6.600	-	22	23	16	-	-	-	60
2. Construction	Market	-	-	3	3	2	-	-	8	275.000	110.000	-	-	379	390	268	-	-	1,036
3. Supervision	Market	-	-	3	3	2	-	-	8	2.750	1.100	-	-	4	4	3	-	-	10
Subtotal												-	22	405	410	270	-	-	1,107
D. TA for revision of construction standards and QA of road designs	Ls/ per annum											55	26	26	26	26	26	-	183
E. TA for design and implementation for road based water harvesting	Person months	1	1	-	-	-	-	-	2	50.000	20.000	21	21	-	-	-	-	-	43
Total												262	4,393	7,255	7,329	9,423	6,995	3,507	39,163

^{1a} About nine participants per training

Table 3. Project Management

Republic of Uganda
Programme for the Restoration of Livelihoods in Northern Uganda
Table 3. Programme Management
Detailed Costs

										Unit Cost		Totals Including Contingencies (USD '000)															
										Unit Cost	Unit Cost																
										(UGX '000)	(USD)																
										Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total		
										Unit	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total	Unit	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
I. Investment Costs																											
A. Programme Coordination Office																											
1. Vehicles- 4WD Double Cabin Pickups	No	5	-	-	-	5	-	-	10	125.000	50.000	254	-	-	-	286	-	-	-	-	-	-	-	-	-	539	
2. Local Area Network	No	1	-	-	-	-	-	-	1	62.500	25.000	25	-	-	-	-	-	-	-	-	-	-	-	-	-	25	
3. Office equipment and furniture	Set	1	-	-	-	-	-	-	1	175.000	70.000	71	-	-	-	-	-	-	-	-	-	-	-	-	-	71	
4. Accounting Software	No	1	-	-	-	-	-	-	1	43.750	17.500	18	-	-	-	-	-	-	-	-	-	-	-	-	-	18	
Subtotal																											
B. Technical Assistance, Training and Studies																											
1. External Audits /a	Year	1	1	1	1	1	1	1	7	50.000	20.000	20	21	22	22	23	24	24	156								
2. Internal Audits /b	Year	1	1	1	1	1	1	1	7	45.000	18.000	18	19	19	20	21	21	22	140								
3. Specialised Procurement Audits /c	Year	1	1	1	1	1	1	1	7	25.000	10.000	10	10	11	11	11	12	12	78								
4. Gender strategy preparation and studies	Ls	1	-	-	1	-	-	-	3	37.500	15.000	15	-	-	17	-	-	-	18	50							
5. Staff induction and team building	Ls	1	-	-	-	-	-	1	2	25.000	10.000	10	-	-	-	-	-	-	12	22							
Subtotal																											
C. Planning, Monitoring, Evaluation and Knowledge Management																											
1. M&E system design consultant	Person months	1	0,5	-	-	-	-	-	1,5	60.000	24.000	24	13	-	-	-	-	-	46								
2. Annual data collection exercise /d	Ls	1	1	1	1	1	1	1	7	37.500	15.000	15	16	16	17	17	18	117									
3. Digital data collection equipments	Tablets	50	-	20	-	-	-	-	70	500	200	10	-	4	-	-	-	14									
4. Analysis of gender and targeting performance	Per year	-	1	1	1	1	1	1	6	12.500	5.000	-	5	5	6	6	6	34									
5. Communication materials /e	Annual Ls	1	1	1	1	1	1	1	7	62.500	25.000	25	26	27	28	29	29	30	194								
6. Start-up workshop / proj launch	Workshop	1	-	-	-	-	-	-	1	62.500	25.000	25	-	-	-	-	-	-	25								
7. Training of PMU staff /f	Ls	-	-	-	-	-	-	-	-	-	-	20	21	22	22	23	24	156									
8. Community radio programmes /g	Ls	-	-	-	-	-	-	-	-	-	-	21	22	22	23	24	24	25	162								
9. Baseline and Impact (RIMS)	Survey	1	-	-	-	-	-	1	2	75.000	30.000	30	-	-	-	-	-	36	67								
10. MTR study and PMU report preparation	Study	-	-	-	1	-	-	-	1	50.000	20.000	-	-	-	22	-	-	22									
11. PCR study and PMU report preparation	Survey	1	-	-	1	-	-	1	3	50.000	20.000	20	-	-	22	-	-	24	67								
Subtotal																											
Total Investment Costs																											
II. Recurrent Costs																											
A. Salaries																											
Programme Coordinator	Per year	1	1	1	1	1	1	1	7	127.500	51.000	51	51	51	51	51	51	357									
Engineers 2	Per Year	2	2	2	2	2	2	2	14	82.500	33.000	66	66	66	66	66	66	462									
Agribusiness and partnerships management specialist	Per Year	1	1	1	1	1	1	1	6	82.500	33.000	33	33	33	33	33	33	198									
Agriculture/ Extension specialist	Per Year	1	1	1	1	1	1	1	6	82.500	33.000	33	33	33	33	33	33	198									
Sociologist / community development specialist	Per Year	1	1	1	1	1	1	1	6	82.500	33.000	33	33	33	33	33	33	198									
Climate change and environment specialist	Per Year	1	1	1	1	1	1	1	6	82.500	33.000	33	33	33	33	33	33	198									
Financial Controller	Per Year	1	1	1	1	1	1	1	7	82.500	33.000	33	33	33	33	33	33	231									
Internal audit/ follow of districts	Person year	1	1	1	1	1	1	1	7	82.500	33.000	33	33	33	33	33	33	231									
Assistant Accountant	Person year	1	1	1	1	1	1	1	7	37.500	15.000	15	15	15	15	15	15	105									
Procurement specialist /h	Person year	1	1	1	-	-	-	-	3	82.500	33.000	33	33	33	-	-	-	99									
Monitoring and Evaluation / Learning specialist	Person year	1	1	1	1	1	1	1	7	82.500	33.000	33	33	33	33	33	33	231									
M & E Assistant	Person year	1	1	1	1	1	1	1	6	37.500	15.000	15	15	15	15	15	15	90									
Administrative assistant	Person year	1	1	1	1	1	1	1	7	37.500	15.000	15	15	15	15	15	15	105									
Drivers	Person year	5	5	5	5	5	5	5	35	10.000	4.000	20	20	20	20	20	20	140									
Subtotal																											
B. NSSF employer contribution and Gratuity																											
NSSF employer contribution	10%											30	30	30	30	30	30	210									
Gratuity	15%											46	46	46	46	46	46	319									
Subtotal																											
C. Field allowances-PMU and district involvement																											
Ls												50	50	50	50	50	50	350									
D. Operating Costs																											
Office rent	per annum	1	1	1	1	1	1	1	7	6.250	2.500	3	3	3	3	3	3	19									
Office utilities and sundries	per annum	1	1	1	1	1	1	1	7	37.500	15.000	15	16	16	17	17	18	117									
Office and equipment maintenance	per annum	1	1	1	1	1	1	1	7	7.500	3.000	3	3	3	3	3	4	23									
Vehicle operating costs /i	Vehicle/ p.a	5	5	5	5	5	5	5	35	32.500	13.000	65	65	65	65	65	65	455									
Subtotal																											
Total Recurrent Costs																											
Total																											

1a Yearly contract for audit services

1b Year contract for audit firm

1c To be done semi annually

1d Some validation on ground, including things such as collecting GPS points once in a while, and doing other things that require capacity on ground; can be contracted out

1e includes magazines, calendars, brochures, flyers Radio and audio-visual prep & dissemination etc

1f e.g. leadership and financial management trainings, annual regional implementation workshops

1g 8 districts times 52 weeks times USD 50 gives unit cost of USD 20.800

1h May be seconded from MoLG PDU

1i year 1 may involve hire of vehicles before procurement is completed

Appendix 10: Economic and financial analysis

I. Project Benefits

By supporting efficiency and effectiveness production to the market chain, including addressing infrastructure-related constraints, substantial benefits will be generated. The analysis is driven by the increases in yields and by improvements in market efficiency. These will be in the form of improvement in the target group's production skills and through efficiencies in the market chain. PRELNOR's benefits are, in general terms, discussed in the paragraphs that follow.

Higher prices due to aggregation: Farmers who are already making effort to get off from subsistence only have low volumes and limited or no market price or quantity intelligence. These farmers are price takers with no market power. This contributes to very high aggregation and transaction costs in doing business and this translates in farmers getting a low farm-gate price. The final consumers are also affected, because of higher aggregation costs; there is high price variability and low/ mixed quality for them. In the With Project analysis, aggregation is the simplest / least cost value addition option available. Aggregation will result in reduction of transaction costs as the aggregating trader will not have to move to many small-scattered farmers. This will result in higher consumer and producer surpluses.

Labour saving technologies: The proposed project will also benefit households through demonstrations of labour saving technologies such as:

- Use of herbicides will cut down on the weeding days for the targeted grains and pulses
- Minimal tillage/ direct seeding will reduce on the number of ploughing days
- Promotion of threshing/ shelling technologies

Efficiency gains as a result of road improvements: The road improvements will create efficiency gains and reduce the cost of doing business in otherwise difficult to reach areas.

Tax Revenues: In addition, the project will generate incremental tax revenues for national and local governments because of increased volumes of taxable production. The availability of these financial resources at local government level will permit increased expenditures on rural roads, health, education, extension staff expenses and other items important for the rural population, make a positive contribution to economic growth, and improve the quality of rural life.

II. Potential Beneficiaries

PRELNOR will provide opportunities for increased returns to smallholder agricultural production and marketing. In total about 81,000 households are targeted under the direct agriculture productivity window, representing 400,000 individuals (this excludes off-farm beneficiaries e.g. from transport of increased production, dockers and traders at the satellite and bulk markets). This is estimated as follows:

Table 1: Number of Participating Households

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Totals
Number of Villages								
New villages rolled on in the respective year	100	200	200	100				600
Villages weaned - off PRELNOR after a 1 year support cycle		(100)	(200)	(200)	(100)			(600)
Net/ Cumulative Villages under PRELNOR support by year	100	200	200	100	-	-	-	
Number of Groups								
Number if groups per village/ village	6	6	6	6	6	6	6	
New groups rolled on in the respective year	600	1,200	1,200	600	-	-	-	3,600
Groups weaned/ dropped PRELNOR support after one-year support cycle		(600)	(1,200)	(1,200)	(600)	-	-	(3,600)
Net/ Cumulative groups under PRELNOR support by year	600	1,200	1,200	600	-	-	-	
Group classification:								
Farmer Field Schools (FFSs)	300	600	600	300	-	-	-	1,800
Common Interest groups (CIGs)	300	600	600	300	-	-	-	1,800
	600	1,200	1,200	600	-	-	-	3,600
Total Number of Participants (HH):								
In Farmer Field Schools (FFSs)- 30 HH per group	9,000	18,000	18,000	9,000	-	-	-	54,000
In Common Interest groups (CIGs)- 15 HH per group	4,500	9,000	9,000	4,500	-	-	-	27,000
	13,500	27,000	27,000	13,500	-	-	-	81,000

III. Financial analysis from increased productivity

A. Objectives

The financial analysis is used to:

- assess the financial viability of the improved production and efficiencies in the market chains and systems promoted by the project for farmers and their households;
- examine the impact of project interventions on cash flow, and incomes; and
- Use crop models to demonstrate that there is sufficient financial incentive for typical smallholder households to participate in the project. The purpose of farm modelling is to illustrate how the project interventions will bring about increasing and positive returns to labour; and the incremental value of specific input mixes.

B. Crop Budgets

In Appendix 1, crop budgets for the likely priority crops (Maize, rice, beans and cassava) are presented in terms of production, inputs and labour. The appendix gives the expected yields and inputs, and financial budgets for the “with” and the “without” project situations. The key changes come from increased yields due to improved agronomic skills and practices (conservation agriculture), adoption of better quality seed, introduction of low levels of chemical usage and reduced use of family manual labour substituted the labour saving technologies as discussed above.

Table 2: Crop gross margins summary per hectare (UGX)

Activity Models	Yield (units)				Income (Before labour costs)/Family				Incremental Income %	Labour	
	Unit	WOP	WP	Increase	WOP		WP			WOP	WP
					Ugx	US\$	Ugx	US\$			
Maize	Kg	1,250	2,500	1,250	797,000	319	1,161,800	465	46	46	51
Cassava	Kg	7,000	10,500	3,500	1,578,000	631	2,359,500	944	50	54	47
Beans	Kg	500	1,000	500	520,000	208	917,800	367	77	36	32
Rice	Kg	1,200	2,400	1,200	1,718,800	688	3,066,100	1,226	78	128	104

Potential yields for the selected crops

Maize: A value chain analysis was conducted over a three month period between October and December 2013 by Action Against Hunger- ACF International. Five value chains were analysed: maize, rice, groundnuts, sesame and sunflower in two sub-regions (Acholi and Lango) in northern Uganda. Maize was found to be a very important crop in Northern Uganda. Longe 4 and 5 were the two improved maize varieties mainly grown there. Maximum maize yield reported was 2 Mt/acre (about 4.9 MT/ hectare) with the lowest yield being 0.8 Mt/acre. PRELNOR analysis was restricted to a maximum yield of 2.5 MT/ hectare taking into accounts the capacity of the targeted beneficiaries.

Cassava: A 2012 Value Chain Analysis of the of the cassava Sub-sector in Uganda Development of Inclusive Markets in Agriculture and Trade (DIMAT) reports the following yield potential depending on the variety.

Cassava Variety	Potential Yield Kg/ acre
Time 14	Per/acre- 16,200kg
Akena	Per/acre- 20,200 kg
MH97/2961	Per/acre-14,200 kg
Nigeria	Per/acre-16,200 kg
Omongole	Per/acre-16,200 kg

Source: DIMAT survey- 2012

In addition, a survey undertaken by the Cassava Regional Centre of Excellence in Namulonge reports cassava yields of between 15-20 Mt/Ha. The 10,500 kg/ per hectare maximum yield used in PRELNOR analysis is much lower than what DIMAT and Namulongereport above; it was restricted to this given the capacity of the targeted beneficiaries.

Beans: In a January 2014 DIMAT Situational Analysis of the Rice, Dry Bean and Cassava Sub-sectors in Uganda, the average yield of beans is 1.4 Mt/ha, which is also the average yield recorded in Western. In Central and Northern, the yield is 1 Mt/Ha and 1.8 Mt/Ha, respectively. These yields are comparable with the Uganda Census on Agriculture (UCA) average national yields of 1.5 MT/Ha as well as the UCA average yields for Northern Uganda of 1.7 Mt/ha. In the PRELNOR analysis a maximum yield of 1,000kg/ Hectare was used to reflect the capacity of the targeted beneficiaries.

Rice. In a January 2014 DIMAT Situational Analysis of the Rice, Dry Bean and Cassava Sub-sectors in Uganda, the average yield of rice under the low input scenario is 4 Mt/Ha, which is higher than 2.5 MT/ha recorded during the UCA. In the high input scenario, yields increase by about 0.5 Mt/ha, which are lower than the yield potential of improved varieties (7Mt/Ha) under good management practices, but comparable to the yields of 6.25 Mt/Ha obtained in a good rice year in Eastern Uganda .However, yields in the North do not change partly because inorganic fertilizers are not used. The PRELNOR analysis was restricted to 2,400 kg/ hectare (slightly below the UCA average of 2.5 MT/ Ha).

Discount rates for financial analysis: A discount rate of 12% has been used. This is based on interest rates that beneficiaries are in a position to receive on savings/ deposits in local financial institutions. This represents alternative investment/ time value for money.

C. Farm Models

Overview: Three possible farm models/ crop mix have been assumed.. The result of farm models described is summarised as follows:

Cropping patterns in hectares

- Maize (0.5 ha), Beans (0.3 ha), rice (0.2 ha)
- Maize (0.5 ha) and cassava (0.5 ha)
- Beans (0.5 ha), cassava (0.3 ha), rice (0.2 ha)

Table 3: Summary of farm gross margins net of both hired and family labour costs (financial prices in UGX)

Farm models	Without Project	With Project	Increase
Maize (0.5 ha + Beans (0.3 ha) + Rice (0.2 ha)	482,460	1,078,160	595,700
Maize (0.5 ha) + Cassava (0.5 ha)	837,500	1,417,650	580,150
Beans (0.5 ha) + Cassava (0.3 ha)+ Rice (0.2 ha)	658,560	1,423,670	765,110

IV. Satellite Markets and Bulk Market including Impact of Community Access Roads⁹⁵

A. Satellite market

Impact of market rehabilitation on main stakeholders	Quantity			Value		Variation		Comments
Price variation hypothesis	before	unit	after	before	after		%	
mean purchase price on market		UGX		470 000	480 000	10 000	2%	increase purchasing price due to competition
mean selling price in town/export market		UGX		600 000	620 000	20 000	3%	same price in town/export market
products sold (local transaction)	20 000	MT	30 000	○		10 000	150%	
Impact on producers	before	unit	after	before	after	variation	%	comments
Yield	3.00	MT/ha	3.75		0	0.75	25%	increase of yield
acreage of sold products	6 667	Ha	8 000			1 333.33	20%	increase of market oriented acreage
marketed crops/production	50%		60%			0.10	20%	increase of marketed share
acreage of own consumption	6 667	Ha	5 333		0	-1 333.33	-20%	decrease of own consumption oriented acreage
total acreage	13 333	Ha	13 333				=	stability of acreage
Number of H/H	3 333	H/hold	3 333		0	0	=	stability of H/H
products sold				9 400 000 000	14 400 000 000	5 000 000 000	53%	increase of incomes
products minus taxes (see next para)				8 400 000 000	12 900 000 000	4 500 000 000	54%	increase of incomes (net of tax)
Gross income (minus tax) per H/H				2 520 000	3 870 000	1 350 000	54%	increase of income per H/H

⁹⁵ This analysis is based on models developed by Thierry Benoit, marketing / institutions specialist for the first design mission.

Impact on market dockers (porters)	Before	Unit	After	Before	After	Variation	%	Comments
total of transactions	20 000	MT	30 000					
weighing and conditioning costs		UGX/MT		0	0	0		
loading/unloading	50 000	UGX/MT	50 000	1 000 000 000	1 500 000 000	500 000 000	50%	increase of volume
total amount paid to dockers		UGX		1 000 000 000	1 500 000 000	500 000 000	50%	increase of overall incomes
number of market days	3	times/week	4	144	144	0	0%	stability of market days
volume per market	139	MT par market	208					
number of trailers	14	lorry 10 MT	21			7	50%	increase of trailers
number of dockers/lorry	5	/lorry	5			0	0%	increase of labour efficiency
number of docker	69	dockers	104			35	50%	increase of employment
mean daily income per docker				100 000	100 000	0	0%	increase of wages
Impact on revenues for local government	Before	Unit	After	Before	After	Variation	%	Comments
total of transactions	20 000	MT	30 000	0	0	0		
market levies from sellers	50 000	UGX/MT	50 000	1 000 000 000	1 500 000 000	500 000 000	50%	
market levies from buyers	50 000	UGX/MT	50 000	1 000 000 000	1 500 000 000	500 000 000	50%	
total revenues for LG				2 000 000 000	3 000 000 000	1 000 000 000	50%	
total levies per market				13 888 889	20 833 333	6 944 444	50%	

Market management organisation	Before	Unit	After	Before	After	Variation	%	Comments
parking fees	0	/lorry	10 000	0	30 000 000	30 000 000		New income
market management (paid by buyers)	0	/MT	10 000	0	300 000 000	300 000 000		
toilet fees	0	/market	500	0	31 500 000	31 500 000		New income
storage fees (>2 weeks)	0	/tonne/extra week	10 000	0	115 200 000	115 200 000		New income
total market management costs					476 700 000	476 700 000		New income
total market fees per market day					3 310 417	3 310 417		New income
Impact on buyers (traders)	Before	Unit	After	Before	After	Variation	%	Comments
total of transactions	20 000	MT	30 000					
number of market days	144	days	144			0	0%	
purchased value	20000	MT	30000	9 400 000 000	14 400 000 000	5 000 000 000	53%	from previous para
total amount paid to dockers				1 000 000 000	1 500 000 000	500 000 000	50%	from previous para
market levies from buyers	50 000	UGX/MT	50 000	1 000 000 000	1 500 000 000	500 000 000	50%	from previous para
market management organisation				0	476 700 000	476 700 000		from previous para
total charges				11 400 000 000	17 876 700 000	6 476 700 000	57%	
loss	5%		3.0%					
product sold in urban/export market (5% loss)	19 000		29 100	11 400 000 000	18 042 000 000	6 642 000 000	58%	
Gross margin (exit market)				0	165 300 000	165 300 000	#DIV/0!	
Gross margin per buyer	100	buyers	120	0	1 377 500	1 377 500	#DIV/0!	increase of buyers (competition)

Cumulated impact on all stakeholders		UGX	@ UGX 2 525	in USD
Producers	34%	4,500,000,000		1,782,178
Dockers	4%	500,000,000		198,020,
Local authorities	8%	1,000,000,000		396,040
Market management	4%	476,700,000		188,792
Buyers	51%	6,642,000,000		2,630,495
Total	100%	13,118,700,000		5,195,525

Summary of Data (drawn from impact analysis)	UGX million	Year 2	Year 3	Year 4	Year 5	Year 6 - 20
Market transactions growth year 2-3-4		30%	60%	90%	100%	id
Total additional products (in UGX)	6,642					
Additional costs purchase of agricultural products	4,500					
Additional costs transactions	500					
Additional costs local taxes	1,000					
Additional costs market management	476.7					
Exchange rate (USD/UGX 10/04/2014)	2,525					
Duration of depreciation (in years)	20					
Investment bulk market (in USD)	200,000					
Project support to RH (in USD)	10,000	100%	50%	25%	0%	Id

B. Bulk Market

Impact of market rehabilitation on main stakeholders	Quantity			Value		Variation		Comments
	before	unit	after	before	after	variation	%	
Price variation hypothesis								
mean purchase price on market		UGX/MT		600 000	620 000			increase purchasing price due to competition
mean selling price in town/export market		UGX/MT		900 000	900 000		0%	same price in town/export market
products sold (local transaction)	60 000	MT	90 000			30 000	150%	

Note: 1. Increase of mean purchase price is based on the new competitiveness on the market: since more traders will need to purchase their product rapidly, however, mean selling price in town/export market is set as stable since the bulk market has no influence on them.
2. Increase of traded volumes (150%) is based on a low projection of estimates by the private sectors (200%).

Impact on producers	Before	Unit	After	Before	After	Variation	%	
Yield	3,00	MT/ha	3,75		0	0,75	25%	increase of yield
Acreage of sold products	20 000		24 000			4 000,00	20%	increase of market oriented acreage
Marketed crops/production	50%		60%			0,10	20%	increase of marketed share
Acreage of own consumption	20 000	ha	16 000		0	-4 000,00	-20%	decrease of own consumption oriented acreage
Total acreage	40 000		40 000				=	stability of acreage
H/h	10 000	H/H	10 000		0	0	=	stability of H/H
Products sold				36 000 000 000	55 800 000 000	19 800 000 000	55%	increase of incomes
Product minus levies				33 000 000 000	51 300 000 000	18 300 000 000	55%	increase of incomes (net of tax)
Gross income (minus tax) per H/H				3 300 000	5 130 000	1 830 000	55%	increase of income per H/H

Impact on market dockers	Before	Unit	After	Before	After	Variation	%	
Total of transactions	60 000	MT	90 000					
Weighing and conditioning costs	50 000	UGX/MT	50 000	3 000 000 000	4 500 000 000	1 500 000 000	50%	increase of volume
Loading/unloading	50 000	UGX/MT	50 000	3 000 000 000	4 500 000 000	1 500 000 000	50%	increase of volume
Total amount paid to dockers				6 000 000 000	9 000 000 000	3 000 000 000	50%	increase of overall incomes
Number of market days	6	times/week	6	288	288	0	0%	stability of market days
Volume per market	208	MT per market	313					
Number of trailers	5	trailers 40 MT	8			3	50%	increase of trailers
Number of dockers/trailer	40	/trailer	30			- 10	-25%	increase of labour efficiency
Number of docker	208	dockers	234			26	13%	increase of employment
Mean daily income per docker				100 000	133 333	33 333	33%	increase of wages

Impact on revenues for local government	Before	Unit	After	Before	After	Variation	%	
Total of transactions	60 000	MT	90 000	0	0	0		
Market levies from sellers	50 000	UGX/MT	50 000	3 000 000 000	4 500 000 000	1 500 000 000	50%	
Market levies from buyers	50 000	UGX/MT	50 000	3 000 000 000	4 500 000 000	1 500 000 000	50%	
Total revenues LG				6 000 000 000	9 000 000 000	3 000 000 000	50%	
Total levies per market				20 833 333	31 250 000	10 416 667	50%	

Market management organization	Before	Unit	After	Before	After	Variation	%	
Parking fees	0	/trailer	50 000	0	112 500 000	112 500 000		new income
Market management (paid by buyers)	0	/MT	25 000	0	2 250 000 000	2 250 000 000		
Toilet fees	0	/market	500	0	51 750 000	51 750 000		new income
Storage fees (>2 weeks)	0	/tonne/e	10 000	0	230 400 000	230 400 000		new income
Total market fees					2 644 650 000	2 644 650 000		new income
Total market fees per market day					9 182 813	9 182 813		new income

Impact on buyers (traders)	Before	Unit	After	Before	After	Variation	%	
Total of transactions	60 000	MT	90 000					
Number of market days	288	days	288			0	0%	
Purchased value	60000	MT	90000	36 000 000 000	55 800 000 000	19 800 000 000	55%	from previous para
Total amount paid to dockers				6 000 000 000	9 000 000 000	3 000 000 000	50%	from previous para
Market levies from buyers	50 000	UGX/MT	50 000	3 000 000 000	4 500 000 000	1 500 000 000	50%	from previous para
Market management organization				0	2 644 650 000	2 644 650 000		from previous para
Total charges				45 000 000 000	71 944 650 000	26 944 650 000	60%	
Loss	5%		2,5%					
product sold in urban/export market (incl. loss)	57 000		87 750	51 300 000 000	78 975 000 000	27 675 000 000	54%	
Gross margin (exit market)				6 300 000 000	7 030 350 000	730 350 000	12%	
Gross margin per buyer	200	buyers	220	31 500 000	31 956 136	456 136	1%	increase of buyers (competition)

Accumulated impact on all stakeholders		in UGX	@ UGX 2 525	in USD
Producers	34%	18 300 000 000		7 247 525
Dockers	5%	3 000 000 000		1 188 119
Local authorities	5%	3 000 000 000		1 188 119
Market management	5%	2 644 650 000		1 047 386
Traders	51%	27 675 000 000		10 960 396
Total	100%	54 619 650 000		21 631 545

Summary

(Millions of UGX)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7 to 18	Year 19	Year 20
Total additional products		8 302,50	16 605,00	24 907,50	27 675,00	27 675,00	Id	27 675,00	27 675,00
Additional costs purchase of agricultural products		5 490,00	10 980,00	16 470,00	18 300,00	18 300,00	Id	18 300,00	18 300,00
Additional costs transactions		900,00	1 800,00	2 700,00	3 000,00	3 000,00	Id	3 000,00	3 000,00
Additional costs local taxes		900,00	1 800,00	2 700,00	3 000,00	3 000,00	Id	3 000,00	3 000,00
Additional costs market management		793,40	1 586,79	2 380,19	2 644,65	2 644,65	Id	2 644,65	2 644,65
Post project cost (depreciation/20 years)			126,25	126,25	126,25	126,25	Id	126,25	126,25
Additional Margin	0,00	219,11	311,96	531,06	604,10	604,10	Id	604,10	604,10
Project costs	2 525,00	75,75	37,88	18,94					
Cash Flow	-2 525,00	143,36	274,08	512,13	604,10	604,10	Id	604,10	604,10

C. Community access roads - analysis of economic benefits

In the bulk of PRELNOR targeted project area, traffic data are currently unknown/not measurable, it is therefore, impossible to calculate Vehicle Operating Costs Savings (VOC) or Road-user Travel Time Cost (TTC) benefits using traffic data. As an alternative, benefits from the community access road improvements can be estimated considering certain ranges for parameters such as:

- Reduction in transportation costs and in vehicle maintenance costs assumed at 10%
- Increased volume of transported agricultural products for sale can range assumed at 25%
- Post-harvest losses reduction due to a better access to the satellite and bulk markets. This has been set at a low level (5%) given the types of crops targeted are not the perishables but grains.

An evaluation of the volumes of trade was done in Kitgum with the Regional Chamber of Commerce and Industry (KRCCI). KRCCI registered the “agricultural produce buyers association” with 100 members. It estimates that there are around 5-10 individual traders in each of the ten sub counties. In Lamwo District, there are 40-50 individual traders located in the nine sub counties. Altogether it is estimated that 200 traders operate in the two districts (Kitgum and Lamwo). It is estimated that a trader deals an average of 3,000 bags per year (according to discussions with some of them) which is equivalent to a small truck per week (60 bags or 6 tons). It is therefore estimated that traders market around 60,000 tons per year through Kitgum but representing two districts (average 30,000 tons per district). There are around 200 registered small trucks (linking Kitgum to catchment production areas). During discussions, traders estimated that they would at least double their trading capacities if their main constraints were alleviated: (i) bad transport conditions from basins of production (bad roads), (ii) lack of proper storage conditions to collect enough volumes to attract big traders (iii) poor handling facilities for packing in required standards (50 kg bags), (iv) poor knowledge of marketing opportunities (boarder market, urban market) (v) lack of capital (low turnover of the running capital).

The benefits from road analysis are summarized below. To avoid double-counting these have not been separately reflected in the overall ERR computation. These are reflected either in the farm gross margins or in the satellite/ bulk market analysis.

	Y1	Y1	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10+
New Community Access Roads/a	0	200	200	300	400	300	150			
Cumulative Road Rehabilitation/ a	0	200	400	700	1,100	1,400	1,550	1,550	1,550	1,550
Economic Benefits (UGX)										
Traffic increase	0	5,032	10,065	17,613	27,677	35,226	39,000	39,000	39,000	39,000
Value of post-harvest loss reduction	0	1,258	2,516	4,403	6,919	8,806	9,750	9,750	9,750	9,750
Reduction in transport costs	0	2,516	5,032	8,806	13,839	17,613	19,500	19,500	19,500	19,500
Total benefits	0	8,806	17,613	30,823	48,435	61,645	68,250	68,250	68,250	68,250

a/ year in which roads are fully operational

Assumptions	Unit	
Roads rehabilitated/ constructed	km	1,550
Average roads per district	km	194
Number of districts	no.	8
Number of traders per district	no.	100
Volume of trade per district	MT	30,000
Distance covered by trip	Km	20
Without Programme		
Volume transported per truck/ trip	MT	6
Volume transported overall (without programme)	MT/ year	240,000
Number of trips/ year/ district	no.	40,000
Transportation costs/ trip	UGX/ MT	65,000
Average value of products	UGX/ MT	650,000
Value of products transported- Millions	UGX	156,000
With Programme		
Increase in traffic	%	25%
Volume transported by increased traffic	MT/ year	60,000
Cost of transported products per year (millions)/ b	UGX	195,000
Value of new products transported- millions	UGX	39,000
Value of post-harvest loss reduction- millions (5%) / c	UGX	9,750
Value of transport cost reduction- millions (10%) / d	UGX	19,500
Total incremental benefits at full implementation/ d	UGX	68,250

b/ existing and new transports

c/ based in the forecasted reduction to toefficiency in access to markets

d/ PY7

Operation and maintenance of community access roads (CARs)

According to the Community Access Roads (CAR) maintenance standards in Uganda of using road gangs, a road is segmented into on average about 2 km parts. Each 2km segment is allocated a road maintenance gang. The gang is paid UGX 100,000 per month which translates into UGX 1.2 million

for the 2 km road segment. This gives UGX 600,000 per Km/ year. The estimate of the CAR O & M costs has therefore been computed as follows:

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10+
Phasing of CAR roads construction	-	200	200	300	400	300	150			
Phasing of CAR roads (O & M)	-	-	200	400	700	1,100	1,400	1,550	1,550	1,550
Cost of maintance per KM/ Year- UGX000	600	600	600	600	600	600	600	600	600	600
Total CAR (O & M) costs- UGX000	-	-	120,000	240,000	420,000	660,000	840,000	930,000	930,000	930,000

V. Economic Analysis

Conversion Factor (CF) and shadow prices: For the purposes of the economic analysis, financial prices have been converted to economic prices unless there is justification for CF=1.

Labour pricing. In Uganda rural unemployment rate is reported as 40%. The financial wage rate for labour in rural Uganda is UGX. 7000/ day. Given the 40% unemployment rate, the economic labour rate is adjusted to 60% that is, UGX 4200, that is CF= 0.6.

For inputs such as fertilisers, herbicides CF=1 has been used because distortions through taxation have just been introduced. The unit prices were determined prior to the tax changes.

With above conversion factors the economic benefits based on the three farmer modes are presented in **table 4** below. From the three farm models presented, simple average shows that the household economic benefit will be increase from an average of **UGX 817,427** to **UGX 1,451,907**.

Table 4: Without and with project economic benefits (UGX)

Farm Models	Without Project	With Project	Increase
Maize (0.5 ha + Beans (0.3 ha) + Rice (0.2 ha)	648,780	1,234,680	585,900
Maize (0.5 ha) + Cassava (0.5 ha)	977,500	1,554,850	577,350
Beans (0.5 ha) + Cassava (0.3 ha)+ Rice (0.2 ha)	826,000	1,566,190	740,190
Simple Average	817,427	1,451,907	634,480

It is understood that the average household will not achieve this kind of income increase in one step, the increases would occur over a period of time. The following table sets out expected step-by-step increases in household farm income levels used in the economic analysis.

Table 5: Phasing in (scaling) of net economic benefits per Ha farmer

Project year	Ugx	Scaling Factor	Ugx
Year 1	634,480	0.3	190,344
Year 2	634,480	0.5	317,240
Year 3	634,480	0.6	380,688
Year 4	634,480	0.7	444,136
Year 5	634,480	0.7	444,136
Year 6	634,480	0.7	444,136
Year 7+	634,480	0.7	444,136

The phased in (scaled down) net economic benefit per farmer in Table 5 and the number of adopting farmers in Table 1 above allows estimates of the expected economic benefits that are used in the economic analysis. This is summarized in Table 6 below.

The results of the economic analysis justify the project's investments. The analysis shows that the project has the capacity to generate an economic rate of return (ERR) of 12% percent over a 20-year period. It is worth noting that, due to estimation-related complications, there are some benefits that would accrue to different stakeholders of the different value chains. It is, nonetheless, prudent to point

out that these other additional benefits will make the entire investment much more viable and beneficial to the nation as a whole through increased employment creation and tax revenues. Thus, the actual ERR will likely be higher than the 12% reported herein.

Discount rate for economic analysis: While assessing the profitability of the project “as a whole” an average passive rate of interest in the national economy has been based on the GoU public bonds which are trading at 10-14%.

The **project economic costs** used in this analysis exclude price contingencies, taxes and duties. To avoid double counting of costs, economic costs included in the estimation of models have been excluded given that these are already accounted for in the net benefit per farmer.

Sensitivity analysis. A number of scenarios were tested to establish the economic viability of the total project in the event of adverse factors. The ERR is relatively stable with regard to cost increases, benefits reductions and time lags.

Table 6: PRELNOR ERR Sensitivity Analysis

	ERR
PRELNOR Project – Base case	12 %
Benefits decrease by 10 %	10.9 %
Costs increase by 10 %	11.1 %
Benefits lag by two years	8.5 %
Benefits decrease by 10 % and lag by two years. Costs increase by 10 %	5.4 %

Table 7: PRELNOR Economic Costs and Benefits

		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10+
A: On farm benefits											
Total Famers		13,500	40,500	67,500	81,000	81,000	81,000	81,000	81,000	81,000	81,000
Adoption Rate		0.1	0.3	0.4	0.5	0.5	0.5	0.4	0.5	0.5	0.5
Adopting Farmers		1,350	12,150	27,000	40,500	40,500	40,500	32,400	36,450	40,500	40,500
Incremental Income per Farmer (Ugx, 000)		190	317	381	444	444	444	444	444	444	444
Farm level incremental benefitsBenefits (Ugx,millions)		257	3,854	10,279	17,988	17,988	17,988	14,390	16,189	17,988	17,988
B: Market access Infrastructures (including CAR impact)											
Satelite markets		-	50	74	124	140	140	140	140	140	140
Bulk markets		-	219	312	531	604	604	604	604	604	604
Total benefits (Ugx Millions)		257	4,123	10,664	18,642	18,732	18,732	15,134	16,933	18,732	18,732
Programme Costs(Ugx, Millions)		12,343	22,771	28,475	25,890	24,551	18,321	9,435	-	-	-
Recurrent Costs after Programme-End									1,551	1,551	1,551
CAR O &M Costs (UGX, Millions)		-	-	120	240	420	660	840	930	930	930
Net Economic Benefits		(12,086)	(18,648)	(17,931)	(7,487)	(6,239)	(250)	4,859	14,452	16,251	16,251
ERR		12%									
	NPV	1,847	UGX millions								
Interest discount rate		12%									
Sensitivity Tests											
Benefits down 10%											
Incremental Benefit		231	3,711	9,598	16,778	16,858	16,858	13,621	15,240	16,858	16,858
Total Project Costs		12,343	22,771	28,475	25,890	24,551	18,321	9,435	1,551	1,551	1,551
Net Economic Benefit		-12,111	-19,060	-18,877	-9,112	-7,692	-1,463	4,186	13,689	15,308	15,308
ERR	10.9%										
Costs up 10%											
Incremental Benefit		257	4,123	10,664	18,642	18,732	18,732	15,134	16,933	18,732	18,732
Total Project Costs		13,577	25,048	31,323	28,479	27,006	20,153	10,379	1,706	1,706	1,706
Net Economic Benefit		-13,320	-20,925	-20,658	-9,836	-8,274	-1,422	4,756	15,227	17,026	17,026
ERR	11.1%										
Benefits delayed two years											
Incremental Benefit				257	4,123	10,664	18,642	18,732	18,732	15,134	16,933
Total Project Costs		12,343	22,771	28,475	25,890	24,551	18,321	9,435	1,551	1,551	1,551
Net Economic Benefit		-12,343	-22,771	-28,218	-21,766	-13,886	321	9,297	17,181	13,583	15,382
ERR	8.5%										
All of the above											
Incremental Benefit		0	0	231	3,711	9,598	16,778	16,858	16,858	13,621	15,240
Total Project Costs		13,577	25,048	31,323	28,479	27,006	20,153	10,379	1,706	1,706	1,706
Net Economic Benefit		-13,577	-25,048	-31,091	-24,768	-17,408	-3,375	6,480	15,152	11,915	13,534
ERR		5.4%									

Annex 1: Crop Budgets

Maize

		Physical Quantities (Yields and inputs)							Prices	Financial Values (UGX)						Economic Values (UGX)					
		Unit	ut Projec t	With Project						Without Project	With Project					Without Project	With Project				
				1 to 20	1	2	3	4			5 to 20	1 to 20	1	2	3		4	5 to 20	1 to 20	1	2

Cassava

Cassava Crop Model		Physiscal Quantities (Yields and inputs)						Prices	Financial Values						Economic Values					
(Per ha)		Without Project	With Project						Without Project	With Project					Without Project	With Project				
	Unit	1 to 20	1	2	3	4	5 to 20		1 to 20	1	2	3	4	5 to 20	1 to 20	1	2	3	4	5 to 20
	Kg	7,000	7,000	7,870	8,740	9,610	10,500	300	2,100,000	2,100,000	2,361,000	2,622,000	2,883,000	3,150,000	2,100,000	2,100,000	2,361,000	2,622,000	2,883,000	3,150,000
	Bags	-	-	3	5	5	5	15,000	-	-	45,000	75,000	75,000	75,000	-	-	45,000	75,000	75,000	75,000
Unimproved Cassava cuttings	Kg	5	5	-	-	-	-	5,000	25,000	25,000	-	-	-	-	25,000	25,000	-	-	-	-
Resistant Cassava cuttings	Kg	-	-	3	3	3	3	15,000	-	-	45,000	45,000	45,000	45,000	-	-	45,000	45,000	45,000	45,000
Bagging	Bags	140	140	160	180	200	210	2,800	392,000	392,000	448,000	504,000	560,000	588,000	392,000	392,000	448,000	504,000	560,000	588,000
Self-consumption (5%)		350	350	394	437	481	525	300	105,000	105,000	118,050	131,100	144,150	157,500	105,000	105,000	118,050	131,100	144,150	157,500
Land clearing	Days	5	5	3	2	2	2	7,000	35,000	35,000	21,000	14,000	14,000	14,000	21,000	21,000	12,600	8,400	8,400	8,400
Ploughing	Days	3	3	3	3	3	3	7,000	21,000	21,000	21,000	21,000	21,000	21,000	12,600	12,600	12,600	12,600	12,600	12,600
Planting	Days	20	20	20	20	20	20	7,000	140,000	140,000	140,000	140,000	140,000	140,000	84,000	84,000	84,000	84,000	84,000	84,000
First weeding	Days	14	14	5	5	5	5	7,000	98,000	98,000	35,000	35,000	35,000	35,000	58,800	58,800	21,000	21,000	21,000	21,000
Harvesting/Hand	Days	10	10	12	14	14	14	7,000	70,000	70,000	84,000	98,000	98,000	98,000	42,000	42,000	50,400	58,800	58,800	58,800
Transport field to house	Days	2	2	3	3	3	3	7,000	14,000	14,000	21,000	21,000	21,000	21,000	8,400	8,400	12,600	12,600	12,600	12,600
Total Costs									900,000	900,000	933,050	1,009,100	1,078,150	1,119,500	748,800	748,800	804,250	877,500	946,550	987,900
Net Margins									1,200,000	1,200,000	1,427,950	1,612,900	1,804,850	2,030,500	1,351,200	1,351,200	1,556,750	1,744,500	1,936,450	2,162,100

Beans

			Physical Quantities (Yields and inputs)						Prices	Financial Values						Economic Values					
			Without Project	With Project						Without Project	With Project					Without Project	With Project				
		Unit	1 to 20	1	2	3	4	5 to 20		1 to 20	1	2	3	4	5 to 20	1 to 20	1	2	3	4	5 to 20
Yields		Kg	500	500	625	750	875	1,000	1,200	600,000	600,000	750,000	900,000	1,050,000	1,200,000	600,000	600,000	750,000	900,000	1,050,000	1,200,000
Operating																					
Inputs																					
	Un improved Bean seeds	Kg	30	30	-	-	-	-	900	27,000	27,000	-	-	-	-	27,000	27,000	-	-	-	-
	Improved Bean seeds	Kg	-	-	30	30	30	30	1,500	-	-	45,000	45,000	45,000	45,000	-	-	45,000	45,000	45,000	45,000
	Farm Yard	Ton	-	-	4	4	4	4	30,000	-	-	120,000	120,000	120,000	120,000	-	-	120,000	120,000	120,000	120,000
	Herbicides	Litre	-	-	4	4	4	4	7,000	-	-	28,000	28,000	28,000	28,000	-	-	28,000	28,000	28,000	28,000
	Bagging	Bags	10	10	11	14	14	14	2,800	28,000	28,000	30,800	39,200	39,200	39,200	28,000	28,000	30,800	39,200	39,200	39,200
	Self consumption (5%)		25	25	31	38	44	50	1,000	25,000	25,000	31,250	37,500	43,750	50,000	25,000	25,000	31,250	37,500	43,750	50,000
Labor																					
	Land clearing	Days	3	3	2	2	2	2	7,000	21,000	21,000	14,000	14,000	14,000	14,000	12,600	12,600	8,400	8,400	8,400	8,400
	Ploughing	Days	1	1	1	1	1	1	7,000	7,000	7,000	7,000	7,000	7,000	7,000	4,200	4,200	4,200	4,200	4,200	4,200
	Discing/Harrowing	Days	1	1	1	1	1	1	7,000	7,000	7,000	7,000	7,000	7,000	7,000	4,200	4,200	4,200	4,200	4,200	4,200
	Planting	Days	5	5	5	5	5	5	7,000	35,000	35,000	35,000	35,000	35,000	35,000	21,000	21,000	21,000	21,000	21,000	21,000
	First weeding	Days	5	5	3	3	3	3	7,000	35,000	35,000	21,000	21,000	21,000	21,000	21,000	21,000	12,600	12,600	12,600	12,600
	Second weeding	Days	5	5	-	-	-	-	7,000	35,000	35,000	-	-	-	-	21,000	21,000	-	-	-	-
	Third weeding	Days	3	3	-	-	-	-	7,000	21,000	21,000	-	-	-	-	12,600	12,600	-	-	-	-
	Harvesting/Hand	Days	4	4	6	7	7	7	7,000	28,000	28,000	42,000	49,000	49,000	49,000	16,800	16,800	25,200	29,400	29,400	29,400
	Drying	Days	4	4	5	6	6	6	7,000	28,000	28,000	35,000	42,000	42,000	42,000	16,800	16,800	21,000	25,200	25,200	25,200
	Threshing/Hand	Days	4	4	5	6	6	6	7,000	28,000	28,000	35,000	42,000	42,000	42,000	16,800	16,800	21,000	25,200	25,200	25,200
	Transport field to house	Days	1	1	1	1	1	1	7,000	7,000	7,000	7,000	7,000	7,000	7,000	4,200	4,200	4,200	4,200	4,200	4,200
Total costs										332,000	332,000	458,050	493,700	499,950	506,200	231,200	231,200	376,850	404,100	410,350	416,600
Gross Margins										268,000	268,000	291,950	406,300	550,050	693,800	368,800	368,800	373,150	495,900	639,650	783,400

Rice

Rice Crop Model																				
Per ha)		Physical Quantities (Yields and inputs)						Prices		Financial Values						Economic Values				
		Without Project	With Project						Without Project	With Project					Without Project	With Project				
	Unit	1 to 20	1	2	3	4	5 to 20		1 to 20	1	2	3	4	5 to 20	1 to 20	1	2	3	4	5 to 20
Yields	Kg	1 200	1 200	1 500	1 800	2 100	2 400	1 600	1 920 000	1 920 000	2 400 000	2 880 000	3 360 000	3 840 000	1 920 000	1 920 000	2 400 000	2 880 000	3 360 000	3 840 000
Operating																				
Inputs																				
Rice seeds Un improved	Kg	50	50	-	-	-	-	1 000	50 000	50 000	-	-	-	-	50 000	50 000	-	-	-	-
Upland rice seeds	Kg	-	-	50	50	50	50	1 600	-	-	80 000	80 000	80 000	80 000	-	-	80 000	80 000	80 000	80 000
Planting ropes	Ropes	-	-	13	13	13	13	2 000	-	-	26 000	26 000	26 000	26 000	-	-	26 000	26 000	26 000	26 000
NPK (Basal application)	Kg	-	-	40	40	40	40	3 000	-	-	120 000	120 000	120 000	120 000	-	-	120 000	120 000	120 000	120 000
Top dressing (Urea)	Kg	-	-	40	40	40	40	3 000	-	-	120 000	120 000	120 000	120 000	-	-	120 000	120 000	120 000	120 000
Herbicides	Litre	-	-	3	3	3	3	7 000	-	-	17 500	17 500	17 500	17 500	-	-	17 500	17 500	17 500	17 500
Farm Yard	Ton	-	-	3	4	5	5	30 000	-	-	90 000	120 000	150 000	150 000	-	-	90 000	120 000	150 000	150 000
Bagging	Bags	24	24	26	28	33	33	2 800	67 200	67 200	72 800	78 400	92 400	92 400	67 200	67 200	72 800	78 400	92 400	92 400
Self consumption (5%)		60	60	75	90	105	120	1 400	84 000	84 000	105 000	126 000	147 000	168 000	84 000	84 000	105 000	126 000	147 000	168 000
Labor																				
Land clearing	Days	1	1	1	1	1	1	7 000	7 000	7 000	7 000	7 000	7 000	7 000	4 200	4 200	4 200	4 200	4 200	4 200
Ploughing	Days	10	10	5	5	5	5	7 000	70 000	70 000	35 000	35 000	35 000	35 000	42 000	42 000	21 000	21 000	21 000	21 000
Discing/Harrowing	Days	1	1	-	-	-	-	7 000	7 000	7 000	-	-	-	-	4 200	4 200	-	-	-	-
Planting	Days	10	10	5	5	5	5	7 000	70 000	70 000	35 000	35 000	35 000	35 000	42 000	42 000	21 000	21 000	21 000	21 000
First weeding	Days	10	10	5	5	5	5	7 000	70 000	70 000	35 000	35 000	35 000	35 000	42 000	42 000	21 000	21 000	21 000	21 000
Second weeding	Days	10	10	5	5	5	5	7 000	70 000	70 000	35 000	35 000	35 000	35 000	42 000	42 000	21 000	21 000	21 000	21 000
Third weeding	Days	10	10	-	-	-	-	7 000	70 000	70 000	-	-	-	-	42 000	42 000	-	-	-	-
Fertilizing	Days	-	-	10	10	10	10	7 000	-	-	70 000	70 000	70 000	70 000	-	-	42 000	42 000	42 000	42 000
Bird scaring	Days	50	50	50	50	50	50	7 000	350 000	350 000	350 000	350 000	350 000	350 000	210 000	210 000	210 000	210 000	210 000	210 000
Harvesting/Hand	Days	16	16	-	-	-	-	7 000	112 000	112 000	-	-	-	-	67 200	67 200	-	-	-	-
Harvesting/Mechanised	Days	-	-	12	14	14	14	7 000	-	-	84 000	98 000	98 000	98 000	-	-	50 400	58 800	58 800	58 800
Drying	Days	4	4	5	6	6	6	7 000	28 000	28 000	35 000	42 000	42 000	42 000	16 800	16 800	21 000	25 200	25 200	25 200
Threshing/Mechanised	Days	6	6	3	3	3	3	7 000	42 000	42 000	21 000	21 000	21 000	21 000	25 200	25 200	12 600	12 600	12 600	12 600
Total costs									1 097 200	1 097 200	1 338 300	1 415 900	1 480 900	1 501 900	738 800	738 800	1 055 500	1 124 700	1 189 700	1 210 700
Gross Margins									822 800	822 800	1 061 700	1 464 100	1 879 100	2 338 100	1 181 200	1 181 200	1 344 500	1 755 300	2 170 300	2 629 300

Appendix 11: Draft project implementation manual

Appendix 12: Compliance with IFAD policies

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Appendix 12: Compliance with IFAD policies

I. Compliance with IFAD policies

28. The proposed project addresses two of the three Uganda COSOP strategic objectives: 1. The production, productivity and climate resilience of smallholder agriculture are sustainably increased; and, 2. The integration of smallholders into the markets is enhanced. The project complies with relevant IFAD policies on targeting, gender, rural finance, environment and climate change, and private sector development.

II. Environment and social review note

29. This Environmental and Social Review Note (ESRN) has been prepared in line with IFAD's Procedures for Environmental Assessment in the Project Cycle (EB 2009/96/R.7) using information gathered on site during the design process in March and June 2014. The environmental classification for the project is "B". No further information is deemed necessary to complete the ESRN and no formal Environmental Impact Assessment (EIA) is considered necessary for the whole project.

A. Brief Description of the Project

30. The Project for the Restoration of Livelihoods in Northern Region (PRELNOR) be implemented the seven districts of Agago, Amuru, Gulu, Lamwo, Nwoya, Kitgum, and Pader in the Acholi sub-region together with the adjoining district of Adjumani. The overall goal of the project is: *Increased income, food security and reduced vulnerability of poor rural households in the project area*. The project development objective is: *Increased sustainable production, productivity and climate resilience of small holder farmers with increased and profitable access to domestic and export markets*.

31. Two components - **A. Rural Livelihoods** and **B Market Linkages and Infrastructure** through their outcomes will contribute to the project goals and development objectives. **The Rural Livelihoods** component will enable a higher proportion of farm households, who are not yet market oriented, to achieve levels of production that enable them to take advantage of the opportunities offered by **Component B. Market linkages and Access**. The concept is much broader than that of enabling 10,000 of the poorest of the poor through household mentoring to benefit from increased crop production and net income. The food insecure households and the climate-vulnerable food secure households jointly account for 2/3 of the 18,000 farmer groups. With the addition of the 10,000 vulnerable households, they cumulatively account for 28,000 households, which is 78% of total beneficiaries.

32. **The Market Linkages** will link the increased production to markets which operate more efficiently, together with the more advanced households and groups that may move into PHH and value adding activities as their businesses develop. This will assist the increased crop production move from the main production areas supplying the satellite collection centres in each sub-county or district, and from there to bulk markets located in in sub-regional town such as Gulu and Kitgum or at major border markets. Market stakeholder platforms (MSP) based at each satellite or bulk market will focus on market development and link the main market stakeholders: producers, traders, transporters and agro-processors.

33. At community level, the project will promote the strengthening of farmer groups, and engage with community members to provide them with opportunities to address community development, livelihoods and agricultural productivity issues identified by the groups. Community based facilitators and household mentors will be trained to support the individual and group activities in the community. The livelihoods approach will be driven by a participative community development methodology to engage with all members of the community and to offer all community members a menu of production and natural resource management (NRM) activities to meet their identified needs. These will include individual activities such as household mentoring or group crop production development activities.

34. **Strategic partnerships** will be established with proven research, extension and implementation partners of GoU and IFAD in the Northern region and other parts of Uganda and the region to provide specialised technical skills and experience during the start-up phase. These partnerships will include working with established and developing farmer associations to deliver community level facilitation and technical skills, supported by the often limited resources of local governments across the project area, to the target community groups.

35. **Climate change.** The project will aim to increase the preparedness among farmers through facilitation of better weather forecasting techniques and information dissemination while simultaneously stimulating households to regularly engage in adaptive agricultural trials and tests to increase their production flexibility. These processes will form part of a learning process on climate change responses to be documented and communicated by the project.

36. The project will initially focus on supporting a limited number of the mainstream crops produced in the project districts for the already organised farmers and a livelihoods approach for the very poor households whose main focus is food and income security. The commodities to be promoted will be selected by the farmers from those already identified by Government, through the agro-ecological zoning exercise which includes maize, beans, rice and cassava.

B. Major Site Characteristics

37. The project area includes the seven districts of Agago, Amuru, Gulu, Lamwo, Nwoya, Kitgum, and Pader in the Acholi sub-region together with the adjoining district of Adjumani which belongs to the same agro-ecological zone as Amuru and Nwoya districts. The estimated population in this project area is 1.7 million rural people (2.11 million in total) or 340,000 households.

38. The sub-region has suffered most from the internal war than other areas in the north. Most of the internally displaced person's (IDP) camps were located there and the experience has had strong influence on two generations. Despite the gradual return of refugees, land use in the region is still low, with an estimated 90% of available arable lands currently not used. This is due to the lack of labour and tools for land-clearing, and compounded by the extreme poverty of rural inhabitants.

39. Nevertheless, the sub-region presents great potential for agricultural development. This is due to the following key factors: (i) an average land holding of 10.5 acres per household compared to the national average of about 5 acres per household; (ii) fairly fertile soils which can sustain rain-fed agriculture (though subject to degradation under inappropriate management); (iii) good average annual amounts of rainfall (despite recent climate changes)⁹⁶. The area is relatively flat with gentle rolling hills which, coupled with soft soils, present great potential for appropriate technology, such as animal traction/mechanisation for land preparation, planting, harvesting and transportation.

40. The vegetation in Northern Uganda is of savannah woodland type, with a rainfall of 1,100-1,500mm per annum, distributed in two rainfall peaks in some parts of the region. In the unimodal areas on the eastern side, the wet season extends from April to October with the highest peaks in May, August and October, while the dry seasons begins in November and extends up to March. The average temperature is 30-35°C with the minimum being 18-20°C. According to the CIAT supported Rapid Rural Appraisal (2014), the mean annual precipitation across Adjumani district is around 900 mm in the north and 1200 in the south. In Gulu, Kitgum and Nwoya districts the mean annual precipitation is about 1555, 1130 and 1500 mm, respectively. The mean annual temperature is approximately 23 °C in Gulu and Nwoya, and 24.6°C in Kitgum. In Adjumani, the annual temperature ranges from 19°C to 36°C. Kitgum and Adjumani have higher temperatures and are drier than the other two districts.

41. Rain-fed cropping represents the mainstay of the sub-region's livelihoods, but with low productivity. Predominant crops are cassava, maize, groundnuts, beans, sesame (simsim), and households also cultivate vegetables in small house-level plots. While the region used to support large amounts of cattle and livestock, the war and subsequent food insecurity has decimated the herds⁹⁷, leaving very few heads and a slow rebuilding process. Small stock is kept, but in small numbers (chicken, pig, goat). Aquaculture is also being practiced on a, very limited, pilot basis in some areas, through support from the extension services.

C. Issues in Natural Resources Management

42. Major issues related to natural resources management in the project area include:

43. **Increasing variability and uneven distribution of rainfall**, with an increase in seasonal variability and dry periods. According to the farmers workshops undertaken during the Rapid Rural

⁹⁶ARCC, Uganda Climate Change Vulnerability Assessment, 2012.

⁹⁷It is estimated that cattle numbers are only 20-30 % of the pre-conflict numbers and the average quality of the cattle remaining is lower as the better quality cattle were stolen or slaughtered.

Appraisal (CIAT, 2014), there is perceived climate variability. It is the unpredictability in rainfall with respect to the start, cessation of the rains, number of rainy days and long dry spells, which causes problems for agriculture in the region, and this is consistent with recent studies on rainfall patterns.

44. This has an impact on plant growth, as well as on farmer practices, since a late start of the rains leads to lack of preparedness on behalf of farmers. In parallel, there has been an increase in the number of severe rainfall events and climate extreme, including floods in some areas, and hailstorms that lead to crop and infrastructure destruction. This is further compounded by the lack of availability of reliable climate and agro-climate information or early warning system at the farm and district level.

45. **Soil fertility declines.** Although the soils in the area can be characterized as fertile, with good levels of organic matter, there are already signs of moderate to severe erosion, and in some areas, soil compaction could prove a challenge to water infiltration (CIAT, 2013). With rapid expansion there could be accelerated depletion of soil fertility and a proposed expansion of land under cultivation of single crop, without due attention to rotation or fallow, is likely to lead to rapid soil fertility declines.

46. **Deforestation.** The widespread use of fuel wood and need for timber among vulnerable households, coupled with the fact that charcoal production is one of the more readily available source of livelihoods for land-less households (or those who cannot cultivate their land), is leading to rapid degradation of soil cover in the targeted areas. This has potential implications for soil fertility at larger scale, soil erosion, as well as retention of soil moisture. Recent work by the CIAT indicates a clear correlation between population density, particularly around former IDP camps, and deforestation.

47. **Encroachment on wetlands** is becoming more widespread as rainfall becomes more erratic. Vulnerable households encroach on areas perceived as more fertile for vegetable production, and in some instances, are doing so with the encouragement of district extension services. This encroachment leads to degradation of biodiversity and agro-biodiversity, as well as water filtration and aquifer replenishment in areas.

48. **Bush fire** is a commonly used practice that can lead to severe degradation of the environment. Burning is still the main practice for land clearing, and while it leads to rapid re-growth that can be used for grazing animals, it also has negative impacts on long-term soil fertility. Accidental fires are also caused by setting alight areas to catch small rodents for food, as well as for charcoal production.

49. **Lack of access to adequate inputs** and tools for sustainable land management have exacerbated unsustainable land use. Improved seeds are not yet readily available, so productivity remains low and accentuated by less reliable rainfall. Pest management is also an issue, with high costs⁹⁸ for pesticides and herbicides making appropriate crop husbandry difficult, although this may have helped maintain levels of agricultural pollution to a minimum. Fertilizer use is not widespread, also due to the lack of availability of products. This situation could change once productivity and production increases, and therefore careful attention should be placed on appropriate agro-chemicals use.

50. **Access to water and sanitation** is low in the non-urban areas, although many houses have latrines and separate washing areas. An estimated 60% of people do not have ready access to safe drinking water in the project area. Drinking water is fetched from streams, rivers and boreholes when available, and the task of fetching water daily is incumbent upon women. Much of the water infrastructure, such as boreholes and safe wells, were destroyed during the war, and has been largely reinstated by Government of Uganda (GoU) programmes supported by donors and NGOs.

D. Potential Social and Environmental Impacts and Risks

51. The project targets the poor and vulnerable groups in the area, taking an approach that promotes farmer group formation and activities and cooperation to link producers to markets. PRELNOR will have positive social benefits including through its use of the household mentoring approaches, gender empowerment methodologies, as well as farmer group activities, including some use of farmer field schools, and business-skill training. Increased household level food security and

⁹⁸For both agro-chemicals and fertilisers, prices in the northern region are much higher (2-3 x) those of the same products in Kampala. This is partially due to the distribution costs of small quantities of products. This greatly reduces the cost-effectiveness of using them. These high input costs reduce the benefits of intensification compared to extensifying the crop production system by opening up more land for cultivation.

income are expected for all beneficiaries. Improvement of rural infrastructure, including roads and markets, is likely to lead to increased indirect socio-economic benefits.

52. The project will facilitate gender mainstreaming by focusing on women's interests and strengths, and by providing targeted gender-based training on agricultural production and agribusiness development at all levels of the value chain. Activities designed to provide improved production techniques, as well as the testing of household water harvesting, will provide labour saving mechanisms for women. In addition, the project will support the demonstration of fuel-saving stoves and biogas technologies to decrease the amount of fuel wood consumption, which will also contribute to reducing the labour load on women.

53. The project interventions mainly focus on strengthening farmer's groups and associations, promotion of commercial crop and livestock production, and improvement of market mechanisms and structures. Interventions focusing on small-scale producers will provide capacity development for adoption of sustainable and resilient production methods. Interventions focused on infrastructure will focus on providing access to markets, including through rehabilitation of access roads and market infrastructures. These interventions will integrate environmental standards as per Uganda legislation, and meet IFAD requirements. The interventions will take into consideration issues related to climate variability, climate extremes and climate change projections to ensure long-term sustainability of investments.

54. The mainstreamed climate resilience support funded through the ASAP grant will ensure that infrastructure investments supported through the PRELNOR will have enhanced environmental management, climate resilience capacity. For example, reconstruction of community access roads will reduce opportunities for erosion caused by improper drainage and lack of access diversions. The activities designed under the MAI Sub-component will make use of current track and road alignments, will not have significant earthworks within their limited unit construction budgets and are therefore not expected to create any major environmental impacts.

55. Environmental legislation in Uganda specifies activities required to be carried out during project implementation. In particular, the engineering designs for roads and marketplaces for all the approved proposals will be required to meet requirements of the environmental legislation of Uganda: the National Environment Act Cap 153, the Guidelines for Environmental Impact Assessment (1997) and the Environmental Impact Assessment Regulations (1998) as well as MoWT sectoral Policy Statements and Guidelines for mainstreaming cross-cutting issues such as: HIV/AIDS, Gender, Occupational Health and Safety and People with Disabilities into the road-sector.

56. Interventions in this project are expected to deliver environmental and ecosystem benefits. Improved production methods, including land preparation, crop and livestock husbandry, water and fertility management, as well as practices such as conservation agriculture and agro-forestry will contribute to improving the resilience and sustainability of production. Small-scale demonstrations of water harvesting technologies at household level will also be tested in order to build resilience to climate variability and erratic rainfall. Expansion of land under cultivation, which is expected to lead to some short-term extensive land clearing as labour and tools become available, will be mitigated through the use of sustainable land management practices. Similarly, the use of improved seed materials for key crops, which could lead to more rapid nutrient depletion, will be mitigated through the use of appropriate crop management, rotation, and input support.

57. Interventions to support producer groups will also support, based on demand, diversification into promising resilient agricultural value chains. Diversification from main crops will help build resilience to climate shocks, reduce dependency on single commodity for livelihoods, as well as promote agro-biodiversity. This could include woodlots for sustainable charcoal production and commercial timber, beekeeping, fruit trees, or other crops/livestock combinations. Support for value addition will also be provided, which will help build the productivity and efficiency in the area.

58. With specific reference to investments under the MAI Sub-component, the main potential environmental issue faced by the project is associated with the management and disposal of construction material off-cuts and debris and any excavation materials during infrastructure renovation/rehabilitation. In these investments, the relevant environmental guidelines will be applied throughout the investment decision-making process. District and Sub-county authorities will be responsible to ensure that all necessary environmental mitigation measures are built into

infrastructure designs and ensure their implementation during supervision of civil works by District Engineers.

E. Environmental Category

59. The environmental analysis conducted on the project interventions has determined that the project will not have any major long-term negative environmental impacts. While some minor negative impacts can be expected during the road construction programme, these impacts will be rapidly mitigated through appropriate climate-smart natural resource use practices and implementation of simple rehabilitation activities as construction is completed. In the long-term, the project is likely to lead to environmental benefits, by supporting the adoption of sustainable and commercially viable farming systems including conservation farming practices which will enhance the fertility and structure of the soils which are being degraded by the current farming practices.

60. Based on the above mentioned analysis and design features of the project and according to IFAD's Administrative Procedures for Environmental and Social Assessment in the Project Cycle (EB 2009/96/R.7) PRELNOR is classified as **Category B**.

F. Recommended Features to Improve Natural Resources Management and Mitigate Environmental Concerns

61. Measures included in the design to eliminate or reduce potential adverse environmental and social impacts, and to make better use of opportunities are presented in Table 1.

Table 1. Measures for Mitigating Negative Impacts

Project Interventions	Environmental Impact		Measures included to mitigate negative impacts in the Project Design
	Positive impact	Negative Impact	
1. Road and Market Infrastructure Rehabilitation	<ul style="list-style-type: none"> Reduced erosion caused by improper drainage and lack of access diversions as road designs will be enhanced to manage larger storm water flows. Innovative use of culverts under floodway's significantly reduces construction costs compared to bridges, allowing more culverts to be installed to prevent small perennial or storm streams damaging the community roads and stopping traffic flows. Increased access to markets and income from production 	<ul style="list-style-type: none"> Soil displacement during construction or rehabilitation Inappropriate management and disposal of construction material off-cuts and debris. 	<ul style="list-style-type: none"> Protect slopes and vegetation along road alignment. Upgrade road designs to take climate extremes into consideration (e.g. severe rainfall), for drainage systems. Ensure road design specifications and contract documents specify necessary preventative and remedial actions to minimise long term exposure of exposed, unstabilised soil during construction. Provide technical support to the Ministry of Works to upgrade construction standards in light of climate change Backfill and conservation of gravel borrow pits after the works completion. Incorporate agreed maintenance and operating processes into community and local government agreements for project road and market activities.
2. Farmland clearing and land preparation	<ul style="list-style-type: none"> Reduced soil erosion and improved water use efficiency; Stabilisation of existing terraced lands Reduced clearing (opening) of timbered 	<ul style="list-style-type: none"> Soils erosion during implementation; Decrease in vegetative cover, particularly close to perennial and seasonal water courses 	<ul style="list-style-type: none"> Avoid implementation in rainy season; Limit tree cutting and maintain anti-erosive structures Promote conservation farming using low-till or no-till practices to retain crop residues on the surface to slow rainfall infiltration and

Project Interventions	Environmental Impact		Measures included to mitigate negative impacts in the Project Design
	Positive impact	Negative Impact	
	areas.		over surface flows. <ul style="list-style-type: none"> • Encourage farmers not to cultivate natural drainage lines so vegetation is retained to slow water flows and prevent erosion. • Encourage contour planting or use of systematic planting holes ('zia') to retain more water for plant production and reduce overland water flows after heavy rain or storms • Production systems will be partly intensified allowing increased productivity and higher net incomes from the same areas being farmed, reducing the area of land that is cleared.
3. Small-scale water harvesting pilots at household levels	<ul style="list-style-type: none"> • Increased household resilience to climate change impact and variations • Improved capacity in coping with drought and rainfall variability • Improved food security and income when conserved water is used for house gardens 	<ul style="list-style-type: none"> • Minor soil displacement for construction 	<ul style="list-style-type: none"> • Conduct technical feasibility assessment prior to implementation;
4. Crop cultivation, tree plantation	<ul style="list-style-type: none"> • Increased coverage of vegetation by perennial crops and trees; 	<ul style="list-style-type: none"> • Potential unsustainable use of chemical fertilisers for crop production and polluting downstream water bodies 	<ul style="list-style-type: none"> • Training of beneficiaries on environmental-friendly production practices; • Promotion of organic farming (where labour is available and upon request from farmer groups, integrated pest management (IPM), conservation agriculture, agro-forestry • Use of bio-fertilisers and pesticides

G. Monitoring Aspects

62. During implementation, the climate change and environment specialist, based in the project management unit located in the project region, will maintain a watching brief on environmental issues arising through the production and productivity related activities or the market access infrastructure. The short-term climate resilient infrastructure specialist will visit field sites to ensure that the proposed changes in road and drainage structure designs are appropriate to the local conditions. The short term adviser will also develop a simple monitoring framework for the PMU engineers, district engineers and contract construction supervisors to monitor the impacts of construction activities and have a menu of appropriate remedial actions that can be implemented by the construction contractors if required.

63. Participatory environmental monitoring will be ensured specifically at community level as environment and natural resource management will be an integral part of their community development plans. The project social capacity development and production related training through the farmer field school approach will facilitate stakeholders develop their own vision on environmental and social issues of their community, besides the production aspects, and define appropriate indicators for self-monitoring..

H. List of Consultations

64. Consultations, including social and environmental issues, were carried out during the design mission with male and female members from the target groups, communities and officials at the community, sub-county, district and central level. Table 1 provides the contact details for relevant meetings.

Table 2. List of Relevant People Met

Name	Position / Agency	Telephone	Email
	Ministry of Local Government		
Santos Amaca	Project Engineer. MoLG/DLSP	0772536111	
Mavenja Jimmy	Project Engineer. MoLG/DLSP	0772578373	
Denis Magezi	Project Engineer. MoLG/CAIP	0772485884	
	Ministry of Agriculture, Animal Industries and Fisheries		
OkasaiOpolot	Director, Crop Resources	0772589642	
AnunciataAkuze	Gender Desk Officer	0772479309	
Judith Ruko	Sociologist, District Livelihoods Support Programme		
	NAADS		
Dr. Christopher Bukenya	Technical Services Manager	0772920587	
	Ministry of Works and Transport		
Mbadhwe John	Acting Principal Engineer for District and Community Access Roads	0414347338	
William Kabiho	Infrastructure Adviser	0784561144	
	Ministry of Gender, Youth and Training		
James Ebitu	Project Manager, Youth Livelihoods Project (YLP)	0772517531	
John Engabi	Project Officer for Acholi, Lango and West Nile sub-regions, YLP	0779085744	
	Ministry of Water and Environment		
Paul Isabirye	UNFCC Focal Point. Climate Change Unit	07772592032	
Deus Bamanya	Assistant Commissioner, Applied and Data Processing Department of Meteorology	783057966	bamanya@yahoo.com
Bob Natifu	Senior Climate Change Officer/ PRO for Unit	0701666778	
Dr. BabraSiegmond	Principal Project Officer - Adaptation	0771865053	

Name	Position / Agency	Telephone	Email
	Other Agencies/Programmes	???	
Andrea Ferrero	Attache, Northern Uganda Operations Officer, EU	312.701014	Andrea.ferrero@eeas.europa.eu
Okoth John Robert	National Programme Manager, FAO Uganda	0755442773	James.okoth@fao.org
Winfred Nalyongo	Programme Officer, Livelihoods/FFS FAO Uganda	0775921355	winfrednl@hotmail.com
Onesimus Muhwezi	Team Leader, Energy and Environment, UNDP	0716005139	Onesimus.muhwez@undp.org
	Makerere University		
Revocatus Twinomuhangi	Lecturer, Department of Geography, Climatic Sciences.	0772418660	rtwinomuhangi@yahoo.com
	Gulu District		
Olal Andrew Obong	District Engineer	0775080111 0776002255	aolalobong@gmail.com
Alex Ojera	District NRM officer	07726702652	
Dr. OkidaOchera	District Production officer	07726702652	okidochora@gmail.com
OkidiOchora	Head, Production and marketing Department		
Godfrey Oyet	District Fisheries Officer		
Dr Tony Aliro	District Veterinary officer	0716859189	
John Opira	Programs Manager, Arid Lands Information Network	0772509228 / 0782315000	jopira@alin.net
	Kitgum District		
James P'OkidiOkello	Senior Community Development Officer	0772890583	jpokello@yahoo.com
Bongomin Patrick	District Engineer	0772362467	
Livingstone Ocen	District Commercial Officer	0772848372	ocenlivingstone@gmail.com
Peter Abal	District Agricultural Officer	0772975114	peterabal@yahoo.com
	Adjumani District		
Frances Otema	Acting District Engineer, Adjumani District	0706677909	fotema@gmail.com
MasudiNasur	District Commercial Officer	0772672748	masudinasur@gmail.com
Fred Moini	District Planner		
Mesiku Harriet	District National Resource Officer		

Name	Position / Agency	Telephone	Email
Harriet Nkesimu	Sr. Land Management Officer	0772414329	harriettmesiku@yahoo.co.uk
Habib Abubakar	District Community Development Officer		
Aliga Patrick	Farmer, O		
	Alemi FAL Group (Pure Original Honey), Adjumani	0775934753	
Williams Guma	Veterinarian; Field Officer		
Aliga Patrick	Farmer, O		
Eberu Ezekiel	Alemi FAL Group (Pure Original Honey), Adjumani	0775934753	
Stella Mawadti	Farmer		
LuijaMoimi	Goat Farmer (Goats)		
Eiyo Jennifer	Farmer (NAADS Food Security)		
Gule Simon	Mango Farmer		
	Agago District		
Gabriel Oola	Senior District Community Development Officer	0789695220	gabrieloola@gmail.com Akullu2007@yahoo.co.uk
Grace Regina Akullu	District Gender officer	0772643397	
Mr. Ocan Peter	District Engineer	0782925515 0791126413	
	Pader		
Mr. Ocan Peter	District Engineer	0782925515 0791126413	
Benedict Obang	District Engineer		
FestoOkidi	DCDO		
Maurice Ochen	District Planner		
Catherine Asekenye	District NAADS Coordinator		
Catherine Asekeni	NAADS coordinator	0772381036	
Vincent Okello	Secretary of Pagware Village Farmers' Association	0782954875	
	Amuru District		
Obina Godfrey	District Production Officer, Amuru	0789815595	
John Bosco Olum	Community Development Officer	0712473188	
Anthonos	Amuru Commercial Farmers Association	0756939909	
	Lamwo District		

Name	Position / Agency	Telephone	Email
Leonard Auen	District Engineer	0392962391	
John Kelvin	General Secretary, Chamber of Commerce and Trade, Lamwo District	0772191930 0782687711	
Nwoya District			
Achaye Nelson	District Agriculture Officer	07883979914	nelsonachaye@yahoo.com
Ojok Robert	Road Inspector	0714600444 0753600444	
Frederick Okecha	District councillor for community development	0775084181	okechafrederick@gmail.com
Susan Night Asinduru	Assistant Community Development Officer	0779200805	asindysusan@gmail.com
Mr. Omara Emma	NAADS coordinator (telephone interview)	0772533797	
Dickens K Okot	Chairman, Chamber of Commerce and Industry, Nwoya District	0788681874	komadick@yahoo.com
NARO Ngeta ZARDI			
Dr. George Maiteki	Director. Zonal Agricultural Research Development Institute	0772323578	gamaiteki@yahoo.com
Otim Godfrey Anyoni	Agronomist	0788327490	otimgw@yahoo.com

Appendix 13: Contents of the Project Life File

Project Development Timeline

- Agreement at Completion Point: with provision for IFAD investment in Northern Uganda (January 2013)
- Uganda COSOP - including PRELNOR Concept Note (April 2013)
- Aide memoire, PRELNOR Identification Mission (December 2013)
- PRELNOR Identification Mission Report (March 2014)
- Aide memoire, First Design Mission (April 2014)
- PRELNOR First Design Mission Report (May 2014)
- Aide memoire, Second Design Mission (June 2014)
- PRELNOR, final PDR (September 2014)

Review

- Minutes of CPMT review of Identification Mission (February 2014)
- Minutes of CPMT review, First Design Report (April 2014)
- Comments from GoU on First Design Report (June 2014)
- Quality enhancement memorandum (May 2014)
- Minutes of CPMT review, second design report/ draft PDR (September 2014)

CPMT members (in-house)

East and Southern Africa Division (ESA)

- Perin Saint Ange, Regional Director
- Alessandro Marini, Country Programme Manager, Uganda
- Pontian Muhwezi, Country Programme Officer, Uganda
- Line Kaspersen, Associate Professional Officer, Uganda
- Ann Turinayo, Communication and Knowledge Management Consultant
- Elizabeth Ssendiwala, Regional Gender Coordinator
- Thomas Rath, Country Programme Manager, ESA
- Geoffrey [Livingston](#), Regional Economist

West and Central Africa

- Vincenzo Galastro, CPM, Niger

Policy and Technical Advisory Division (PTA)

- Tom Anyonge, Senior Technical Advisor, Rural Institutions
- Clare Bishop-Sambrook, Senior Technical Adviser, Gender, Empowerment and Social Inclusion
- Antonio Rota, Senior Technical Advisor
- Wafaa El Khoury, Senior Technical Advisor
- Guido Rutten, [Associate Professional Officer](#)
- Edward Heinemann, Senior Policy Advisor
- Rudolf Cleveringa, Senior Technical Advisor
- [Liversage Harold](#), [Senior Technical Specialist - Land Tenure](#)
- Francesca Borgia, PTA Consultant Rural Institutions
- Philipp Baumgartner, Technical Advisor, Markets and Value Chains
- Delve Robert, [Senior Technical Specialist - Agronomy](#)

Environment and Climate Division (ECD)

- Eric Patrick, Climate Change Adaption Specialist
- Steve Twomlow, ESA Regional Climate and Environment Specialist

Controller and Financial Services Division (CFS)

- Bernardino Fortuna, Finance Officer
- Robert Creswell, Senior Finance Officer

Office of the General Counsel (LEG)

- Marieclaire Colaiacomo, Counsel
- Sergey Kurakov
- Lin Jinge

Design Team

IFAD staff from headquarters, ESA Nairobi regional office and Uganda country office were heavily involved in the design process. These include: Alessandro Marini, Country Programme Manager; Pontian Muhwezi, Country Programme Officer; Line Kaspersen, Associate Professional Officer; Ann Turinayo, Communications and Knowledge Management Consultant; Tom Anyonge, Senior Technical Adviser, Robert Delve, Senior Technical Advisor; Francesca Borgia, PTA Consultant; Steve Twomlow, ESA Regional Climate and Environment Specialist; and Elizabeth Ssendiwala, Regional Gender Coordinator. Several experts contributed at different stages, including: Ian Teese, Senior Agro Economist and Team Leader; Davis Atugonza, Economist and Financial Management Specialist; Alice Carloni, Gender/Targeting and Participatory Planning Specialist; Bonny Ntare, Agronomist/Agricultural Extension Specialist; Stephen Ruvuga, Market Access/Farmers' and Agribusiness Organizations Specialist; and Nasser Kinaalwa, Road Water Harvesting Expert, RAIN Foundation; Jacob van de Pol, Agronomist/Agricultural Extension Expert; Thierry Lassalle, Institutions Development Specialist; and Ian Erikson, Team Leader during the identification Mission.

During the design process, the IFAD design team worked closely with a GoU team including: from Ministry of Finance, Planning and Economic Development - Maris Wanyera, Commissioner Aid Liaison Department; Charles Ogol, Principal Finance Officer/Legal, Collins Ishimwe, Economist; and AzizahNabitato, Economist; and from Ministry of Local Government's District Livelihoods Support Programme - Lawrence Kasinga, Programme Coordinator; Santos Amaca, Infrastructure Engineer; Jimmy Mavengina, Infrastructure Engineer; and Judith Ruko, Sociologist.

Appendix 14: Current and pipeline donor-supported programmes in the PRELNOR area

Development Partner	Programme Title	Partner Institution/ Implementation Agency	Total Budget	Start/ End Dates	Programme districts	Programme Focus
European Union	Agricultural Livelihoods for Recovery (ALREP)	Office of the Prime Minister (OPM)/ Subcontractors e.g. FAO	€20 m	2009-2014	15 districts in Acholi, Lango and Teso sub-regions - including all districts in Acholi sub-region except Pader and Agago)	Recovery and re-integrations: Agricultural production and productivity; and Rebuilding productive infrastructure of farming.
	Rebuilding Northern Uganda Livelihoods (under design)	MoLG / FAO	€55 m	2015 (duration tbd)	Northern Uganda	Strengthening capacity of Local Government Authorities at District and Sub County level in selected areas of Northern Uganda to sustainably deliver a minimum package of services in selected livelihoods sectors at a level at least at par with the Ugandan average. This will be through increased agricultural and livestock production; improved provision of complementary marketing and finance services; improved resilience of farmers and pastoralists to environmental degradation, natural disasters and land conflicts; and Improved downward and upward relevance and accountability of relevant Local Government authorities in provision of production and natural resource management services
World Bank/DFID	Second Northern Uganda Social Action Fund (NUSAF2)	OPM	\$100 m	Start: Nov 2009; End: Aug. 2014	Northern and Eastern Uganda (covers all districts in Acholi sub-region)	Livelihood Support Investment using the Community Driven Development (CDD) approach; community infrastructure rehabilitation; and institutional development for local governments' operations
World Bank	Competitiveness and Enterprise Development Project (CEDP)	Private Sector Foundation and Ministry of Lands, Housing and Urban Development (MLHUD)	\$100 m	Start: 2014; End: March 2019	Countrywide	Improving the competitiveness of enterprises by providing support for the implementation of business environment reforms, including land administration reform; and) the development of priority productive and service sectors. Land administration reform component (with an allocation of \$54 m) includes: (i) improving land administration; (ii) undertaking systematic registration of communal and individually owned land; (iii) implementing a program of actions for strengthening institutions and mechanisms for

Development Partner	Programme Title	Partner Institution/ Implementation Agency	Total Budget	Start/ End Dates	Programme districts	Programme Focus
						land dispute resolution; and (iv) implementing a program of actions for strengthening land administration and management institutions
WFP	Agriculture and Market Support/ Purchase for Progress (P4P)	MAAIF, FAO & NGO consortium	\$46.5 m	April 2009 to 2014.	National (including Acholi sub-region)	Connecting farmers to markets through market & rural infrastructure support: Activities include: Construction of 09 market collection points and 58 satellite collection points Construction of 320 Km of market access roads Strengthening market information systems Training farmers and small-medium traders in Postharvest handling and support to processing and value addition.
AfDB	Community Agricultural Infrastructure Improvement Project - Project 2 (CAIIP-2)	MoLG/ District LGs	\$70 m	Start: 2009 End: Dec 2014	Acholi, Lango and Teso sub-regions (covers all districts in Acholi sub-region but only 3 sub-counties in each and 15 km of access roads per sub-county)	To enhance farmers access to markets as well as attract competitive prices and increased incomes through improvement in rural infrastructure. Activities include opening and or rehabilitation of access roads; construction of market structures and setting up agro-processing facilities
IFAD	Vegetable Oil Development Project (VODP2)	MAAIF (private sector partners in oil seed sub-sector to be identified)	\$52 m + \$1 m grant to SNV for OSSUP	Start: 2011 End: 2018	North and East for traditional oil seeds, and Kalangala and Buvuma for oil palm (covers all districts in Acholi sub-region)	To increase domestic production of vegetable oil and its bi-products, thus raising rural incomes for smallholder producers. The project will help farmers increase production of crushing material and establish commercial relations to link them directly to processors

Development Partner	Programme Title	Partner Institution/ Implementation Agency	Total Budget	Start/ End Dates	Programme districts	Programme Focus
Danida	Agribusiness and private sector support (aBi Trust)	Private Sector/ Financial Institutions	\$57 m	Continuous	National	Value chain development focusing on enterprise/farmer organisations, finance and standards/Sanitary and phyto-sanitary sub-components
Netherlands	CATALST	IFDC/ Farmer based organisations, INGOs and MAAIF	€15m	Start: July 2012 End: Mid-2016	National	income generation and cost-efficiency in the cassava, potato, rice and (maybe) sunflower value chains. The strategy is a combination of production-push and market-pull through multi-stakeholder clusters.
	Agri-skills training in Northern Uganda	ICCO	€ 9m	Start: Nov. 2012 End: Dec. 2016	Northern Uganda	Business, Technical and Vocational Education and Training (BTNET) providers and men/women capacitated with agri-(business) skills
	Integrated Seed Sector Development for Uganda (ISSD)	Centre for Development Innovation - Wageningen UR	€ 5m	Start: 2012 End: 2016	North and South West	Developing Local Seed Businesses and improving enabling seed environment (quality assurance, access foundation seed
	TradeMark East Africa		€10m			Regional integration (border posts, rules and advocacy
DFID	Northern Uganda Agribusiness Programme	Abi, Private Companies, banks	£50m	Late 2014 (tbd) ; 5 year duration	West Nile, Acholi and Lango sub-regions	Market development, agri-finance