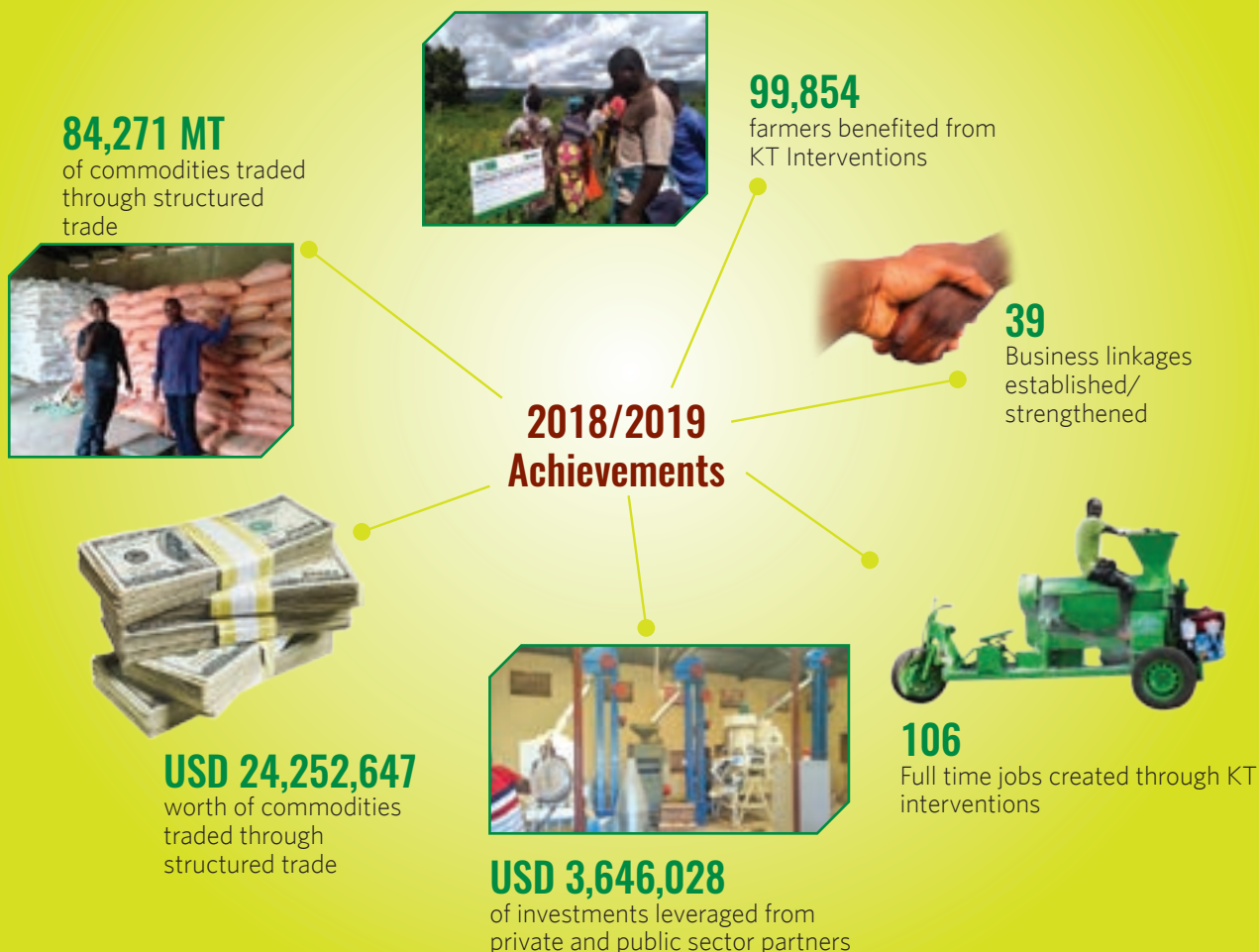


# ANNUAL ACHIEVEMENTS FOR FY 2018/19





# Welcome

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# Introduction

Kilimo Trust (KT) is an East Africa-based not for profit organization that was established in 2005 to contribute to broad-based wealth creation through agriculture and agribusiness development. KT is an implementing partner for agricultural projects on behalf of EAC governments, the private sector, regional and international development partners.

We are headquartered in the Republic of Uganda, with registered affiliated subsidiaries in Tanzania, Rwanda and Kenya. We have staff in each of the EAC countries to increase efficiency. As evidenced by our core values, we believe in partnerships and delivering value for money. We therefore seek partnerships that benefit from synergies and our expertise.

We began operations in 2005 as a Limited Liability Company (LLC) registered in Uganda to manage grants on behalf of Gatsby Charitable Foundation (GCF) and Rockefeller Foundation, with AAC as an investment arm. In 2008, re-registered as a Trust and in 2010, KT was re-branded from grant manager to implementer of agricultural projects and programs. AAC was divested and the proceeds were used to initiate agricultural projects implementation. Between 2005 and 2010, as a grant manager, KT managed over US\$13million, disbursed through 50 projects, that strengthened agricultural value chains and built capacity of small holder farmers. Leveraging our experience managing agricultural grants and value chains transformation, direct implementation of projects started in 2011 to better serve the region's small holder farmers and other agricultural value chain actors (including youth and women) in helping them become key players in local, national and regional value chains.

Our vision is to see "sustained and equitable wealth creation, food and nutrition security for smallholder farmers and other value chain actors". The mission is to make agri-business a transformative tool for wealth creation, food and nutrition security for smallholder farmers and other value chain actors. Rooted in private and public sector-based partnerships. We design our interventions in an integrated way to reach and effectively serve as many smallholder farmers and other value chain actors as much possible for each dollar spent.

## Over this past year, KT has:

- ▶ Increased its farmer reach to **237,146** as a result of additional **99,854** who are benefitting from our interventions in the past year
- ▶ Built capacity of actors to trade along the value chain. As a result, over **84,000** metric tons of commodities valued at over **US\$ 24Million** was traded through structured trade
- ▶ Leveraged over **US\$ 3.6 Million** from private and public sector investments.

Enjoy your reading of this publication and join us in the journey of agricultural transformation in the East Africa Community.





# KILIMO TRUST GOVERNANCE AND MANAGEMENT

The supreme governing body of Kilimo Trust is the Board of Trustees (BoT) that consists of eight (8) outstanding leaders in agriculture development and business in the EAC. BoT is responsible for overall oversight of KT operations and meet at least 3 times annually to assess performance and provide strategic direction. Together, Trustees bring first-hand experience on agriculture development gained over many years, working in senior positions with national and international public and private organizations/companies.

The current Board of Trustees is chaired by Prof. Joseph Mukiibi (a Ugandan and Plant Pathologist), with seven other members: (i) Dr. John Mutunga (a Kenyan, Social Economist and Hon. Member of Parliament); (ii) Mr. Fredrick Lule (a Ugandan and a Certified Chartered Accountant); (iii) Dr. Yvonne Pinto (a Briton with immense experience in Monitoring, Evaluation and Learning); (iv) Prof. Geoffrey Mrema (a Tanzanian and Agricultural Engineer); Mr. Vianney Kabera (a Rwandese and a Seasoned Business Man); Mr. Bruce Scott (a Canadian and Agricultural Specialist) and Prof. Ruth Oniang'o (a Kenyan, Food & Nutrition Scientist and Rural Development Specialist)

Daily operations of KT are headed by Dr. Mary Shetto (CEO), managing a pool of 28 full time staff and over 20 call on associates/consultants with competencies ranging from value chain development, agricultural economics and agribusiness, entrepreneurship, financial management, agronomy, extension, food Science and processing, ICT in agriculture, Monitoring, Learning and Evaluation (MEL), knowledge management, finance & administration etc.

## BOARD OF TRUSTEES



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**MUKIIBI**  
*Chairman - Board*



DR. JOHN  
**MUTUNGA**



MR. FREDERICK  
**LULE**



PROF. RUTH  
**ONIANG'O**



DR. YVONNE  
**PINTO**



PROF. GEOFFREY  
**MREMA**



MR. VIANNEY  
**KABERA**



MR. BRUCE  
**SCOTT**



DR. MARY  
**SHETTO**  
**CEO**





## Letter from the Board Chair

Prof. Joseph Mukiibi

I am pleased to make my remarks on the 2018/2019 annual report on the achievements of Kilimo Trust implemented projects across East Africa.

First and foremost, I want to thank all our partners who committed themselves to working with us in the past year. Much appreciation goes to the smallholder farmers without whom these achievements would not have been possible. I am happy that the dream of transforming over **500,000** smallholder farmers in the next five years started earnestly with over **85,000** smallholder farmers benefitting from our interventions in **2018/2019** financial year. I want to thank all our funders for entrusting their resources with Kilimo Trust; We will continue

to use these resources with the highest level of stewardship.

The annual report confirms that the diversity and quality of our interventions has continued to improve over the years. With the strengthening of digital solutions to value chain actors (especially smallholder farmers) and bringing in more women and youth into the agricultural value chains, the future of farming can only be brighter. On behalf of the Board of Trustees, I want to most sincerely thank all our implementing and funding partners together with our team

of dedicated staff for making the year **2018/2019** a success. As we look into the promising future, I want to call our friends to work with us in establishing mutually beneficial partnerships for all actors in agricultural development space in the East Africa Community.

Prof. Joseph Mukiibi  
Chair, Board of Trustees









# Message from the CEO

Dr. Mary Christine Shetto

It gives me great pleasure to present Kilimo Trust's annual report for the period 2018-2019. This financial year marked the beginning of the implementation of the new Kilimo Trust Strategy for Transformation of Agricultural Value Chains in East Africa 2018-2023.

It is worth noting that since the launch of the new strategy, the organization has been able to win **REACTS-II, CARI-II(GIZ), CARI-EA, and iMAP4CSA** projects worth **\$5,440,092**. We are therefore focused on delivering the promises we made in our strategy. With this funding we are able to reach **355,625** smallholder farmers and other value chain actors towards achieving our main goal.

We have implemented successful and innovative projects for the period under review whose results are reflected in this report i.e. CARI-II, REACTS-II, CHIPS, SIKIA

and by the MPA unit. The year also closed with start-up activities for CARI-EA and iMAP4CSA projects.

We're proud to be working with a wide range of dedicated individuals and organizations, from governments to private organizations who are working hard to see structured trade become the mode of commodity exchange across the envisaged borderless East African Community.







I am continually encouraged by the commitment and quality of our staff, who demonstrate tremendous dedication and

potential in developing and strengthening a strong and sound organizational culture, as we continue to refine and implement our strategic plans in the EAC.

Dr. Mary Christine Shetto

CEO

## Contribution to our strategic targets

KPI		Achievement on the last strategy (by June 2018)	5 Year strategy targets (from 2018-2023)	Achieved in year 2018/2019	Cumulative KT Results since 2011
Number of farmers benefitting from KT Interventions		137,292	500,000	99,854	237,146
Volumes (MT) of commodities traded through structured trade		216,648	800,000	84,271	300,919
Value of commodities (US \$) traded through structured trade		122,000,000	320,000,000	24,252,647	146,252,647
Value (US \$) of investments leveraged from private and public sector partners		48,000,000	45,000,000	3,646,028	51,646,028
No. of full time jobs created through KT interventions		-	1,500	106	106
Number of business linkages established		180	150	39	219







# ON-GOING PROJECTS

## Calories and Household Incomes from Potatoes Sub-sector (CHIPS) Project

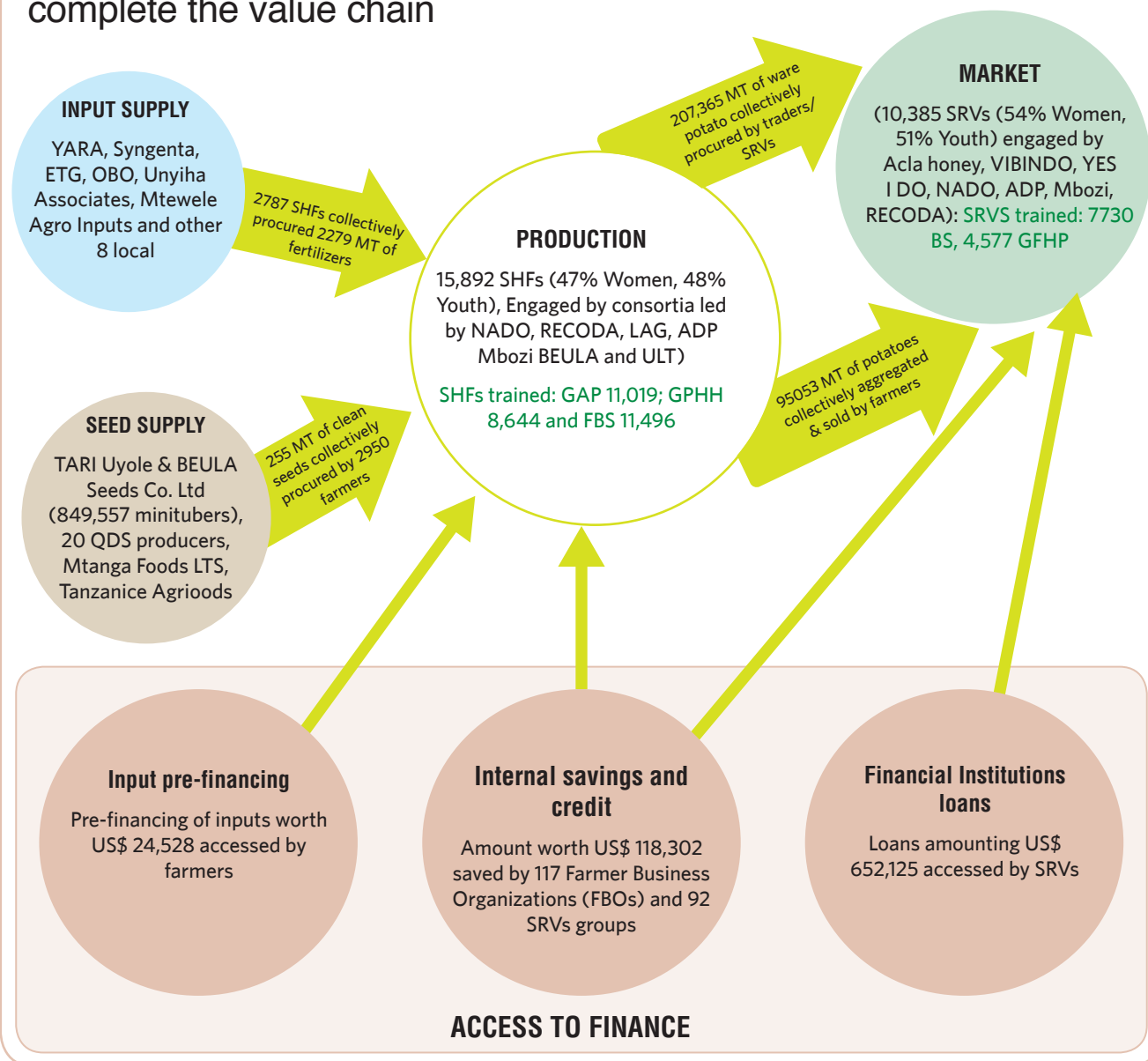
### INTRODUCTION

The Calories and Household Incomes from Potatoes Sub-sector (CHIPS) is a 4- year (2016 – 2019) project funded by Comic Relief UK which aims to increase productivity, efficiency, profitability and volumes of business involved in the potato value chains in Tanzania for at least 20,000 SHFs and 15,000 SRVs. The Project major objectives are:

1. Enhance effectiveness of collective marketing/procurement of outputs and inputs by trading associations and cooperatives of 20,000 SHFs and 15,000 SRVs.
2. Increase supply of market preferred potato and potato products by 18,000 SHFs and 12,000 SRVs.
3. Increase competitiveness and efficiency of trading in potato and potato products through sustainable business consortia.
4. Increase equitable involvement of women and youth in decision making and access to resources and benefits of potato value chain.
5. Improve capacity of KT and its partners in the development of SRVs business and trade associations for trade-based food security.

The project established different PPP consortia composed of private companies e.g Acla Honey Limited, Beula Seed Company, Lusitu Agribusiness Group; public institutions e.g Tanzania Agricultural Research Institute Uyole and Tanzania Agricultural Research Institute Tengeru; Farmer Business Organizations and Associations, Food Vendors and Retailers Organizations and NGOs e.g. YES I DO, Njombe Agricultural Development Organization (NADO), ADP-Mbozi and VIBINDO Society.

## CHIPS Project sub-consortia and how it connects the dots to complete the value chain





# CHIPS Project Achievements for FY 2018/19



15,349

beneficiaries have been engaged (9,219 farmers, 2,886 retailers and 3,244 vendors); making total beneficiaries engaged to date 26,277 beneficiaries (15,892 farmers, 4,363 retailers, 5,422 vendors)



26,807

beneficiaries trained in various aspects including GAP, GPHH, FBS, GFHP and Business and Entrepreneurship skills; bringing the total to 38,568 to date.



470,277

mini-tubers (potato seed at very early stage) produced bringing the total of 849,557 mini-tubers produced since project inception; this translated into 319MT of clean seed potatoes produced by two engaged firms.



188MT

of clean seed was accessed by farmers this year bringing the total to 255 MT of clean seeds accessed by engaged farmers



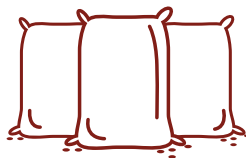
Facilitated 92 SRV groups and 94 FBOs to mobilize Internal savings and credit totaling to US\$ 113,003 bringing the total to US\$ 119,777.



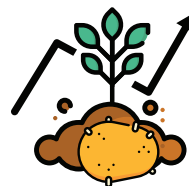
Facilitated access to finance for 754 SRVs who accessed loans amounting to US\$ 659,603 from financial institutions.



**152** farmers accessed **33** MT of fertilizers worth **US\$ 19,013** through collective procurement bringing total to **3,550** farmers who have accessed improved fertilizers through pre financing arrangements worthy **US\$ 24,167** since project inception.



A total of **33,091MT** were traded this year bringing the total to **207,365 MT** of market preferred ware potato collectively procured by traders, SRV groups and Acla Honey Enterprises directly from farmers.



Potato yields have changed from an average **9 MT/ha** to **13MT/ha**.



On average incomes from potatoes has increased by **33%** i.e. from US\$ 72/ha to US\$ 95/ha for farmers; while for retailers incomes have increased by 67% from US\$ 46/MT to US\$ 77/MT. For food vendors incomes have increased by 41% from US\$ 255/MT to US\$ 360/MT.









# Regional East African Community Trade in Staples (REACTS-II) Project

## INTRODUCTION

The Regional East Africa Community Trade in Staples Project-II (REACTS-II) is a 3 years' flagship regional project that supports small holder farming households and other value chain actors across the three East African Countries (Uganda, Kenya and Rwanda), to take advantage of structured national, regional and opportunistic international markets for agricultural products. REACTS-II commenced on 1<sup>st</sup> April 2018 and ends on 31<sup>st</sup> March 2021. The project is funded by Alliance for a Green Revolution in Africa - AGRA (US\$ 1,399,974) and implemented by Kilimo Trust.

REACTS-II was driven by the fact that limited access to guaranteed/reliable markets is one of the priority constraints hindering commercialization of agriculture by small holder farmers (SHFs) and general development of agricultural value chains. REACTS-II build on past investments by governments and development partners such as AGRA, USAID, DFID, IFAD etc.

REACTS-II was therefore initiated to address the underlying challenges for development of sustainable structured and integrated trading systems that drive effective and efficient smallholder farmers' access to inputs, finance and markets. REACTS-II interventions focus on the maize and beans value chains in Uganda; beans, green grams and potato value chains in Kenya; and beans and rice value chains in Rwanda.

REACTS-II project overall goal is to increase incomes by 20% for 315,795 small holder farming households (105,265 direct and 210,530 indirect beneficiaries) and 5% for other value chain actors (SMEs).

### **Achievement of the goal is through two main objectives:**

1. Strengthen and expand access to input and output markets, and
2. Improve value chain coordination efficiency in the maize, rice, potatoes and pulses value chains

## Private sector partners that REACTS-II is working with in different countries

Category	Country		
	Uganda	Kenya	Rwanda
Market offtakers	Equator Seeds; TOTCO; New Kakinga Millers; ZAABTA and Sanyu Investments	Cheptarit Star Ltd; Mwailu Enterprise Ltd; Tegemeo Cereal Enterprise Ltd; Zero Two Heroes Ltd; Gaea Foods Ltd; Twiga Foods Ltd and Gill Hills Ltd	BRG Ltd; East Africa Exchange (EAX); BABC; Izimano industry Ltd; Gafunzo Rice Co. Ltd; SODAR Ltd; Mukunguli Rice Promotion and Investment Company (MRPIC) Ltd; Kirehe Rice Co. Ltd; Gatsibo Rice Co. Ltd; Nyagatare Rice Co. Ltd and Mayange Rice Co. Ltd
Input suppliers	Equator seeds; NASECO; Grain Pulse; Green Firm Africa; CEDO Seeds; Africa One (ETG distributor), Grow More Seeds and Chemicals Ltd; and Juanco Group Ltd	Kenya Seeds Company; Bayer EA; Simlaw Seeds Ltd; MEA Ltd; Egerton University; Western Seeds Company; Nuru International; ADC Molo; Agri-co-East Africa Ltd; Kisima Farm; KOFAR Ltd and Soilcares Ltd	Yara Rwanda Ltd; RAB; Agro Processing Trust Corporation (APTC); and ENAS
Financial institutions	DFCU and Stromme Microfinance East Africa	Equity Bank; KCB; Consolidated Bank of Kenya, plus insurance companies	

## Overall key results expected for REACTS-II:

1. Atleast **105,265** smallholder farmers reached by at least one project intervention (i.e. access to productive assets, trainings and business linkages)
2. Atleast **US\$ 2,600,000** of new public or private sector investment in the agriculture sector leveraged by REACTS implementation **120,000MT** of produce, valued at **US\$40,560,000** traded national and across borders
3. Atleast **30** business linkages established between buyers and suppliers of produce
4. 6 end market assessment reports produced and disseminated
5. Atleast **6,529MT** of inputs (seed and fertilisers) accessed by engaged farmers
6. Atleast **US\$1,050,000** of finances accessed by value chain actors from financial institutions
7. 18 women owned/led enterprises and **18** youth enterprises supported along focus value chains
8. At least **200** youth providing technological services along focus value chains



# REACTS-II Project Achievements for FY 2018/19



Kilimo Trust was recognized in the Ministerial Policy Statement **FY2019/20** (under vote 10) for this contribution in building the capacity of **2,988** public and private extension workers in Uganda on different value chain development aspects.



REACTS-II is now working with **51 SMEs** (12 processors, 15 aggregators, 23 agro-dealers, 6 providers of equipment, and 10 financial institutions) who are linked to **202** farmer groups connected through **34** business consortia



**63,693** farmers have received at least one REACTS-II intervention



**43,072 MT** of produce, valued at **US\$14,621,307** traded (national and cross border) through structured arrangements



**3,457 MT** of inputs (seed and fertilizers) accessed by smallholder farmers



**74** seasonal supply contracts signed



**47,521** small holder farmers accessing business development services (either technologies, extension, credit or insurance)



**14** storage facilities upgraded



**3** alliances established (one in each country) to improve value chain coordination



**US\$ 521,819** accessed by value chain actors from financial institutions



**US\$1,105,865** of new private and public sector investment leveraged



**12** women owned/led enterprises and **8** youth enterprises supported along focus value chains



**212** youth providing business support services as village agents along focus value chains





# Competitive African Rice Initiative-Phase II (CARI-II)

## INTRODUCTION

The Competitive African Rice Initiative (CARI) Phase II is a 3-year (July 2018 – June 2021) project implemented in Tanzania and funded by the German Government through GIZ. The project in its 2nd phase is building on Phase I which ended in June 2018. In the 1st phase, notable successes which phase 2 is building on included; (i) at least 39,000 farmers received trainings (i.e. in Good Agricultural Practices, farmer business skills etc.); (ii) 30,000 farmers were linked to rice millers under contractual arrangements to supply good quality paddy; (iii) over 53,000 farmers accessed improved inputs, mechanization and other BDS services and (iv) at least US\$ 4.4 million accessed by rice VC actors from financial institutions.

In its 2<sup>nd</sup> phase CARI II aims to; (i) promote inclusive business models among the value chain actors; (ii) encourage knowledge exchange through Multi Actor Partnerships (MAP); (iii) improve access to financial services for VC actors; and (iv) improved policy environment for private sector actors.

### Private sector actors engaged in 2nd Phase include:

1. Raphael Group Limited leading SHRICO Consortium in Southern highlands of Tanzania; working with Obo Investments, Agriseed Technologies, NMB Bank and Yara Tanzania.
2. Mamboleo Farm Limited leading RIMAH consortium in Rufiji working with AMSHA institute and Ikwiriri district Council.
3. G2L Company leading the MRC consortium in Njombe and Mbarali districts in Southern Highlands of Tanzania; working with Obo Investments and network of local traders.
4. Musoma Foods Company Limited leading the SHYRICE Consortium in Shinyanga and Tabora regions of Lake Zone Tanzania; working with Shinyanga Farm Supplies and RUDI
5. Petrobena EA Limited in Morogoro regions leading the MVORICE consortium; working with Kupo Investments and Jibea Millers Limited.
6. Majinja Logistics Company leading the PSM – Momba Consortium in Songe region in southern highlands of Tanzania working with ADP-Mbozi.



## CARI-II Project Achievements for FY 2018/19



22,935

small holder farmers integrated in established consortia to supply paddy to six engaged market off-takers



7,908MT

of paddy sourced by engaged market off-takers



8,859

farmers trained on good agricultural practices



Kilimo Trust selected to be among a six member task force to review and draft Tanzania National Rice Sector Strategy



US\$ 2,540,163

accessed by value chain actors for pre-financing of inputs, upgrading storage facilities and working capital i.e. US\$ 548,203 was accessed by 6,984 farmers for inputs







SHAMBA DARASA LA  
TUNGA-YOIMU RUSUMBA  
MNY CHA KIMWEMI  
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ATUA - MBOLEA  
DAP



# Competitive African Rice Initiative East Africa (CARI-EA) Project



## INTRODUCTION

CARI-EA is a US\$ 3.1 Million 3- year program (from 1st April 2019 – April 2022) funded by USAID through AGRA. The project is implemented in Kenya, Tanzania and Uganda. CARI-EA aims is to enable locally produced rice in East Africa to competitively substitute the current over 300 million US\$ worth of rice imports to the East Africa Common Market. CARI-EA project will enhance rice processing, marketing, trade and production systems to enable the sustainable increase in incomes for additional 220,000 smallholder rice farmers in East Africa.

Specifically CARI-EA will;

- a) Increase productivity, commercialization, profitability and resilience for enterprises smallholder producers of rice.
- b) Strengthen and expand access and competitiveness in the national and regional markets for the locally produced rice.
- c) Strengthen local, national and regional enabling policy and institutional environment for optimal commercialization of the rice sector

## Anticipated CARI-EA results in the next 3 years:



**220,000**

smallholder farming households integrated in structured input and output markets.



**3 rice brands**

and 2 manufactured rice products, developed for EAC regional markets.



**500,000MT**

of paddy sold through structured markets 1 regional rice platform established.



**35,000MT**

of quality agro-inputs (seed & fertilizer) accessed by farmers.



**US\$ 6 million**

accessed by value chain actors from formal financial institutions.



**120,000**

value chain actors access finance and other business development services.



**US\$ 4 million**

leveraged from public and private sector.



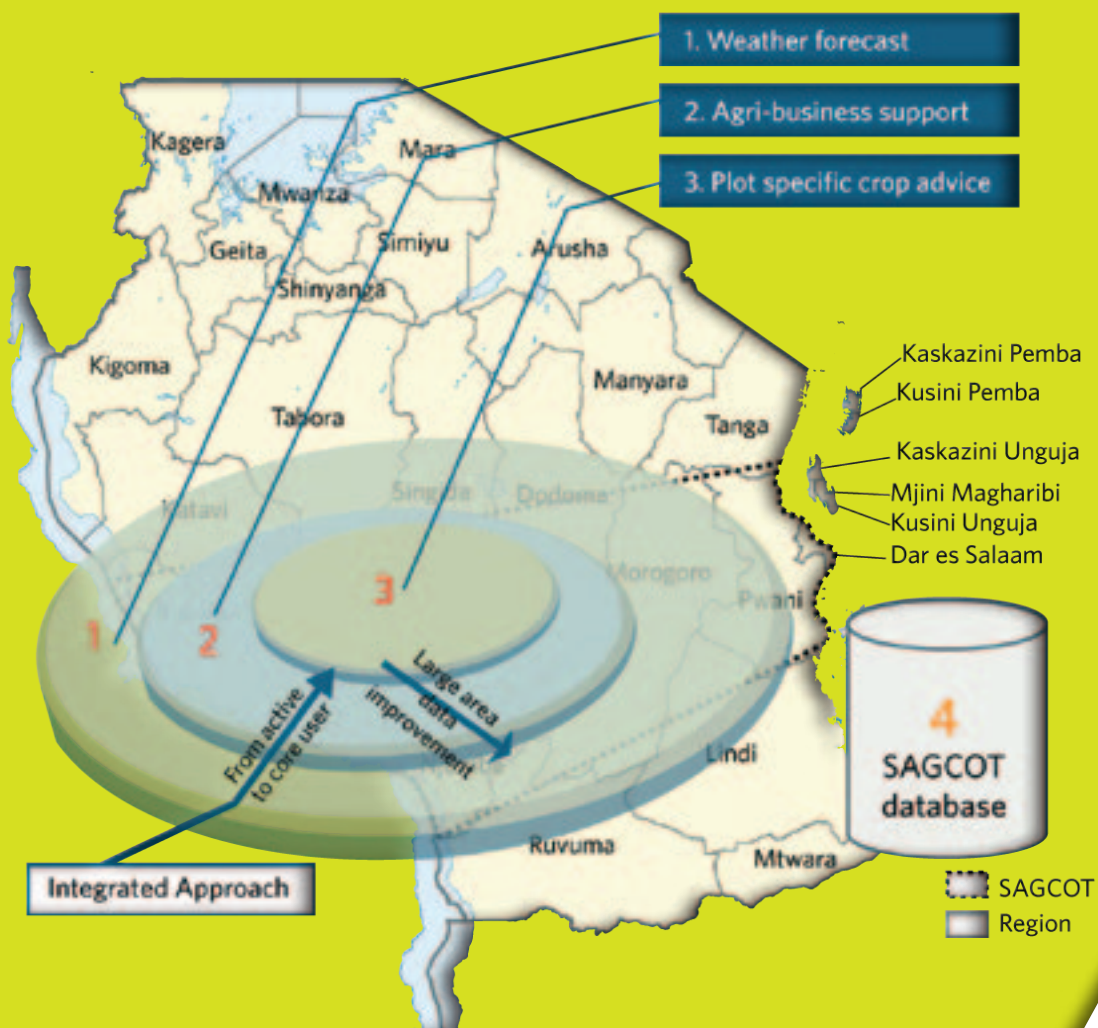
**246,000**

farmers and SMEs trained on identified capacity gaps.

# CARI-EA Project Achievements for FY 2018/19

- Inception and start-up agreed actions report
- Project Management Unit in place
- Biannual review actions report; including agreed actions on sub-grantee agreement with EAC have been reached
- 53 (22 Tanzania, 25 Uganda, and 6 Kenya) proposals were received and internal review of the proposals is on-going.
- Report of profiled Inputs and other business service providers





# SAGCOT Integrated Knowledge and Information for Agriculture - SIKIA

## INTRODUCTION

SAGCOT Integrated Knowledge and Information for Agriculture (SIKIA) project started on 1st October 2016 and will run for 3 years . The project employs the latest technology to provide reliable information to rice farmers in Tanzania(SAGCOT area) to increase their production and productivity especially in Mbarali, Busokelo and Kyela districts of Mbeya region in southern highlands of Tanzania.

The goal of this project is to realize the delivery of actionable information services, acquired from satellite geodata (e.g. environmental, crop status via Synthetic Aperture Radar(SAR) and plot boundaries information), augmented by more detailed data acquisition under the clouds (multispectral agronomic information) and web-based information.

The project is implemented in partnership with TechForce Innovations B.V, Netherlands; Milan Innovincy B.V., Netherlands; Kadaster International, Netherlands and Alliance for a Green Revolution in Africa (AGRA),Kenya

### Expected project results include:

1. **125,000** farmers and 400 other Value Chain Stakeholders using actionable information services
2. **15%** increase in food production (Yield)
3. **45%** increase in farmers income
4. Increase in value chain efficiency

### SIKIA Information services are

1. Weather forecast
2. Agri-business support
3. Plot specific crop advice
4. SAGCOT database

# SIKIA Project Achievements for FY 2018/19



**202** farmers were trained bringing the total to 3,228 farmers trained on farmer business school (FBS), good agricultural practices (GAPs) and good post harvest handling practices (GPHHPs) to date in Mbuyuni, Makwale, Kisegese and Kasyabone schemes.



**11,953** farmers' phone numbers were uploaded in SAF system and have been receiving weather information via SMS.



**18** radio sessions on rice GAPs and GPHHPs were aired on 2 radio stations (Bomba FM and Chai FM) in the districts of Mbarali, Kyela and Busokelo to increase farmers knowledge.



**50** plots in Mbuyuni scheme were monitored for rice crop growth performance during the season.



**220** agribusinesses registered in SAF system to receive information to support business decision making especially on paddy sourcing



**200MT** of paddy were sold through structured market linkages with off-takers



**3,347** farmers accessed improved inputs







# Iringa Mitigation, Adaptation, Productivity for Climate Smart Agriculture (IMAP4CSA) Project

## INTRODUCTION

IMAP4CSA is a 2-year project (June 2019 – June 2021) funded by the Belgian governmental cooperation through their development agency Enabel. The project falls under the Enabel's Digital for Development (D4D) program called Wehubit on scaling up digital solutions. The project targets to benefit 10,000 smallholder paddy farmers in Iringa region.

### Specifically the project aims to:

1. Mitigate climate change vagaries by promotion of Sustainable Rice Production (SRP) techniques among paddy farmers in Iringa.
2. Contribute to increased access to digital solutions by farmers through the provision of information services e.g. plot mapping and agronomic information via their phones.
3. Increase the utilization of digital information services provided to adopt improved paddy production techniques e.g SRP.

*No Results at the moment. The project is still engaging different stakeholders.*







# The Markets and Policy Analysis (MPA) Unit

## INTRODUCTION

The Markets and Policy analysis unit's specific objectives are to:

- Generate timely and accurate evidence-based information to influence strategies and programs of governments, the private sector, relevant institutions in the EAC partner states and development funders – in relation to expanding food trade in the EAC region.
- Support other programs/projects of Kilimo Trust in undertaking analytical work and provides evidence-based recommendations on the design and execution of interventions.

**A number of projects have been implemented by the unit and they include:**

### 1. East African Youth Inclusion Project (EAYIP)

The project started in March 2017. the project is a co-created project between Heifer International and the MasterCard Foundation (MCF) aimed at improving the livelihoods of the youth by creating jobs and entrepreneurship opportunities of 25,000 economically disadvantaged young men and women (ages 15-24) in Uganda and Tanzania. It is based on Heifer's East Africa Dairy Development (EADD) hub model. It will create youth owned and managed businesses as well as employment opportunities around hubs in dairy and other agricultural value chains. It is a \$19m project (funded with US\$18million from MasterCard and US\$1 million from Heifer International) implemented over a period of five-years (Oct 2016 - Sept 2021). Kilimo Trust is one of the Service Providers for EAYIP and is charged with undertaking market studies for value chains development in Tanzania and Uganda. In addition to this role, Kilimo Trust serves as the policy advisor for Uganda and works with ESRF in Tanzania to conduct policy analysis and disseminate the policy findings established.



## EAYIP Project Achievements

Between July 2018 and June 2019, we delivered the following:

1. Presentation of the policy report to Parliamentarians, NGOs and Civil Society Organizations (CSOs)
2. Developed two Value Chain Posters – Poultry and Maize and translated to Luganda
3. CSO mapping report that identified potential CSOs to work with EAYIP project on youth advocacy
4. Developed training manuals on youth advocacy
5. Developed three simplified policy briefs.
6. Trained 10 CSOs in EAYIP target districts on youth advocacy



## 2. Under REACTS-II project

- Two market characterization reports for potato and beans end markets in EAC were produced. These were later simplified into posters and brochures. Primary data collection was also completed for maize, rice and green grams markets.
- REACTS-II baseline report (covering Uganda, Kenya and Rwanda) was also produced to guide project implementation.

## 3. Consultancies for

### a). Centre for Agriculture and Bioscience International (CABI)

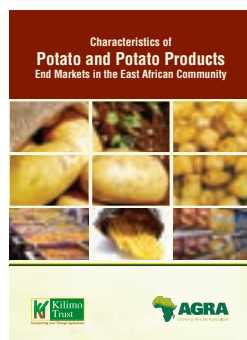
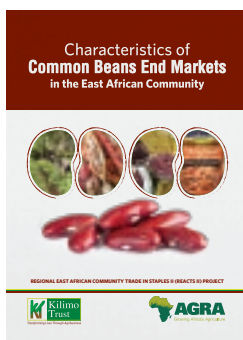
Market Report on “Fresh Fruits and Vegetables Trade in Kenya and Ethiopia with Potential for Uganda” was produced. Market study assessed opportunities to increase fruit and vegetable exports into both new and current markets with improved SPS compliance in Uganda. the study also looked at the policies, systems, self-regulating environment and infrastructure that support their trade.

### b). Ministry of Water and Environment, Uganda

An agribusiness needs assessment report was produced to guide Farm Income Enhancement and Forestry Conservation programme (FIEFOC III) project implementation in the 5 watersheds targeted by the project

### c). Richard MacJohn LLC

Scooping report produced to guide implementation of Agronomy to Scale (ATS) project produced. The identified the most promising entry points for the ATS initiative, compiled a database and assessed shortlisted partners capacity in East Africa (Uganda, Tanzania and Rwanda), and reviewed partner’s concept notes.





## Developing story 1: **Mismatch between demand requirements and production**

### *Case of rice value chain in Rwanda*

In Rwanda, REACTS II targets the Rice and Beans value chains. In partnership with the rice value chain actors in Rwanda, REACTS II established that inadequate access to quality rice seed is one of the biggest challenges faced by rice farmers and millers in rice schemes in Rwanda. Either the seed was not readily available when it was needed by the farmers or what was available was not the desired variety. This problem also affects the quality of paddy supplied to millers and the marketability of milled rice becomes a problem, making it less competitive to all types of imported rice.

To understand the underlying causes of the inadequate access to quality rice seed by farmers and how to effectively address the problem, Kilimo Trust team consulted key actors in the rice value chain – especially rice research program at Rwanda Agriculture Board (RAB), rice millers, rice farmer cooperatives and unions, and water users' associations. Consulted partners confirmed the inadequate access to rice seed and indicated. This is linked to lack of planning by farmers and millers to provide timely and enough information regarding the quantity and type/variety of seed required. This means that farmers start asking for certified seed towards planting season, yet it takes about 2 seasons for seed multipliers to avail certified seed that can be planted by farmers. In this case, if a farmer orders for a rice variety, it takes 2 seasons (1 year) for RAB to deliver basic seed to seed multipliers and 2 seasons (1 year) for seed multipliers to deliver certified seed to farmers (Total: 2 years).

The assessment conducted by REACTS II revealed that millers prefer long grain rice varieties because of their high milled rice yield, preference by consumers, they can easily compete with imported rice, unlike short grain rice varieties. Furthermore, short grain varieties increase milling cost (e.g. Factory rollers get finished faster, and it takes more time and electricity to remove the rice husk), difficult to grade, and are perceived as broken rice by consumers.

To solve inadequate access to quality market preferred seed by farmers, REACTS II through its consortium approach, worked with rice millers and RAB to drive seed production efforts. The partners organized planning meetings between rice partners in 12 major rice producing districts (Nyagatare, Gatsibo, Kayanza, Bugesera, Rwamagana, Kamonyi, Ruhango, Nyanza, Huye, Gisagara, Nyamasheke and Rusizi) between November 2018 and February 2019. The meetings were attended by millers, farmer cooperatives, water users' associations, and RAB officials from rice research program to understand requirements by millers and the capacity of farmers, seed multipliers and water users' associations to meet millers' requirements.

Unsold short grain varieties at one of the factories in Eastern Rwanda (photo taken in November 2018 when another harvesting season was to begin in January 2019).

These meetings also helped RAB to understand specific seed varieties required by specific rice cooperatives to meet the requirements of their target offtakers (rice millers). During this period, farmers in each of the 12 districts had an opportunity to visit and tour factory premises of their offtakers to understand how paddy is processed and the losses caused by poor quality paddy. About 10,600 MT of paddy worth US\$ 3.3 Million (all short grain varieties from last season) were found in the warehouses of 7 offtakers due to lack of market. All the long grain varieties had been sold and there was still a lot of demand for the same. This was a clear evidence of the big mismatch between what the market required and what farmers had produced.

It is a common practice for farmers to produce paddy without knowing or consulting offtakers on the required varieties. In addition, RAB can't produce enough basic seed on a given variety if it can't ascertain the demand from farmers and millers. As a result, to date working with seed multipliers, RAB has produced 9 MT of basic seeds harvested in 2019 B (June 2019).

This seed is expected to be availed to seed producers in December 2019. Based on the 2 joint plans agreed to, about 414 MT (worth US\$ 183,883) of certified seed is required annually by the 44 cooperatives. This is expected to result in about 55,200 MT of paddy (worth about US\$ 17 Million) to be supplied every season to 20 rice millers.





## Developing story 2: **Income diversification for private sector:**

*Musoma Food Limited taps more opportunities along the value  
Rice chain by opening an animal feeds processing plant*

Musoma Food Ltd (MFCL) is the biggest rice processing company in Shinyanga region processing paddy from smallholder farmers. Having been trained on how rice processing companies can maximize their profit by using paddy by-products under the CARI I project, the company selected animal feed as a business venture with a good return on investment. They have so far invested Tzshs 1.2 billion(USD 522,264) in the animal feed processing plant; 2 warehouses and purchase of processing equipment .The installed animal feed machine has a 5MT per hour capacity, but the current utilization is 5MT per day, this is due to inadequate access to the animal feeds market because it is still a new product to the area. Together with the CARI II Project, MGL is contacting potential markets and being linked to reliable suppliers of paddy.



Bags of chick mash as one of the rice bran products produced by Musoma Food Company Ltd Mwanza



## Developing story 3:

# Building the capacity of mill operators for increased milling efficiency

### *Case of rice factories in Rwanda*

Low capacity utilization of processing lines remains a major concern for many processors. This is partly attributed to inadequate capacity of factory operators. REACTS-II project in Rwanda identified that limited skills of rice processing operators is leading to milling losses, manifested in poor milling yields, and reduced quality of final products. To address the problem and increase Rwanda rice competitiveness, REACTS-II partnered with Brazafric Enterprises (Rwanda) Ltd (the leading supplier of rice factories in Rwanda) and trained 54 rice mill operators from the 5 major rice factories (Nyagatare Rice Co Ltd, Gatsibo Rice Co Ltd, Kirehe Rice Co. Ltd, Mayange Rice Co. Ltd, and Mukunguli Rice Co. Ltd) on milling efficiency. The training focused on: (1) Safety; (2) configurations of rice milling machines based on designs; (3) Maintenance & repair program and (4) maximization of output.

During the training, REACTS II also repaired some factory components that were affecting the entire milling process and milled rice yield. Some of the factory components that were repaired in most factories included; whiteners, hullers, de-stoners, graders and the pre-cleaners. Some parts required total replacing such as: (1) Cleaner connecting rods and eccentrics, (4) Whitener feeding screws, (5) Huller plastic buckets, (6) Elevator belts, (7) Whitener wear ring (protection ring), (8) Cleaner shaft bearings, (9) Huller bearings & eccentrics, and (10) Air-locks dust gaskets.

As a result, for some rice mills such as Nyagatare Rice Co. Ltd, milling yield increased from 62-65% to 68%. In addition, millers now understand the components/parts that lead to quantitative and qualitative losses. For MRPIC Ltd, the training helped the factory to obtain a product certification (S-Mark) from Rwanda Standards Board (RSB) due to the improved performance of the machines and improved skills of the operators.



Repairing the Grader and the De-stoner at MRPIC Ltd, Kamonyi district.



Worn-out Whitener Protection Ring that require replacement at Nyagatare Rice Co. Ltd







# Our Key Partners

Funding Partners		Past			
Current					
					
Private Sector		Rwanda	Tanzania	Uganda	
Kenya					
					
Implementing partners		Tanzania	Rwanda	Uganda	
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