

# Managing Change: Institutional Development under NAADS

## *A Field Study on Farmer Institutions Working with NAADS<sup>1</sup>*

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## Introduction

The National Agricultural Advisory Services (NAADS) program was launched in 2001 to contribute to the overall strategy of development for Uganda. The Government's core policy objective of poverty eradication is articulated through a strategic framework, the Poverty Eradication Action Plan (PEAP) whose principle goal is to provoke social transformation by raising incomes of smallholder communities. In order to achieve this, the Plan for the Modernization of Agriculture (PMA), specifically addressing the reasons for low productivity, was formulated. NAADS was designed to focus on increasing access to knowledge, technologies and information for profitable agricultural production and contribute to income generation through profitable agricultural-based enterprise development to ultimately ameliorate poverty. Therefore, NAADS is a specific and important part of the PMA.

NAADS is built on principles of participation, reducing poverty, strengthening farmer livelihoods and reducing the level of environmental degradation. Further, NAADS activities are oriented towards gender equality and an equitable distribution of benefits. NAADS first 3 years (2001-2003) had the establishment and strengthening of farmer groups (FGs) and farmer for a (FF) at sub-county and district levels as a key component. Farmer groups or institutions were to be oriented around identifying different commodity-based enterprises where service needs related to fostering enterprise development would be addressed through service provider contracts issued by the FF. A significant number of groups were in existence prior to 2001 while others were initiated during this inception phase. FG formation and registration and sub-county FF establishment was initiated after a period of sensitization, involving officials at the sub-county and district levels and the general farming community. Initially the FF were appointed though the aim was to eventually have a process that encourages representative selection from the FGs. The intermediate goal is to create grassroots institutions through which farmer demands are articulated, leading to the procurement of extension services.

Farmer institutional development (FID) is central to the NAADS. NAADS' initial evaluation of farmer groups revealed their weak capacity and limited empowerment levels that led to the invitation of NGOs during the start-up phase to facilitate the process of FID. Subsequent feedback from the grassroots had indicated progress as well as some issues arising. Some of the areas that have been highlighted requiring further and deeper investigation included: farmer group development involving agro-enterprise selection and development; roles and responsibilities of the various actors and how these are being carried out; inclusiveness, empowerment, and accountability; and technical service delivery itself. The implementation of the NAADS program and

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<sup>1</sup> This study was commissioned by the National Agricultural Advisory Services to the Coalition for Effective Extension Delivery, an R&D partnership aimed at empowering farmers to demand for – and to collectively govern – development services. The study was aimed at capturing lessons on farmer institutional development processes under NAADS three years after the policy went into effect that could be utilized to strengthen NAADS policy and implementation processes.

attainment of the vision of a decentralized, farmer-owned, and private-sector-serviced extension delivery system that can positively contribute to the realization of the agricultural sector development objectives demands an iterative lesson learning process with systemization and feedback of information to those involved with the aim of continuously improving the program. Therefore, it was decided by NAADS to more systematically review and assess the situation in the “Trail Blazing” districts to inform themselves and their supporters.

The Coalition for Effective Extension Delivery (CEED)<sup>2</sup> was commissioned by NAADS to undertake a review of FID (targeted at FGs and the FF) three years after the policy went into effect so as to document experiences, derive lessons and – based on the lessons and recommendations – suggest a future strategy so as to systematically continue the FID lesson learning and reflection process. The overall aim of the work is to improve the implementation processes and performance, and subsequent rolling-out to new locations.

## PURPOSE OF STUDY

The purpose of the “Farmer Institution Development” (FID) study was to carry out a systematic assessment of the FID process used during the initial phases of NAADS in order to learn lessons so as to build upon and further develop best practices and address other issues arising. The study team used a “performance assessment” approach by interviewing the actors involved as a way to gauge successful (or not) achievement of FID and in the process documented and examined relevant experiences and practices. Through a number of focus group, key informant and feedback sessions, the following areas were characterized and assessed:

- The process used leading to the formation or assimilation of new or existing farmer interest groups for the purpose of engaging farmers in service acquisition;
- The approaches used by NGOs specifically in farmer group formation and development;
- Farmer institutional capacity in handling the enterprise selection and prioritisation process;
- The degree of inclusiveness of the processes in relation to gender, age and poverty;
- The partnerships, linkages, and interactions between the Sub-County Farmer Fora and the Farmer Interest Groups;
- The communication of information and use of the issued guidelines by the various actors; and
- The roles and effects, if any, of farmer interest groups, different lobby groups and external influences on the process.

This assessment provides:

- A benchmark at a discrete point in time as to the status of FID for the purposes of reaching NAADS targets;
- Identification of good practices that lead to the desired results;
- Better understanding of the factors influencing the achievement of desired results, so as to improve support to policy implementation processes in future;
- A deepened conceptual understanding of FID and NAADS implementation, with specific reference to capacity needs and ways of improving inclusion of multiple interests and benefits that should be coming from the process; and
- Design of a lessons learning framework and process.

## METHODOLOGY

The CEED study team consultation with NAADS secretariat led to the selection of three of the initial six ‘Trail Blazing’ districts for the study, namely: Tororo, Soroti and Arua Districts. (There was a complementary study going on assessing service provision in the other 3 districts – Kabale, Mukono and Kibale). In each district, four sub-counties were selected that were involved in the first and second start-up phases, with 2 and 1 year involvement with NAADS, respectively. The criteria used to select sub-counties included: duration under the

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<sup>2</sup> CEED is a coalition of NGOs (CARE-U, African Highlands Initiative, Africa 2000 Network, Kabale District Farmers Assoc, and Africare) involved in R&D and are based in Kabale District. CEED has been active since 2002 working with farmers on NAADS and other development issues.

NAADS process; location related to the district headquarters; agro-ecological zones and nature of farming as indicators of potential types of enterprises; type of NGO intervention, and perceived performance under NAADS. The idea was to sample a variety of conditions so as to learn more from the study. The selection of FGs within the sub counties bore in mind whether the group was formed on the advent of NAADS or existed prior to introduction NAADS. A variety of groups were met including youth groups, people with disabilities, and HIV/AIDS groups. A total of 44 farmer groups with diverse characteristics and 12 farmer fora in 3 districts were interviewed in the study (see Tables 1 and 2).

**Table 1.** Number of sub-counties samples in study districts that were involved in the 1st and 2nd phases of NAADS roll-out

District	Number Sub-Counties Selected: Total Involved	Names of Selected Sub-Counties	NGOs Interviewed
<i>Soroti</i>	4:10	Bugondo, Asuret, Olio, Pingire	TEDDO, SODIFA, SORUDA, SOCADIDO, Health Needs Uganda
<i>Tororo</i>	4:10	Mukuju, Butaleja, Nawanjofu, Petta	Africa 2000 Network, TODIFA, Uganda Rural Development Program, Cash Farm
<i>Arua</i>	4:10	Ullepi, Vurra, Kijomoro, Lobole	CEFORD, WORLD VISION, Uganda Change Agents, CREAM

**Table 2.** Farmer groups interviewed during the study<sup>3</sup>

District	Sub-County	Farmer Groups		Farmer Fora
		Pre-NAADS	Post-NAADS	
Arua	Ullepi	3	2	1
	Vurra	2	2	1
	Kijomoro	1	2	1
	Lobole	3	1	1
Tororo	Petta	3	1	1
	Nawanjofu	3	2	1
	Mukuju	2	3	1
	Butaleja	3	0	1
Soroti	Asuret	1	0	1
	Olio	1	2	1
	Pingire	2	1	1
	Bugondo	2	2	1
<b>3 districts</b>	<b>12 sub counties</b>	<b>26</b>	<b>18</b>	<b>12</b>

CEED designed a “performance assessment” framework and checklists prior to field work, reviewed it with NAADS secretariat team and field tested it. (Refer to checklists in Annex 2; District data sheets in Annex 3). Once adjusted, the checklists were used as a means to assess the achievement and performance quality of what had taken place and had been implemented by the various actors. Each actor that was somehow involved in FID, individual farmers, farmer groups (NAADS and non-NAADS groups), NGOs, farmer fora members, NAADS coordinators, had its own indicators and checklists which were used at village, sub-county and district levels. (See Annexes 1 and 2) The steps in the FID process, as promoted by NAADS, were each investigated with these different target categories and included: sensitization, group inventories and registration, group formation and development; farmer fora formation and development; and enterprise selection and development. Other cross cutting issues included: inclusion of the poor, gender mainstreaming, and NRM.

<sup>3</sup>See the annex 3 for more detailed representative tables detailing various characteristics of groups.

The in-depth field work was preceded by a reconnaissance visit of two days to each of the study districts. The instruments and sampling regime were tested and shared iteratively with NAADS secretariat for further additions and refinements. An interim report on the methodology and issues arising for the field work were presented to NAADS secretariat and DFID for discussion. The field work commenced and lasted for 10 days in each district during which all the target groups were contacted.

The structured focus group discussions with the FGs addressed issues like their group histories, their involvement with the NAADS processes, their activities, and their interactions with other stakeholders in development such as NGOs, CBOs and the local government. Also discussed were the processes that the groups had gone through in order to be NAADS compliant and therefore capable of participating in NAADS programs. Selected farm visits were made. “Role plays” and “open debates” were used as innovative ways of creating environment for free dialogue and assisted in assessing the effects of the processes used to date in terms of NAADS objectives, roles responsibilities, perceptions and attitudes. In each of the selected sub counties the respective FF was consulted and focus group discussions held. An enumeration of NGOs in the district was made and interviews with NGO implementers of FID and other NAADS activities were held. CEED met with the District Core Team and NAADS coordinators at sub-county and district levels. The field visit culminated in a one-day workshop in each district where many of the interviewees plus other stakeholders in the NAADS process were invited for a feedback session and asked to verify and refine the findings.

In all interview sessions, the target groups were invited to share experiences, to identify emerging issues, and to make recommendations on the ways to improve the processes. CEED documented the various ideas, perspectives and experiences in implementing the entire process from “Sensitization to Enterprise Selection and Development”, the different approaches used by various districts and support NGOs, and the assessments made by the various actors. CEED then analyzed and assessed the overall effects of the approaches and processes on the capacity and performance of FGs and FF as agro-enterprise institutions.

## **Review of Concepts and Practices in Farmer Institution Development**

A review of selected literature sources provides a wide view of FID covering how the process is perceived, FID elements and possible strategies. Various challenges, such as inclusion and power relationships, are also highlighted. This is followed by a review of FID including steps in the context of NAADS.

### **THE ‘WORLD’ VIEW OF FID**

In recent years, the role of local institutions<sup>4</sup> for development has been underscored by many global sustainable development frameworks (WSSD, SARD, WB) and their importance is recognized by the farmers themselves, development workers, researchers, and policy makers (Bastiaansen, et al, 2002; Jutting, 2003). ‘Informal’ local, traditional groups have played a key role across the African continent in survival, social learning and support, labour sharing, risk sharing and have more recently been harnessed to plan and implement development activities. Both ‘newly formed’ and traditional institutions should be seen as complementary and used as building blocks for development; although typically, the local, traditional institutions tend to be ‘hidden’ to the public (outsiders) and therefore, are often not incorporated into development schemes. Nevertheless, the recognized value of local groups and institutions for development has been coupled with the upsurge in promotion and use of ‘participatory approaches’ which emerged given analysis of past failures and limited sustainability that more ‘top-down’ development approaches. The experiences of using local institutions by many different types of organizations (research, development, government, non-government, religious, etc) for R&D have been variable because of different methods and applications to different situations and purposes. There has been considerable debate with varying evidence of success on the ‘how to’ and ‘how not to’ work

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<sup>4</sup> For the purposes of this paper, we refer to ‘institutions’ as organized social structures that use ‘complexes of norms and behaviors that persist over time by serving collectively valued purposes’ and either prohibit or permit specific types of actions. They are responsive to opportunities and crises (Uphoff 1993; Jutting, 2003:13). Institution types might include: marriage and kinship, legal and political, economic and social – cultural. (Russell and Harshbarger 2003) An evolution might involve groups forming institutions that in turn form organizations, with each level being more complex in terms of management, structure, and organization.

with local institutions, and there are many issues emerging at this point in time related to the quality of management and support to the FID process.

It is generally agreed in literature that FID is a relatively complex process to manage and support – it is socially determined, dynamic and evolves over time. It is therefore important to recognize characteristics and dynamics that influence the functioning and evolution of farmer institutions or groups if one is to use or foster these for development purposes. For example, there are rules that structure how people get access to resources and adapt to new challenges and incentives (as well as rules for breaking rules). There are rules that govern status and ‘respect’ behaviour that directly affect lines of communication that can affect the efficiency and effectiveness of group management. Local institutions usually regulate their interactions with others through mutual agreement and/or through top-down control (Russell and Harshbarger 2003). As groups evolve into institutions, R&D organizations need to recognize what it takes to work with and facilitate local institutional development and change (see Box 1, Figure 1 and Table 2). Institutional change is a much longer, more intensive process than formation or reorientation of existing groups to work on specific short-term projects. This time factor and different needs of groups at different stages need to be factored in to development work supporting and using groups.

Hagmann et al (2003a) outline some of the basic considerations for local institutional development which has implications for group facilitators (for example, from NGOs and service providers) and the skills that they require. The process for developing the capacity of local institutions and innovation that they outline involves social mobilization, building trust, enhancing management capacities so as to better articulate demands and needs, and plan, implement and evaluate actions. The group’s capacity needs to be developed and supported to experiment with and assess technologies and NRM practices, to share information about their discoveries, and then move onto social processes that allow for enterprise development and management, in a more entrepreneurial way, as well as to link with other actors and to manage group processes as the opportunities and their capacity evolves.

In Box 1, theoretical stages of institutional evolution are outlined (Russell and Harshbarger 2003) where each stage will need different types of support. To facilitate the FID process considering the stages in Box 1 and Hagmann et al (2003a), FID facilitators would potentially need to have the following capabilities:

- An understanding of and orientation towards participatory development processes including human and self-development rather than purely technical development;
- A clear understanding of a variety of approaches and methods that they can draw upon, combine elements for their own work, and try out new ones to improve their ways of working;
- An understanding of and capacity to flexibly handle and adapt learning processes and systems approaches as vehicles for self-development (process management);
- Excellent communication and facilitation skills based on a positive attitude towards clients and performance;
- Communication skills and able to share freely with others;
- Identify effective linkages among people and institutions, as well as among technical disciplines – “building bridges” and bringing actors together are the aims;
- Technical knowledge on broader issues for advising farmers on topics related to solving their immediate needs and problems. Specialized expert knowledge can be obtained externally if required; and
- Knowledge and understanding of the management and organization of extension, including development towards effective extension (knowledge of what makes good management, leadership, etc.), so that front line staff are aware of their rights and opportunities and can both claim support and contribute to improved overall organizational performance.

Out of the number of challenges of managing and supporting farmers groups and institutions are the issues of inclusion of women and the poor and power relationships. A study conducted by CARE and CDRN in Uganda (CARE and CDRN 2002) pointed out some lessons in this area. They challenge the belief of many organizations supporting development that the needs and interests of poorer people are directly or indirectly represented through community-based organisations, and that working with CBOs is therefore a route to poverty reduction. The study found that these organizations working in the Uganda context often did not consider some important aspects when forming groups such as: that informal small, unregistered groups (such

**Box 1.** Stages of institutional evolution (adapted from: Russell and Harshbarger 2003)

*Early stage*

- Leaders develop ‘proto-institutions’ or adapt existing institutions to deal with new challenges and opportunities
- Original leadership guides the group by force of charisma (e.g. by promise of incentives and/or sanctions)
- Incentives and/or sanctions begin to play a role in shaping people’s behaviour.
- Conflicts over benefits and access to resources begin to occur as incentives come on line (conflicts can happen even before benefits flow to those participating in the institution, depending on how potential benefits are perceived)
- Conflicts lead to dissolution of group/end of effort – individuals pursue own strategies.

*Mid stage*

- Institution survives conflicts and challenges to and changes in leadership
- Institution grows: Contact is made with other, similar institutions, rules and regulations become formalized
- Institution grows too big, exceeds its mandate, loses touch with its constituency (e.g. the tendency toward federations of local groups) benefits flow only to leaders, and leaders are not doing the work

*Mature stage*

- Institution becomes deeply rooted in communities, as part of daily life (e.g. church and school), or integrates into such deeply rooted institutions

as digging or stretcher groups) exist and can be utilized for development purposes; that income generation is by far the most common objective of the groups; and that often farmers form a ‘formalised’ group to take advantage of external benefits coming in the form of aid. The large amount of aid provided as ‘handouts’ has become a major source of benefits and is creating dependency and opportunism. CDRN found that self-help groups usually include a high proportion of the poorer members, but that groups formed by ‘outsiders’ often have more varied membership. Self-help groups tended to be beneficial to the poorer sections of the community because group benefits go directly to individual group members. Whereas small economic groups that were started by outsiders included poorer members and women but decision making and leadership was dominated by the better-off members. Sometimes externally stimulated groups had certain requirements (formal registration; a focus on a commercial agricultural enterprise) which prevented poor people from taking part. There are also social barriers that keep the poor from participating. These findings are similar to what has been reported elsewhere, hence, strategies are required to overcome these and other bottlenecks related to minority group involvement and benefits. Haggmann et al (2003b) offer some strategies and possible ways to implement an FID process that includes the poor (Table 3).

## NAADS VIEW OF THE FID PROCESS

The *aim* of NAADS is to develop demand driven, client oriented, and farmer-led agricultural advisory service delivery system, in particular targeting women and the poor. NAADS is grounded in the Ugandan government’s overarching policies of: decentralization, liberalization, and increased participation of the people in governance. NAADS is seen as *a reform process*, and as such is meant to assist in transforming the role of farmers through empowerment so they can gain access to and have control over agricultural advisory service provision, market information, and technological development and in transforming the role of those that support farmers in their development. This means that there must be a change in the various roles of all the actors (service providers, farmers and their groups and other development support agencies), in the development of their capacity to perform these new roles, and in the mode of operation of agricultural advisory service providers that will culminate in a shift from public to private support and control.

**Table 3.** Potential elements and strategies for implementing FID (*Cornerstone 8: Local organisations, groups and associations representing the poor as building blocks*)

<b>CONTENT*</b>	<b>KEY STRATEGIES &amp; PROCESSES</b>	<b>POSSIBLE WAYS TO IMPLEMENT</b>
Understanding organisational arrangements and options	<ol style="list-style-type: none"> <li>1. Understand the existing local organisational situation, opportunities and challenges;</li> <li>2. Develop the best possible ways forward in the local context;</li> <li>3. Make space for new kinds of local organisations and collaborations through exposure to alternative ideas and arrangements.</li> </ol>	<ol style="list-style-type: none"> <li>1. Identification and analysis of relevant traditional and modern organisations and institutions, and recent experiences;</li> <li>2. Obtaining advice and support from expert or local opinion leaders;</li> <li>3. Supporting exposures, peer-to-peer interaction, workshops, documentation, literature and advocacy (general as well as targeted);</li> <li>4. Upscaling;</li> <li>5. Participatory assessment of the actual and potential role of women as entrepreneurs and in the setup of organisations and networks.</li> </ol>
Motivating self-mobilisation to create effective organisations	<ol style="list-style-type: none"> <li>4. Analyse the needs, investment and benefits of effective organisation;</li> <li>5. Offer a dynamic menu of choices to rural entrepreneurs, self-employed persons and other relevant stakeholders, supported by analysis and assessment;</li> <li>6. Use the organisational capacity of women;</li> <li>7. Foster the participation of women in organisation and training, or help to set up organisations of women where appropriate.</li> </ol>	<ol style="list-style-type: none"> <li>1. Reviewing of experience;</li> <li>2. Encouragement of studies and exposure;</li> <li>3. Promotion of people-to-people interaction.</li> </ol>
Facilitating organisational development and strengthening	<ol style="list-style-type: none"> <li>8. Clarify and articulate organisational visions, purposes and objectives;</li> <li>9. Assess the feasibility of enterprises, organisations and collaborations;</li> <li>10. Select members or partners participatively, equitably and independently;</li> <li>11. Foster active participation of women in the organisation and give them training to improve their abilities and standing in the organisation;</li> <li>12. Develop organisational visions, constitutions, culture and norms;</li> <li>13. Mobilise resources and support (including financial, human, technical, advisory, training, materials and equipment);</li> <li>14. Plan, manage, monitor, evaluate, review and develop mechanisms for organisational development;</li> <li>15. Access external support for start-up and capacity building;</li> <li>16. Review the progress of organisational development;</li> <li>17. Provide targeted or customised support to specific units when necessary.</li> </ol>	
Ensuring that organisations, partnerships and networks graduate and evolve to higher and appropriate levels of formalisation	<ol style="list-style-type: none"> <li>18. Expand and strengthen links and collaborations, especially where complementary interests of disadvantaged people are involved;</li> <li>19. Formalise organisation as appropriate;</li> <li>20. Facilitate linear integration and organisational development (e.g. apex organisations);</li> <li>21. Seek representation and a voice in local and other levels of government;</li> <li>22. Widen and consolidate networks and forums;</li> <li>23. Consolidate vision, long-term strategies, plans, and resource mobilisation;</li> <li>24. Make sure that the economic benefits of self-organisation are fully recognised and explored by the members.</li> </ol>	

Source: Hagmann et al (2003b)

NAADS documents refer to farmer institutions and support to their development as the “foundation” or a major pillar of the NAADS program (NAADS 2002; NAADS 2003a). Further, farmer groups are seen as ‘core grassroots institutions of the NAADS Program and their effective participation and subsequent empowerment will be the principle determinant of success of NAADS and the PMA’ (NAADS 2001). There is an expressed desire that primary responsibility for formulating the demand would be vested in farmer groups (FGs) and that the amalgamation of the demand, deciding on services to be provided, arranging contracts and monitoring service providers would be decided by the Farmer Fora (FF). The Farmer Fora (FF) have members from the FG who are elected to the executive and procurement committees and include selected government representatives at sub-county, district and national levels. Thus, the FGs and the FFs are considered prime entities and are the main avenues for realizing farmer empowerment. The operations of the FGs and FF are supported by Local Government, Private Sector, NGOs, and NAADS coordinators.

Historically, Uganda has had a tradition of supply driven research and extension interventions, and government officials perceive their roles as that of giving directions, often based on ‘blanket’ recommendations, approaches or guides, on what the communities should be doing and not the other way round. In the 1980s and 1990s, Ugandan farmers received extension services through the government’s Directorate of Extension, which relied heavily on a modified Training and Visit system funded by the World Bank (WB). With the end of the WB-funded extension project and the implementation of the government’s decentralization policy in the late 1990s, district level extension workers were put under the direction of the District governments. Various models of farmer groups, farmer field schools, farmer research groups among other types have been fostered through various project support to government, NGOs and the private sector including projects funded by DFID and FAO that specifically promoted FID. NAADS intention has been to build upon these efforts as well as support other self-organized groups. It should be noted that each of these project interventions impact on the local institutional environment, that is, new social structures resulting from inter-project and project-community interactions emerge as the local people are consulted, meetings are organized, resources and other services are provided. External rules (procedures, regulations and values) may replace or meld with local rules. Continuity can be an issue as well as loss of indigenous structures and management systems.

When NAADS started in 2002 it started to promote another FID model. NAADS basically describes steps in the process and provides a general organizational concept as a guide, but does not go so far to describe processes and strategies by which to support FID which has been left up to the contracts and NGOs, service providers and others who are doing FID along side NAADS (NAADS 2001). These are depicted in Figure 2 below. Organising and strengthening farmer institutions (FI) therefore has been one of the major starting activities in the districts where NAADS is being implemented. The process of organising and strengthening FIs has involved the following steps:

- Mass Mobilisation and Sensitisation;
- Group Formation and Development;
- Farmer Fora Formation and Development; and
- Enterprise Selection and Development.

Bingen, (2004) observed that the Ugandan Farmer Fora model and those from selected countries in western Africa, (namely, the “Chambres d' Agriculture model” introduced in several French-speaking West African countries and the “CNCR model”<sup>5</sup> from Senegal) share several common features including decentralized decision making and planning with local government bodies. Through these features each model seeks to improve the delivery of services to farmers, accommodate their concerns, and sometimes their policy interests. NAADS secretariat and coordinators are concerned about quality and outcome of the FID work implemented to date, but have neither conceptualized FID deeply (as illustrated in the literature review above), nor what it might take to achieve it, which is one reason for commissioning this study.

In all of the NAADS documents and discussions, there is a keen desire to ensure inclusion of the poor and women in the process. Numerous studies and a recent strategy have been developed in this direction with recognition that this is an operational challenge (NAADS 2003b).

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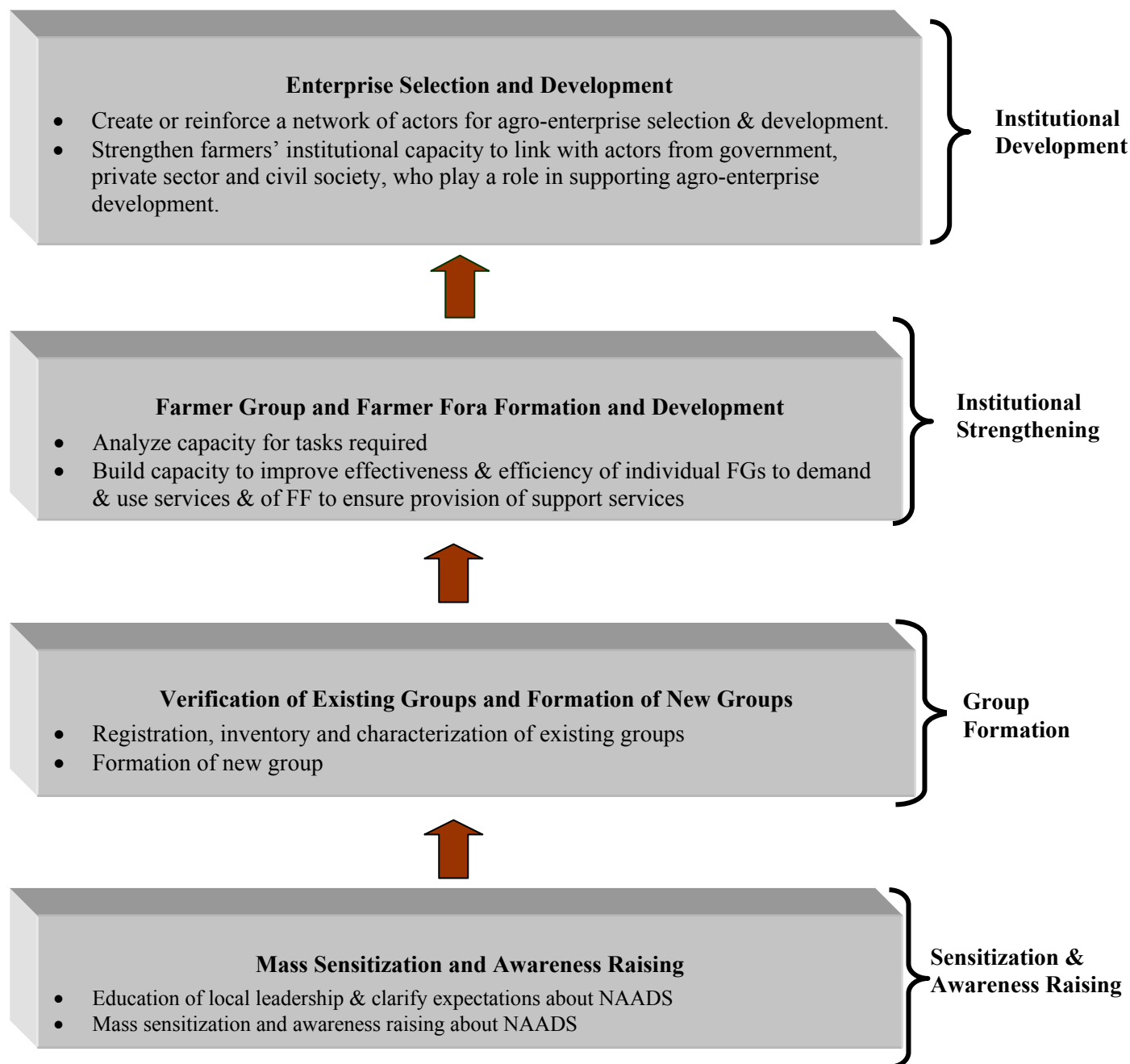
<sup>5</sup> *Le Conseil National de Concertation et de Coopération des Ruraux*, CNCR, The National Council for Rural Dialogue and Cooperation.



## Farmers Institutional Development in NAADS

This chapter describes and assesses the approaches that have been used and supported in the NAADS' FID process, with the aim of capturing lessons on the overall conceptualization and operationalisation of the process and concepts to date. The steps in the FID process as conceived by NAADS and reviewed in this chapter include: sensitization about NAADS; farmer group initiation and development; and farmer fora formation and development.

**Figure 2:** Farmer Institutional Development Process used by NAADS



As stated above, FID is viewed by NAADS as a key prerequisite for farmer empowerment. Farmer institutions promoted by NAADS have been based on the assumption that farmers have a real propensity towards collective action and that this is a natural avenue for forging a supportive relationship. FID is mainly about encouraging and enabling farmers to organize and create institutions through which they could: play a part in the decision making processes for their own development; demand research products and advisory services that are based on

informed choices and needs; support group and individual enterprises that pay; influence policies related to agricultural services delivery; and ensure that the natural resource base is maintained and improved. These areas are reflected in the CEED performance assessment indicators used in this study (see Annex 1).

The NAADS approach to FID at the beginning of the start-up process was to provide funding support to NGOs who were then expected to facilitate the process. Subsequent phases in the FID process received little funding, in part because it was assumed that service providers would take this up as part of their contract, and/or that the NGOs would continue to render this support as part of their regular business. This study reviewed experiences with this approach through discussions with individual farmers, farmer groups and with the NGOs involved in the first and latter phases of FID support.

## FID PROCESS: DESCRIPTION OF PROCEDURES AND METHODS

The start up of NAADS in each pilot district and sub-counties usually involved a variety of awareness raising and *sensitization activities*. The key message delivered during this phase was that NAADS was a new service delivery system that depended upon and would be linked to demands made by farmers through farmer groups. Therefore, there was an urgent need for existing farmer groups to register with NAADS and new ones to form so that they could access and benefit from NAADS services. In most instances, a number of groups already existed in the pilot sub-counties arising from a long history of NGO use of groups to deliver their programs, and also from the longstanding tradition among many communities in Uganda of mutual interest groups that are formed through the initiative of its members for mutual support and coping in times of adversity. The challenge that NAADS set for itself was to ensure that these groups were more inclusive of women and the poorer people, that otherwise might be left out by the NGOs and other processes. In other cases, NAADS contracted NGOs to mobilise farmers to form new groups during the first 4-6 months of start-up.

The second stage in the initial FID process was to *verify the old and new groups* that had registered with NAADS sub-county office, and were consequently entitled to benefit from a package of organizational support programs delivered by NGOs that were contracted to support farmer group organizational development by the sub-counties. The verification exercise involved the use of an inventory of the groups which checklist included: size and composition; objectives; operational mechanisms such as meetings and existence of bylaws; record keeping; and, activities. In some cases, this stage was then followed by the training of trainers (ToT) selected from group representatives.

The requirements for benefiting from the NAADS support were: registration with sub-county and making co-financing payment; a constitution; and, evidence of regular meetings (minutes/records). In some sub-counties, groups simply registered and paid a fee. The FID processes were carried out by NGOs that were contracted by the sub-counties to undertake a range of sensitization and capacity building activities with the groups.

The first rounds of sensitization were initiated by the acting NAADS coordinators, and in many cases, handouts or perks were provided in the form of lunches, small payments for transport expenses, etc. This was discouraged by the NGOs that later took up the sensitization tasks (see Annex 3 data tables). The methods and techniques used by the NGOs involved in FID varied, but more often than not, the support basically consisted of first a sensitization meeting followed by a training package in organisational development, covering topics like leadership, group dynamics and management, financial management, development of by-laws, etc. This support was initially provided over a 4-6 month period at the onset in the pilot sub-counties, depending upon when the first cycle contracting period was initiated. In some districts, the terms of reference (TOR) for the NGOs required them to train group facilitators who would in turn train farmer group members on various aspects of group development. In some cases, group facilitators in the first pilot sub-counties were selected at meeting called by the NAADS coordinator, in which all the groups in the sub-county were represented. The meeting usually lasted more than two hours, and during these meetings, the desirable qualities of a group facilitator were presented and discussed. In other cases, there was no explanation made or it was left up to the contracted NGO. There was no standard guideline for training group facilitators and each organization did it their own way. The group facilitators were in most cases given the content by the NGO but they were not necessarily guided on how to apply what they learnt to facilitate learning in their farmer groups. The contracted organizations were supposed to backstop and monitor the group facilitators as they trained their group

members, but in most cases it was inadequately done. In other cases, the NGO used their own facilitators and methodology. At times the facilitation was compromised by limited time to do the job in accordance with the NAADS contract.

Most groups interviewed complained that the sites selected for training were usually distant and out of reach for some villages. Although there were a variety of tools used, the predominant method was lecture and plenary discussions. Most of the training sessions were conducted in one day; several cases of 30 minutes to one-hour event were cited. Focused group interviews and discussions at the study team's district verification workshops revealed that the training of farmer groups and group facilitators was not phased to match with the stages of group development as too many topics were covered in short time often using a package approach. The aspect of co-funding was often not well explained and led to confusion. The FF perception of FID was that it is a way of empowering farmers to identify their own problems and be able to get solutions where possible; whereas empowerment actually means to give opportunities and power to people to decide for themselves. Even though the process was shallow, one now sees that farmers and groups are asked for their opinions and are able to talk about and criticize service provision, whereas previously they were not consulted. The groups agreed that FID is central to NAADS because in this way farmer's voice can be heard when they are in a group. Potentially, feedback can be taken to the FF, and if there are problems these are prioritized and solutions sought and are worked upon. However, there were many suggestions from the groups interviewed that this is an area that needs improvement and attention.

Farmers had views on what constituted 'good FID'. Group facilitators would be attending their meetings when they are selecting enterprises; that they would help to mobilize farmers and link them to the Sub County FF; and that they would help in monitoring and evaluation of their activities and planning. The farmers groups provided many good suggestions to improve NAADS (presented in the following sections).

### *Observations on the Farmer Group Formation and Development Process*

The following observations were made on farmer group formation and evolution:

- There was an overwhelming response by farmers to form groups, especially by women. Many 'women only' groups evolved or joined NAADS while most of the mixed groups also had high numbers of women. Sometimes women groups incorporated men for reasons of literacy and confidence. Issues of control and access to resources like land – where women have to ask men for permission complicated realization of plans. Other special interest groups like those with disabilities (PWDs) also exist, but most are in limbo partly because NAADS has not been able to meet their expectations.
- Although the poorest segments of the community did not form or join groups, and even those who tried to join fell out for various reasons, the membership of most groups are 'poor' peasants who have inadequate income to meet their basic needs, limited assets for production, and are food insecure. 'Rich' members of the village communities are noted by their absence from the NAADS groups. Illiteracy limited the attendance of group members. This affected mostly the women and elderly people in the community.
- 'Inclusiveness' in the membership of groups does not appear to necessarily reflect 'inclusiveness' in access to the benefits accruing from NAADS. Those members, who have more to contribute to the groups in the form of resources and skills, are more likely to control and are in a better position to access whatever the group members consider as benefits arising from participation in NAADS.
- Groups that evolved opportunistically largely to take advantage of the NAADS processes and had no other agenda have largely gone into limbo, and even those who survive lack the cohesion and vision of mature groups that naturally evolving groups have. In most cases what was done (for example forming a constitution, conducting group meetings and paying membership fee), was done as means to "fit" within the NAADS program rather than as measures to help them get organized and grow into more independent / self reliant groups.
- The more successful groups have been those groups that evolved around some other common interest like a savings and credit scheme or shared labour – and not just NAADS. The approach of supporting a savings and credit scheme seems to contribute to the relative strength of groups supported under the TEDDO/FAO pilot initiative referred to later. With these groups, opportunities arising from NAADS are considered as a side benefit that will contribute towards them realizing their collective vision.

- Group formation and development created a good entry point for undertaking enterprise selection and technology development. Several groups and individual farmers reported having benefited from NAADS program by getting planting materials and training under advisory services. However, this has been limited to a small proportion of groups and individuals particularly those that existed before NAADS program was introduced and had reached some stage of maturity. Limited benefits and high initial expectations has led to decline in enthusiasm in some of the groups and bad feelings about farmer for NAADS Coordinators and hesitation to co-finance.
- There were some indications that group formation and the general issues of collective action are not only dependent on the location/site but also the community's culture and norms. There were instances where group formation appeared easy and collective action was generally an accepted form of achieving various community goals and activities. Some of the activities that required collective action were on farm labour, dealing with community calamities and emergency situations. Groups formed in emergencies were usually temporally in nature and they usually dissolved once the emergency was over.
- Many groups, particularly those existing prior to NAADS, felt adequately enabled in the preliminary stages of group formation and development that is membership, constitution, shared vision, etc but expressed the need for more facilitation and skills in: business skills and financial management including savings and credit, factors for group success including managing group dynamics and conflict resolution among other areas. For groups to be sustainably formed and develop to the point of maturity more time and nurturing is required.
- Group training was often 'prescriptive' so as to quickly fit the conditions for a 'good' group to meet the criteria for joining NAADS. This did not amount to actual learning or institutional development that would result in enterprise interest groups. Generally, there was a 'one size' fits all form used, which did not take into account that groups were at different stages with different needs. This takes a more sophisticated facilitation process and sufficient time.
- The initial phase where the NGO was contracted was not followed up by other service providers, or NGO work.
- To pre-qualify the group had to take or leave the conditions and criteria as these were non-negotiable so one might end with groups that suit NAADS more than it suits the group! Most groups were not facilitated past the beginning stages.

### *Recommendations: Farmer Group Formation and Development Process*

Based on the study team's analysis of the data and discussions that were carried out in the sub counties in the sample frame, a number of suggestions are made as recommendations for further improvement and support of the FID process and FID itself. They include the following:

- **FID time and depth:** The development of sustainable farmer institutions requires significant investment in developing partnership and social capital over a longer period of time than has been the case under NAADS. Considering that farmer institutions are the foundation of the NAADS program, increased investment in developing expertise in FID facilitation, and generally pursuing a deeper understanding and longer-term commitment to the process that will result in stronger farmer institutions is called for.
- **Dealing with diverse needs:** The differing needs and capacities of farmers participating in the NAADS process needs to be addressed. For example, poorer households are more often interested in pursuing food security or selling their labor than pursuing enterprise development. Likewise, FGs have diverse interests and capabilities, and therefore require different levels and intensity of support depending upon their history and evolution. This 'individualized' treatment was not in the minds of NAADS implementers and collaborators and should be considered in future. NAADS should consider tailoring services to address different livelihood options with the aim of eventually creating a larger commercialized sector. (See enterprise development for further elaboration)
- **Benefits to farmers:** A sustainable commitment to the NAADS program by farmer groups will only come about when the groups and its members see themselves as realising some tangible benefits from their involvement in NAADS. This study found that groups appeared more successful and potentially sustainable if other activities are being pursued, such as credit savings. Therefore, some attention should be directed towards broadening the range of group activities, in order to ensure that services that add value to activities of individual members are available.

- **NGO capacity:** Although the NGOs used a variety of approaches in developing FGs, it was apparent that many of them had limited capacity to facilitate a commercially oriented FID. There were also organisational capacity issues within some of the NGOs, affecting their ability to meet the targets with quality work, given the definition of the task and time, and resource allocation by NAADS. The short duration coupled with other responsibilities meant that some NGOs did not allocate staff time to the job and sub-contracted for services. This also compromised quality. Therefore, in future, NAADS needs to invest in or promote NGO and/or service provider capacity strengthening in this area as well as negotiate more favourable contract conditions.

(For gender and inclusion issues refer to Chapter 5 on crosscutting issues)

## FARMER FORA FORMATION AND DEVELOPMENT

The Farmer Fora (FF) are intended to provide the institutional link between farmers and their groups on one side, and the NAADS processes at various levels on the other side. Initially, the functions of the FF at all levels included the following (NAADS 2001):

- To plan, cost and contract advisory services and monitoring and evaluation
- To determine priorities and allocation of resources, and performance evaluation of SPs
- To consider and approve NAADS work plans for final inclusion in the Sub-County development plans
- To provide feedback and feed forward between farmers and FF at different levels
- To furnish at national level the farmer element of NAADS Board membership
- To assess the quality of services provision
- To influence policy direction in the agricultural sector

The initial idea was that the FF would be constituted from 2 representatives from each farmer group, and would then take on the above TOR; however, because the groups ended up being too numerous and the work more complex than originally envisioned, new TORs for the FF were developed, and a committee structure to take on a number of the TORs listed above was later created.

The SFF is still seen as the main point of leverage between farmers and the government. The NAADS Revised Implementation Guidelines issued recently (2004) states the latest functions of the Substantive Farmer Fora (SFF) and the committees, as follows.

Functions of the SFF:

- To consider and approve proposed annual work plans and budgets at sub county level for implementation of NAADS in their areas
- To advise the Organization on suitable strategies for NAADS
- To monitor the overall implementation of NAADS in the sub county

Functions of the sub-county Executive Committee:

- To consider work plans and budgets for implementation of NAADS activities in the sub county
- To support and facilitate the operations of the farmer groups
- To monitor the establishment, registration, physical and financial performance of the farmer groups, SFF and SPs in the sub county
- To advise on suitable ways of implementing the NAADS program
- To ensure active participation of all categories of farmers (men, women, youth, economically active PWDs) in decision making processes
- To inform all members of the SSF about the activities of NAADS in the sub county

Functions of the Procurement Committee:

- To issue bidding documents to bidders
- To receive and consider a short list of bids prepared by the evaluation team
- To award contracts for the provision of NAADS services or goods
- To ensure that the contract documents are in line with the award decision

The procedure used to form the FF has been based on the guidelines provided by the NAADS secretariat. These guidelines have been adjusted several times especially with regard to size and composition of the FF and the procurement committee. These changes are communicated top-down, through circulars from the NAADS secretariat to the districts, who then write covering letter to the FF. (NAADS 2001; NAADS 2004).

The first FF, referred to as interim FF, was formed following a sensitization exercise carried out by the District Core Team, after which 2 representatives (one being the group's chairman) from each group came together to form the Electoral College that selected the 15 members of the forum. The 'interim' FF was initially expected to give way to a procedurally elected fora; however, they lasted in office for about 2 years.

After they were constituted, the FF received capacity building support from by the District Core Team, and this mainly took the form of basic training in procurement, financial management and leadership. After NGOs signed an MOU, they in some instances provided training in such areas as leadership and PM&E.

The current guidelines are that FF members are nominated by their respective groups and the constituted FF in turn holds a sub County election to get elect the executive and procurement committees. People are supposed to be nominated and seconded and then elected democratically by show of hands. The recent change in policy (See box 2) has not yet been internalized. The current status of the FF varies from one sub-county to another, i.e. some have already had a SFF while others were in the process of forming one.

**Box 2.** Composition of Procurement and Executive committees (NAADS 2004)

- The committees constituted from the sub-county farmers' forum (SFF) are the executive and the procurement committees.
- The executive committee is composed of the Chairperson of the Sub County forum, and two other farmers elected from amongst the farmer group representatives; the Sub County NAADS representative and the secretary of production.
- For the procurement committee 3 members of the SFF elected by the FF whom at least one has to be female, and none members of the executive committee, the Sub County NAADS representative and the Chairperson of the SFF are co-opted and do not take positions of chairperson and secretary.

*Observations on the Farmer Fora Formation and Development Process*

There were a lot of sentiments and views expressed in terms of what the farmers saw as the role of the farmers' forum and what they expected it to fulfill. Amongst their concerns were the following:

1. Farmers' perception of NAADS is that it is a government program for alleviating poverty through increased production of highly profitable crop varieties and animal breeds, and that farmers will come to know about and have access to through training and input provision. They understand that this is a shared venture and they are expected to co-fund.
2. The FF members did not think they have control over the NAADS structures or processes outside their groups, and are also unclear as to whom they are accountable - to NAADS or to their groups. The confusion arises from the top-down approach to guidelines governing their formation and functions, for instance, the TOR for the FF is developed by NAADS secretariat, and the circulars for various changes in FF always come from secretariat, and are delivered to the SC through directives from the district executives. The budget and funding for FF come from NAADS secretariat.
3. The usually stated roles and responsibilities of FF include: mobilization, monitoring, selection of enterprises and speaking for farmers. These roles are parroted well by the FF (they are 'Trainer of Trainers' (TOT) who help/guide the farmer groups in agricultural production and to solve other issues arising during the 3 meetings held a year). But they do not convincingly elaborate on what the performance of these roles entails nor are they often performing well on these areas. They do not have a well articulated monitoring framework, rather than a checklist of issues that they are supposed to be tracking periodically.
4. Another concern regarding the stipulated roles and responsibilities of the FF (and FGs) is whether these roles or functions as stated are sufficient to enable these institutions to functional as agro-enterprise institutions capable of leading the services provided through NAADS to achieve its intentions of

promoting commercially oriented agricultural production. This is because none of these roles/functions relate to promoting linkages between Farmer Institutions and others –especially with markets and other services providers.

5. Most FF at the SC level do not demonstrate that they have the skills, knowledge, tools and resources to function and perform the roles assigned to them in the NAADS implementation manual, e.g. operate feedback mechanisms, monitoring, conflict resolution, and clear decision making processes. The question is: how do they get these skills and who puts them there (NGOs, NAADS secretariat, or who)?
6. On-the-job training for FF appears to be limited to areas like: organizational management, procurement and financial management, similar to training in farmer groups. Trainings have in some cases been shallow, brief and not driven by a learning approach. This approach does not address internal organizational management capacity for internal management nor the capacity the FF and the committees need to: develop external linkages with other players; address commercialization issues; address poverty and NRM issues; and engage in policy analysis and influence is inadequate. In the interim period of NAADS, training was conducted by NGOS that were contracted by the sub counties to mobilize groups. There is insufficient and ineffective communication and linkage between the FF and farmer groups and there has been no capacity building or systematic monitoring to strengthen this. In many instances the FF (especially the most influential ones – like chairpersons) effectively removed themselves from the farmer groups upon ascending on the FF ‘throne’. However, this issue is not universal and often depends largely on personalities making up the FF. When the chairperson was weak, the relationship between the FF and the groups were also weak.
7. Viability and/or sustainability of the FF are an important issues for NAADS to consider. The current arrangement is that FF meetings and other activities are dependent on money from NAADS, and this is limited raising a situation where some FF do not meet the entire year – including the executives – because they claim there are no funds for their meetings! The result is that the contract committee, which is facilitated to meet and make decisions on contracts, has in some cases hijacked the roles of the entire FF! The FF is non functional without any sustainable resource base.
8. It is not clear under the current arrangements as to how various interest groups will be represented in the decision making processes of the FF and the executive committees, since different interests is not a criteria for belonging to the fora. Another issue that is likely to limit participation is the large size of the SFF, which might encourage crony-ism, and also by meeting only 3 times a year there is concern raised that communication and feedback to and from groups may not be adequate.
9. Another issue that is likely to reduce the influence of farmers in the decisions of the FF is the relative composition of farmers and government representatives in the two key committees of the FF, i.e. executive and procurement committees. The influence of farmers is questionable now given the 3:2 representation for farmer groups and government in the executive and procurement committees.

### *Recommendations: Farmer Fora Formation and Development Process*

It is the considered opinion of this study team that the overall FF concept, structure and functions needs revisiting if they are to effectively deliver on the NAADS mission of commercialising smallholder production. Some suggestions to the areas that need revisiting are:

1. **Strengthening Resources Base:** Explore mechanisms to strengthen funding to the SFF. The ability of the FF to generate and manage resources locally would significantly empower, enhance sustainability and increase their relevance. The most viable sources of course would be FGs – but FGs can only do this if they themselves are commercially producing and are economically viable, and that the FF is contributing to this viability - something that is still a long way off.
2. **Linkages and accountability:** A potential mechanism that can be promoted for addressing the linkage and accountability weaknesses is to hold periodic joint meetings between farmer group leaders and SFF at the sub-county headquarters to identify and fill gaps. The aim being to bring the farmer group leaders to the FF instead of FF going to the groups. Similarly, to hold more regular meetings between the SFF and the sub country Committees to open lines of communication and accountability.
3. **Mentoring:** Longer term and more in-depth mentoring of FF and executive committees are required to build their capacities in facilitation, decision-making, performance monitoring and other functions required.

4. **Performance monitoring:** A performance monitoring and feedback framework with indicators and mechanisms needs to be developed through facilitation and agreement of the actors involved, e.g. FF, FG leaders, and the executive committees. The idea being to get joint accountability and assessment of one another.
5. **Conflict resolution mechanisms:** Conflict resolution mechanisms need to be established with third party facilitation. Means of replacing non-performing representatives needs to be put into place.
6. **Decision making and balance of power:** Representational and power-related decision making issues need further consideration and mechanisms developed to address these. In situations where there are large numbers of farmer groups, it may be recommended to have lower level representation (at parish level) and then have these select members that will come into the sub-country FF. Management of power imbalances may require mentoring and more comprehensive FID as well as mechanisms to circulate rules and regulations revisions for feedback prior to official rollout.

## Enterprise Selection and Development

The PMA framework provides guidelines for the modernisation of agriculture and the raising of rural incomes through increasing farm productivity, promoting market-oriented agricultural production, and creating on-farm and off-farm employment. NAADS is a key component of PMA that was constituted to put in place agricultural advisory services that will facilitate transition from the current subsistence agriculture to farming as a business enterprise.

Farmer Institutions (FI), i.e. farmer groups and FF, are the institutional mechanisms through which the transformation envisaged by NAADS is to be realised. Three years down the road, this section recounts the experiences and lessons learnt by FIs, in the selection and development of agricultural enterprises as envisaged by NAADS.

The approach used in this part of the study involved focus group discussions with FGs and FF, individual interviews with NAADS coordinators, and participatory analysis of various enterprises, and covered the following aspects of enterprise selection and development:

- Enterprise Identification, Selection and Promotion
- Enterprise Development and Commercialisation
- FI Capacity for Enterprise Planning, Selection, Development and Commercialisation

The current situation is reviewed, followed by observations and recommendations for each stage.

### CURRENT SITUATION AND EMERGING ISSUES IN ENTERPRISE IDENTIFICATION, SELECTION AND PROMOTION (EISP)

EISP, as promoted by NAADS, is a process through which farmer groups each identify potential enterprises where they can justify the need for services from NAADS to assist in their establishment and development so as to generate income profitably. EISP is a new process for most actors involved in NAADS (farmers, groups, NGOs, NAADS personnel and SP). It is expected that either ongoing enterprises will be made more profitable through better production practices, risk and production management, use of inputs, etc or new profitable enterprises will be identified by farmers or private sector. This is the main entry point for service provision under NAADS – helping farmers to exploit a market opportunity and managing risks involved in the investment (NAADS 2004). This assumes capacity in this area by the various actors, particularly NGOs and SPs who will initially help the groups.

The process by which the farmer groups brainstormed, analyzed and finally identified the enterprises was left up to the groups and/or the type of facilitation provided by the NGOs and SPs. The first stage of negotiation over enterprise selection was therefore among the group members themselves. Their enterprise selections and the associated production constraints that required service provider assistance were forwarded as ‘proposals’ to the FF. The sub county FF then chose three-six enterprises, now standardized at 3 according to NAADS revised guidelines (2004) were identified for service provider support through a prioritising and selection process carried out each financial year. These enterprises are then promoted through service provision within the



NAADS program. Each year a new set of enterprises is selected – the enterprises of the previous year may be re-selected or new ones may emerge.

Initially, guidelines were not provided by NAADS secretariat (NAADS 2001), and the start-up NGOs were left to work with farmer groups within the initial time frame to come up with their proposals. In the first round, all the enterprises identified for services in each sub county were tabulated by the FF and the top (most popular) 4-6 selected. Later, NAADS secretariat developed, pre-tested and circulated some tentative guidelines which were recently updated and published in the NAADS Revised Guidelines for Implementation (2004). These stipulate more concretely on factors to consider when farmer groups and FF select the enterprises: availability of markets, financial outlay required, profitability, risks and vulnerability context, and links with livelihood issues (health, infrastructure, education and literacy, inputs, functioning markets, etc.). There is also a section that links enterprise development to NRM regarding service provider training of farmer groups. A ranking and weighting system is included in the guide that helps farmers compare enterprises.

This updated guide, although more comprehensive, still assumes that NGO and SP capacity to lead farmer groups through this analysis and that the information required is available. There were examples of both capable and less capable NGOs in the survey (see Boxes 3 and 4). In this guide there is no information on how to deal with different needs, abilities and opportunities of farmers; for example, those who have greater food security needs compared to income generation needs; or those with limited labour (women headed households).

**Box 3.** EISP process facilitated by FAO/TEDDO in Soroti

The EISP process used by FAO/TEDDO in Soroti involved a systematic process of analysis and training that considerably enhanced the capacity of FGs in enterprise selection and development. This approach was found to generate a greater commitment to the enterprises and potential for commercialization.

**Box 4:** Sesame as an enterprise for NAADS in Arua

A glaring example of the shortcomings of the NAADS EDC processes is the failure for sesame to appear as an enterprise in any of the sub-counties in Arua. A sub-sector analysis presents the commodity as commercially viable with unlimited local and international market. Hundreds of groups from Arua and Nebbi districts are currently involved in the commercial growing of sesame for export market, with support from CARE, APEP and other organisations. There are clear technology and advisory services gaps that NAADS could fill with the potential of a great success story to tell yearly!

### *Observations on EISP*

Some of the findings that emerged regarding FI experiences and lessons learnt in relation to the selection process are that:

- **Traditional crops top of list:** The process used by farmers groups to select enterprises that needed services varied and depended upon their experience and the quality of facilitation from NGOs and SPs. Most groups did not carry cost-benefit analyses nor a market survey or analysis. Thus, farmers groups usually identified enterprises that they were familiar with and already producing or had heard might be profitable. Although this is a good starting point, there are limited examples of groups trying out new enterprises that could hold promise for sustainable household income.
- **Minority interests:** The way in which different interests in the groups (which did not start out as enterprise interest groups) were negotiated was not clear or well-facilitated. This meant that less outspoken or less dominant group members may not have had their choice, and that the enterprise(s) selected by the farmer groups are somehow a compromise among the members. Some minority interest groups considered the current EISP process at farmer group and FF levels as unfair, in the sense that their chosen enterprise never made it to the list of SC enterprises because of the process and criteria that

are used for selection. Groups of disabled people, the youth, elderly people, and fishermen, were among those that expressed these sentiments.

- **Agro-Enterprise Profitability Analysis:** In many cases there were no significant profitability analyses during enterprises selection – both at group and sub-county levels. Although apparently there was potential support from NAADS to do market analyses studies, few were carried out. This is attributable to limited capacity in entrepreneurship and market-led agricultural production, with both the FIs, and the support NGOs and SPs. Also, there was limited support earmarked for this by NAADS.
- **Sufficient and usable market information:** Farmers complained of scanty market information, and even when available from organisations like FOODNET, the information is just on to prices of a set of commodities – nothing on who buys, how much, quantity, price fluctuations and projections etc. There is also confusion on whose responsibility it was to provide market information and other market services – was it the duty of the NAADS coordinator, FF or the service providers?
- **FF in control:** The SC FF members are fully engaged in EISP processes and they feel empowered by the process. Although there is some influence by other interest groups, the general feeling is that final authority in EISP rests with the SC FF. There is concern that the capacity of the procurement committees to withstand ‘lobbying pressure’ from ‘interest groups’ during service provider selection is problematic.
- **Yearly enterprise selection:** The enterprise selection process takes place every year, usually resulting in the choice and promotion of new sets of enterprises with each group every year. The consequence of this is that there is no time for groups to develop an enterprise to profitable commercial level given that support is targeted each year at a new selection. They are left to be on their own.
- **Intensity of support:** Experience has shown that more than one year and more comprehensive support are needed particularly in that many aspects of enterprise management are new to most farmers. Given that timing of support does not always match the cropping cycle, support may not even cover one cropping year. Also, support given is not adequate in terms of types of skills and information provided compared to need. Many NGOs and SPs do not have necessary skills to build farmer groups’ capacity.
- **Selection process and capacity building process:** The selection and development process was usually more output-focused (on activity completion) rather than process-oriented (blending activities with capacity building in a evolving and timely manner). Greater interest was placed on the selection of the enterprise and did not follow a learning and capacity building process that would ensure that FIs are better trained to handle the enterprises in future.

### *Recommendations for EISP*

Findings from this study implicate the following recommendations for EISP:

- **Market risk and profitability information:** More comprehensive market reconnaissance and cost-benefit analyses needs to be completed and updated to assist farmer groups and the FF in making their selections. In addition, more information is required on risks that can reasonably be incorporated into the scoring for selection.
- **Capacity to use information:** Support for better enterprise selection analysis needs to be provided by capable NGOs, NARO or other SPs to farmer groups and FF. If support is not forthcoming, training and methodology development in these areas needs to be supported by NAADS.
- **Minority group needs:** Consider revision of the enterprise selection guidelines so that minority group needs can be considered or somehow weighted.
- **Continuity of support:** Given dearth of experience, continue but tailor support to EISP for a longer time period.
- **Checks and balances:** Given potential lobbying and biases in selecting enterprises, even though guidelines are provided, there is need for sub county level system of checks and balances to ensure accountability. Meetings at key points in the process between the SSF and the two committees could be instituted.

## ENTERPRISE DEVELOPMENT AND COMMERCIALISATION (EDC)

Enterprise development and commercialisation (EDC) is about FI learning and gaining experience on the chosen enterprises through a business development and commercialisation process, and how this eventually translates into increased household income as envisaged by NAADS and the PMA. In general, farmers all over

the districts are thrilled by the EDC process, and NAADS is considered a timely response to a felt gap in extension services delivery.

The NAADS guidelines and resource allocation to SPs has mainly been for technology development and adaptation through trials and demonstration. There has been little elaboration on what enterprise development entails, even though NAADS secretariat has had a task force to develop these concepts. Therefore, even the description of what sort of comprehensive facilitation process might be required is so far lacking in NAADS documentation that has been widely distributed. This has been left up to the NGOs and SPs.

### *Observations on the EDC Process*

Some of the issues arising from farmer groups and FF involvement on EDC are:

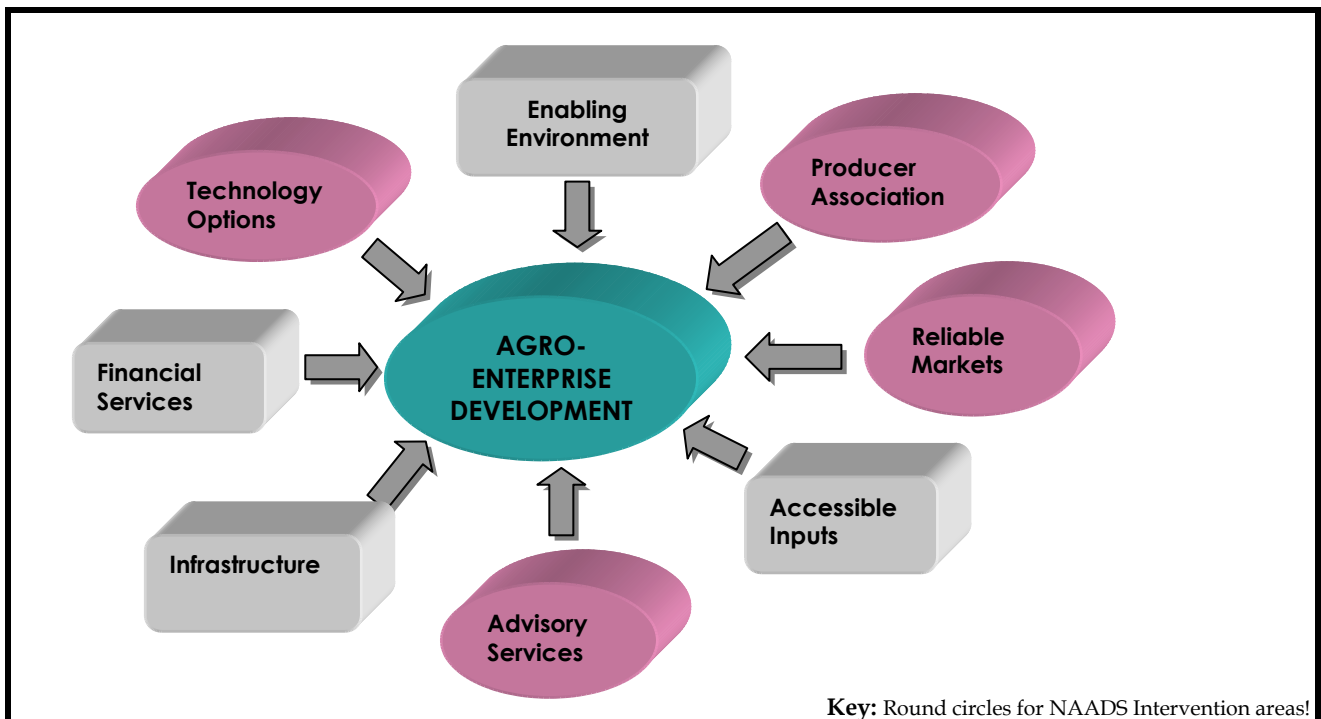
- **Support to EDC:** NAADS is about transforming the current subsistence farming into market/commercially oriented agriculture. What comes out very clearly from this study is that there appear to be little or no evidence towards a move in this direction.
- **Improved technology uptake:** A wide range of 'improved' cropping and other agricultural technologies are being promoted by the SPs in all the pilot sub-counties. Although farmers agree that these technologies, especially improved seed varieties, are superior to traditional technologies in many ways, their broader uptake is still discouraging. Most of the new practices are still confined to group initiatives and demonstration plots and are only rarely taken onto individual fields.
- **Moving beyond demos and technology trials:** Most farmer groups and FF members seem to see technology development and services provision as terminal benefits of NAADS, and mostly consider technology demonstration to be seed multiplication or input supply. NAADS itself is not promoting or building capacity taking a wider view of EDC.
- **Linkages between NAADS and technology development:** There is very little evidence on the ground regarding linkages between technology development processes, for example with NARO, and NAADS. For instance, research is quickly releasing varieties, but farmers are not enabled to experiment with them to find out their characteristics and marketability. This was found to be the case with the new groundnut varieties (Seri nut 3, Seri nut 7). Other concerns expressed included: links between new technologies and markets; comparative advantage of new varieties to local popular varieties on different characteristics; pricing issues; and seed quality control.
- **FI Networks and Associations:** Most NAADS farmer groups can be considered as 'localised small village-level groupings', with little or no capacity to engage on broader marketing issues. Many of these groups were not formed to focus on a given enterprise but rather they formed for other reasons. There may need to be another 'step' in facilitating members of groups within a given common enterprise to join with others in 'enterprise interest groups'. There were some isolated cases where discussions are currently taking place regarding the need for broader networks of FI structure that bring together many smaller groups. This is was seen in Soroti where TEDDO/FAO supported groups intend to form marketing associations – that is intended to be a mechanism through which farmers aggregate and collectively market their produce.
- **Linkage to private sector buyers:** Potentially lucrative contract-farming linkages are evolving for some commodities, e.g. contract growing of Epuri-pur sorghum in Teso for Uganda breweries, and the link for honey production with Bee Natural Products in West Nile. The challenge is that both these initiatives are driven by the buyer (private sector) but there is little or no organisational and institutional capacity on the side of producers to engage with the buyer. Although there is slow increase in contract farming as in these examples, some hope is raised about the potential for contractual arrangements between the private sector and producers. This is an missed opportunity for NAADS support by service providers who should be able to assist in building this capacity.
- **Input and credit gap:** It is difficult to meaningfully talk of commercialising agriculture under the current NAADS program without addressing related issues like agricultural inputs and financing. Most of the new technologies that are being promoted require investment resources that are beyond the capacity of an average smallholder farmer. *"You can't teach me to plant groundnuts in lines when you are sure that I am anyway not going to get the seeds and apply it in my garden"* - (comments from farmer in Soroti). This gap has been continually noted by farmers engaged with NAADS from the start and needs to be addressed.

- **Support from service providers:** Most service providers and farmers groups are still in a supply-delivery mode rather than operating in a demand mode. Once the proposals were drawn up by farmers and service providers chosen, a demonstration and training mode was used. This was provided using a ‘blanket’ approach and was not followed up. Concerning quantity and coverage – the support is not sufficient to do the job – e.g. not enough contact time for developing enterprises and capacity to operate them commercially. In addition, service providers are still operating in a top-down fashion – teaching rather than mentoring and facilitating due to limited training in new participatory and facilitation techniques.
- **Capacity of FIs in EDC:** The entrepreneurial development capacity of most FI structures to oversee enterprise development and commercialization is limiting. There has been limited time and investment set aside for this process. In addition, conceptualization of what EDC entails is lacking. Services are being demanded for this but not yet provided (refer to data collection sheets and farmer group suggestions).
- **NGO capacity and experience:** Most NGOs and CBOs supporting NAADS processes have no background in commercially oriented production, and therefore offered no leadership for FIs in this new arena.
- **Enterprise development planning and follow-up:** There is no mechanism for the follow-up of EDC processes, either at district or lower levels, in order to assess the progress that are being realised with the various technologies or on various enterprises.

### Recommendations for EDC

Two useful conceptual models are provided for the basis of this discussion. The first conceptual model provides the Elements for commercially oriented farming (Figure 3) where there are seven elements that are considered essential for transforming subsistence smallholder production into commercial agriculture. The elements fall into two categories: those that are within the NAADS mandate (circular box and colored pink) and those that fall outside of the NAADS mandate (rectangular box and colored grey). Although NAADS does not have a direct influence over some factors, it can still contribute to policy debate on these issues – both through its involvement in PMA policy implementation, and through the FI structures at various levels.

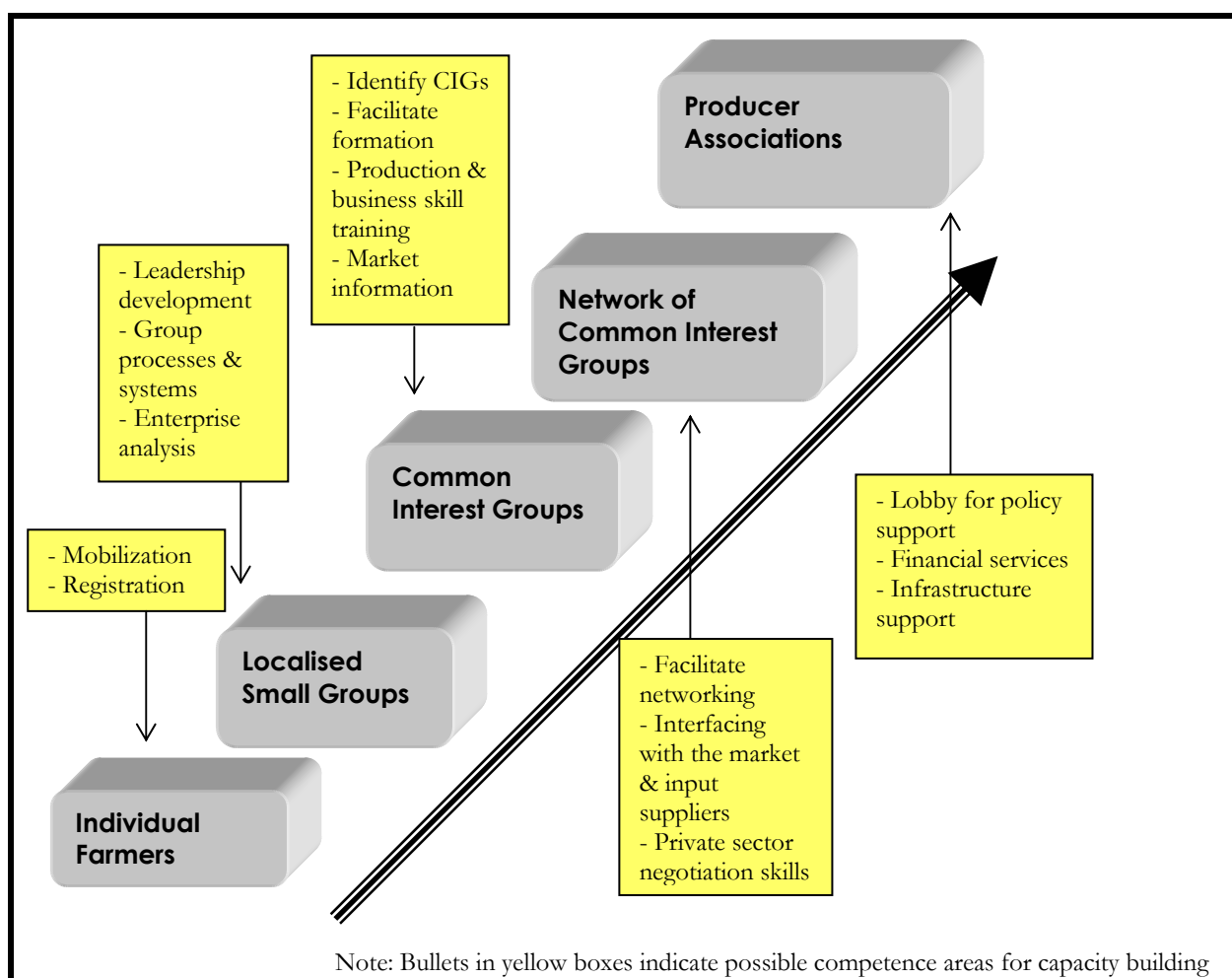
**Figure 3.** Elements of agro-enterprise development



Source: Conceptualised and built by the CEED Coalition (2004)

The second conceptual model illustrates the evolution of farmer groups into common interest marketing groups and producer associations and associated FI Strengthening (Figure 4). Most of the current NAADS groups can be described as ‘small-localised interest groups’. Formation of these localised groups and associated production units makes it possible for them to access services, reduces the costs of services delivery to farmers, and increases farmers choice, information, skills, incomes, voice and welfare. Figure 4 shows a pathway through which enterprises-oriented farmer groups can be developed, starting with individual farmers, small-localised interest groups evolving towards Producer Associations at sub county, district or even national levels. The levels are progressive and the upper three levels should emerge at sub-county, district or even national levels. When producer groups grow large and strong enough, they may either deliver services to members themselves or may be able to attract private and/or state service providers in their areas of operation. The essence of producer associations is for the establishment of sustainable linkages between input suppliers, financiers, output buyers and public services providers, so each can invest in the area, confident that the complimentary services that farmers need in order to make use of their services are accessible.

**Figure 4:** Functions of farmer institutions at various stages of growth



Source: Conceptualised and built by CEED (2004)

The study suggested the following additional recommendations:

1. **Operationalizing EDC through more intensive FID support:** Given that there was very little indication from the survey that there are plans to move and support FI structures along the evolutionary line suggested in Figure 4, it is strongly recommended that NAADS secretariat considers strategies to do so. This could be in partnership with local and national NGOs and private sector SPs. This should be accompanied by building local capacity of FIs and support NGOs in entrepreneurship along performance areas, as indicated by suggestions above in yellow boxes.
2. **Coordination and synergy of the PMA components/pillars:** Referring to Figure 3 and what is required for EDC, the seven priority components of PMA need to be addressed holistically and

synergistically so as to support smallholder agricultural intensification. Individual farmer groups or producer households need to be able to access the necessary services on a regular basis if they are to respond to market opportunities for intensified production. It is of no use having an extension initiative one year in one district while agricultural financing or entrepreneurship is taking place in another year. This interdependence among the various PMA components raises a challenge for PMA to coordinate its various components, not only at national level, but also lower levels and with the farmers.

3. **Coordination of NAADS components and linkages:** NAADS should better coordinate the components for EDC that are within its direct and indirect control. For example, between technology development by NARO and other research organizations and between this and the NAADS enterprise selection and development processes.
4. **Market information:** NAADS needs to solve the issue of market information and market analysis. Access to markets by smallholder producers is essential. Smallholders usually are informed about the local markets but less informed about distant markets, so to respond to market opportunities, producers need to understand not just which crops are likely to be in demand, but also what quality attributes, quantities and timing, and to whom they can sell and when and for what price range. Producers want some assurance that they will be able to sell what they produce what levels of 'risk' they can absorb.
5. **Communication technology advancement:** The advent of mobile phone, text messages and Internet plus the spread of local FM radios increases the chances that public market information can deliver useful information in a sufficiently timely manner. How can farmers be organised to benefit from this technology?
6. **Linkages with market players and private sector:** Farmers need assistance at this time in building linkages with market players. Negotiating supply relationships with large buyers like UGTL can provide producers with secure access to high value markets. This can only occur if farmer groups operate as marketing associations so they can provide the quantity, reliability and quality of produce that can be attractive to the bigger buyers. Ugandan produce markets largely rely on personal relationships and trust. Producers are suspicious about exploitation by trader networks. Private sector business ethics need to be promoted as well – so they honour contracts with producers. The SC FF and SPs capacities need to be strengthened and/or alternative structures need to be put into place so as to fill this gap at this point in time.
7. **Financial/input services:** Although private sector provision of financial and input services stands as the most viable approach, government needs to accept the responsibility for ensuring that farmers have access to financial services and inputs, by supporting private sector and other innovative initiatives that can ensure that agricultural financial services and inputs reach the poorer farmers in rural areas.
8. **Consider zonalisation of enterprises:** Uganda has distinct ecological and cultural zones that have traditionally grown different crops. NAADS might need to consider broader national enterprises development strategy that promotes agricultural enterprise specialisation based on ecological and cultural dimensions across the regions of Uganda. This means promoting some sort of regional specialisation - certain crops for certain regions of the country. On the other hand, it is important that farmers are able to respond to dynamic changes in the market and to maintain 'healthy' diversified farming systems. Thus, a balanced approach should be taken in regards to specialization versus diversification.
9. **Building capacity at all levels.** Given the huge challenge of EDC and the dearth of capacity, it is recommended that investment be made for building capacity of FIs, FF, service providers, NGOs and NAADS coordinators at this point in time. (It is assumed the need will diminish over time.)
10. **Facilitation Unit and support:** Given the dispersed nature of the SP support, missed opportunities, increased realization of other roles and support needed, and need for greater capacity - it is recommended that consolidation of services at sub-county level might be needed. This unit could still be made on a contractual agreement basis; however, the TOR would be expanded to include: links to technology developers, brokering and linking private sector opportunities with producers, facilitating links with market information, traders, and others along the market chain; etc. This unit could focus on a few best-bet enterprises in each sub-county, service some targeted more difficult scenarios (youth, PWD, women with few resources, unusual enterprises for special groups like pastoralists, etc) and provide an information and referral service to specialists for 'walk-ins'.

## Cross-Cutting Issues

A core principle of NAADS is to target and reach women and other poorer farmers. This is a daunting challenge because it is easier to modernise agriculture by ignoring pro-poor targeting issues and focusing on wealthier farmers. This study examined the experiences and lessons learnt by Farmer Institutions and their support partners on the following crosscutting issues:

- Poverty focus – Reaching out to the poorer segments of the community;
- Addressing marginalisation based on gender, age, disability and others; and
- Addressing issues related to natural resources management.

The study team used participatory and other assessment methods to understand the extent to which FID processes and outcomes have been inclusive and accessible to all farmers or not, irrespective of their gender, wealth status, age, and disability. Experiences and issues were captured related to poverty targeting in the following processes:

1. **Group formation and development**, looking at who was participating in implementation and decision making and what benefits were accruing to whom; and
2. **Enterprise selection and development processes** looking into inclusiveness in processes, the appropriateness of chosen enterprises to the interest and capacity for various categories, and the impact of accessibility of inputs, other resources such as land, technical skill requirements, etc.

In addition to the inclusion issues the study team looked into the capacity and methods used for *gender mainstreaming* and *appreciation of NRM concerns* in community and how this is being linked in to ascertain FI and other partners' understanding of environmental concerns in their respective communities and agro-ecosystems.

## FINDINGS

This section presents the experiences of farmer groups, FF, NAADS Coordinators and NGOs in pro-poor targeting, gender mainstreaming and integration of NRM concerns into NAADS FID processes. The study tries to capture innovative initiatives, major challenges and emerging issues.

### *Targeting Poverty*

The study used “participatory poverty assessments” where farmer group members were asked to help ‘define’ the dimensions of poverty in their respective communities. The dimensions identified in general related to household’s physical and social assets like: land, animals, employment status, housing conditions, household size, and children’s education status. An example of a set ‘indicators’ for various levels of poverty/wealth compiled for Tororo district is provided in Table 4 below. When looking into ‘who’ were members of the groups, the most important finding was that most members of NAADS groups fall within the range of ‘very poor’ to ‘medium farmers and that rich farmers are largely absent from NAADS groups. The poorest segments were also under-represented, and when they were in groups, their participation and inclusion in decision-making was limited.

**Table 4.** Dimensions of poverty/wealth identified by NAADS group members in selected SC of Tororo District

<b>Dimension</b>	<b>Very Poor</b>	<b>Poor</b>	<b>Medium</b>	<b>Rich</b>
Housing	One hut Hut poor – might leak.	More than one hut	Many huts and large compound	Semi-permanent or permanent housing
Livestock	0 – 4 poultry; Usually no goat	1 – 4 Goats; No cow	Oxen and no plough; Milk cow	10-15 cows
School age children	Children don’t go to school consistently	Children go to local school	Children go to local school	Children in boarding or town schools
Labour	Sells labour year-round	Occasionally sells labour	Occasionally hires	Hires labour
Food source	Does not grow enough of own food – usually buys after selling labour	Grows most of their food – but usually does not finish the year	Grows all the food	Grows own food; Buys luxury food items like meat etc.

Table 5 provides a summary of the percentages of group members in the various wealth categories based on analysis done in selected groups visited in the three districts.

**Table 5.** Percentage of NAADS group members in various wealth categories in the districts visited

Wealth Category	Soroti	Tororo	Arua	Average
Very poor	24.50	NA	26.30	25.40
Poor	43.50	NA	15.17	29.33
Medium	33.67	NA	42.71	38.19
Rich	0	NA	14.45	7.23

Regarding issues of *inclusion in enterprise selection and development*, there are two levels of negotiation, as explained in section 4.2.1, with associated findings and recommendations. In addition, although most poor people have been able to join and initiate enterprises activities in NAADS supported groups, it is unlikely that many of these enterprises will evolve into viable commercial enterprises that generate income for the household members. Simple participatory profitability analysis undertaken with participating groups to look at the costs of production and potential profits found the cost required to cultivate an acre of any of the commodities being promoted under NAADS, was quite above the ability of poor farmers to afford. Table 6 below shows the profitability analysis done by groups from Tororo and Soroti on selected commodities in their respective areas.

In effect, unless some mechanisms of making credit available to the poor are identified, it is very unlikely that the poorer segments of the community will benefit from NAADS. In fact most farmer groups and FF visited during the study understood technology trials and demonstrations being promoted under NAADS more as sources of seeds and/or inputs rather than as a source of new ideas to be adapted and managed as enterprises, and there are very few instances where these demonstrations or technologies are taken beyond group trials and into individual enterprises to generate household income.

**Table 6.** Results of simple Participatory Profitability Analysis for selected commodities

Parameter	Onions <sup>1</sup> (Shs/acre)	Groundnut seed – Sere nut III (Shs/acre)	Cassava (Shs/acre)	Sesame <sup>2</sup> (Shs/acre)
Cost of Inputs & transport	157,000	259,500	65,000	27,650 <sup>3</sup>
Labour Costs	240,000	140,000	138,000	166,000
Production costs	397,000	399,500	203,000	193,650
Yield in kg /acre	28	900	1,000	750 <sup>4</sup>
Farm gate price per kg (or bag)	40,000 <sup>5</sup>	1,500	200	900
<b>Gross Income</b>	1,120,000	1,350,000	200,000	675,000
<b>Net Income</b>	723,000	950,500	- 3,000	481,350
<b>Output/input ratio</b>	2.82	3.38	0.99	3.49

<sup>1</sup> Yield in Bags per acre – Enterprise promoted in Tororo

<sup>2</sup> Based on analysis by farmer groups in Arua – but not promoted by any of the NAADS sub-counties in the district.

<sup>3</sup> Main input is Sesame 2 seeds

<sup>4</sup> Yield per hectare

<sup>5</sup> Ugandan Shillings/bag

In terms of *NGO and FF capacity to target poor people*, the methods and approaches used by NGOs, FF members and other NAADS stakeholders are generally not tailored to deliberately seek out and reach the poor. This reflects an attitude that may be summarized by one NGO representative, namely, “we work with groups in rural areas and we think we are getting to the poor – everybody there is poor”. Both the NGOs and NAADS coordinators demonstrated lack of clarity on ‘who’ the poor were, and there was constant reference to targeting the ‘active poor’ and not the ‘poorest of the poor’, without clearly defining these terms. Capacity at district and sub county levels for poverty analysis and targeting is lacking and needs to be addressed and monitored.



## Mainstreaming Gender and Attention to Marginalised Groups

In general, the number of women in NAADS-supported groups is relatively high, and there are many women-only groups in nearly all the sub-counties visited. Table 7 shows the composition of group members and their chairperson by gender, compiled from the nearly 50 NAADS-supported groups.

**Table 7.** Composition of membership and chairpersons of visited NAADS-supported groups by sex

District	No. Of Group Members by Gender		Chairperson of Groups by Gender	
	Male	Female	Male	Female
Tororo	129	285	4	7
Soroti	64	118	6	5
Arua	195	216	10	04
<b>Total</b>	<b>388</b>	<b>619</b>	<b>20</b>	<b>16</b>

However, despite this overwhelming participation of women in groups, men still retain significant control over NAADS processes and actual decision making, even in supposedly ‘women only’ groups. Some of the factors found to undermine women’s participation and control over NAADS processes include:

- **Literacy rates among women:** These are lower than in men, and the perception and experience of local community groups is that participation in NAADS and other community activities involved some form of writing or use of English language. Many women-only groups co-opted men as advisors or secretaries to provide linkage to what to them appears a literate, foreign-language-speaking outside world.
- **A culture that subordinates women:** Married women particularly are oppressed by the triple role of women - productive, reproductive and community service. The need to rush home to prepare lunch for a husband or attend to children affects the level of participation in NAADS activities.
- **Ownership and control of resources:** The level of influence and/or control over group activities is related to the resources at one’s disposal. A key resource in this case is land, because there were situations where a women’s group chairperson needed to ‘beg’ for land for group activities from a husband or other male relative – thereby providing a window for men to sneak into the group whereby they exert un-proportional influence on group affairs.

Disabled people had the most challenging task in participating in groups. NGOs, FF and farmer groups usually lacked the skills for working with them. Youth were also largely left out because they are mostly attracted by enterprises that give quick and immediate tangible returns – and they thought most NAADS enterprises were not providing immediate financial returns. Regarding the *capacity of NGO and local SPs to integrate gender and diversity concerns*, most service NGOs, FF and NAADS coordinators expressed satisfactory levels of awareness on gender issues and there was provision for women representation in most FI leadership structures. However, other than numbers, there was little evidence of a gendered analysis and application of strategies to address the structural dimensions of gender marginalisation.

### *Selection and Development of NRM Enterprises*

There was a general understanding among group members that their natural resource base was changing – e.g. land degradation; declining water resources – quality/quantity of both potable and other water sources leading to fish depletion, drying swamps and declining tree cover. They were also aware that the changing nature of their environment was caused by their activities, and in many cases they knew how this could be reversed. Despite this recognition of the deteriorating environment, NRM issues such as land degradation, fish depletion, drying swamps and declining tree cover never made it to the priority list of enterprises. Some of the reasons suggested for the poor show of NRM-related enterprises included:

- The capacity to conceptualise and develop the enterprises and technologies in these areas and link them to income generation. There was usually a drive to choose enterprises that had tangible technology or demonstration benefits (inputs like seeds) related to mainstream commodities.

- The perceptions on what people considered to be benefits from participating in NAADS activities did not seem to include solving NRM issues. Farmers preferred short-term and fast return enterprises. They were less interested in investing in longer term maintenance or repair of land and water resources.
- Natural resources of a common property nature like forest reserves; fishing points and wetlands, were raised by groups that were directly affected, such as women, disabled or elderly, but these concerns usually did not make it through the FF enterprises selection process because the groups that put forward these concerns were outvoted during enterprise prioritisation at the sub-county levels.
- The current enterprise identification and selection process does not demand analysis of what it might do to natural resources (a feasibility study), even in simple terms. The enterprise development process does not integrate NRM.

However, despite the difficulties for NRM enterprises to reach the priority list, there were some promising but limited innovations. Some of these included: “ILM-BMU partnership” in Bugondo, referred in Box 5, and “alternative technologies to wetland rice” in Box 6.

**Box 5: NRM Integration in Bugondo**

Bugondo SC in Soroti district lies on the eastern reaches of Lake Kyoga, and fishing used to be a major economic activity in the SC, bringing in young men and women from all over the district and beyond. But this is no longer the case; the ones overflowing landing sites are now a shadow of their former status. Reasons: a significant decline in fish catches over the last few years. In 2002/3 Bugondo SC had fishing among the list of their enterprises, and a service provider was contracted to provide services related to developing “fish processing, fish hygiene and good methods of fishing”. This did not address the cardinal issues emanating from the fishmongers – the depletion in fish stock in the lake. Processing was not a big issue because of scarcity in fish catches, the buyers from near and far were coming in and willing to invest in the processing technologies. In 2003/04, fishing did not make it to the list of Bugondo SC enterprises because the SC FF thought the problem of fish depletion was beyond their powers and there was no technical capacity within the SC to address this. Meanwhile, a separate arrangement was developed at the district-level through a partnership reached with Integrated Lake Management (ILM) project - DFID-funded initiative to promote community management and conservation of Lakes Kyoga and George. Under this arrangement, Beach Management Units (BMUs) set up by ILM have been integrated into the NAADS process, and already the subcounty representatives have been elected into these units, and the fishing groups are now part and parcel of the subcounty planning units.

**Box 6: Alternative technologies to wetland rice: Experiences of *Aukot Amura Ican* group**

Soroti Rural Development Association (SORUDA) is a local NGO that was started in 1999 by enterprising local development activist in Soroti district. The NGO has been working with a local farmers group, *Aukot Amura Ican* (joining hands to fight poverty), in Gweri subcounty, Soroti district, since 1999. In 2003, with funding from UNDP, the NGO started a biodiversity and poverty program in the sub-county. The underlying assumption behind the program was that poverty pushes people towards unsustainable exploitation of the natural resources, or to enterprises that threaten the destruction of the resource base. Two key economic activities considered threats to the environment were identified - over-cutting of trees for charcoal and destruction of wetlands through the cultivation of rice.

After initial sensitisation on these issues, members of *Aukot Amura Ican* group together with support from SORUDA, identified alternative sources of income that would pull people away from reliance on charcoal and wetland rice cultivation as sources of income. Appropriate enterprises were chosen, which did the new conservation interests influence, and training followed this on entrepreneurship – various aspects of business management. It was after the enterprises had been selected that NAADS came in. With the support of NAADS and the UNDP funds, already 90 poor HOUSEHOLDS originally dependent on wetland rice are growing 90 acres of upland rice. There is a group demo for learning – but each member is also trying each of these technologies in his/her garden. The group is also promoting the cultivation of the popular epuri-pur sorghum. The key innovation here is that, production process is directly linked with marketing. The epuri-pur sorghum has a sure market with Nile Breweries, and the rice is sold to rice millers in town even before the crop is out of the gardens.

## RECOMMENDATIONS ON THE EMERGING ISSUES

Some of the ideas emerging from the study regarding the way forward on poverty targeting, gender and diversity, and NRM integration include:

- **Strategy for targeting poverty and marginalized groups:** One of the first issues to resolve is for NAADS to decide whether they should target the ‘poorest’ of the poor or only the ‘more able’ poor. Then, NAADS should review its recent strategy document (NAADS 2003b) to put forward an addendum, as recommended in the document that provides guidance more specific ways to reach both groups, indirectly or directly. Processes and methods need to be identified that might be used to target this category. Improved literacy, general education and cultural change are some of the requirements.
- **Defining and targeting diverse groups:** There is need to further define and target the groups at sub county level based on their wealth status and gender, age and ability, and analyze the opportunities and challenges that they have faced before and might be facing now under NAADS in accessing advisory services. Upon this more intensive analysis, appropriate strategies should then be implemented for reaching each of these categories.
- **Capacity building for NGOs and Service Providers:** Given the capacity gap among all key players to address these cross-cutting issues in FID and EDC, a deliberate effort to build capacity among key stakeholders for implementing effective strategies in poverty targeting, gender mainstreaming and NRM should be considered and promoted.
- **Harms-benefit monitoring:** Agricultural revolution within a privatized environment has traditionally not favoured the poorer farmers. ‘Harms-benefit’ analysis needs to be done to identify potential losers and winners in the FID and EDC processes, and set in place monitoring and/or audit mechanism to follow-up the effects of these processes on the poor, women and other marginalised groups. After this analysis is done, adjustment of the NAADS process strategies and investment may be necessary.
- **Control over resources:** Access to NAADS benefits was influenced by the extent to which one has access and control over resources like land. Although women dominate NAADS groups, their lack of control over land significantly affects the extent to which they can take part in and benefit from NAADS. There is a need to link NAADS processes with other national women’s rights initiatives so as to increase awareness and promote more assertive tendencies among women on these issues.
- **Literacy levels:** Women’s low literacy rates and limited leadership capacity have justified men to come into women’s groups and usually take a proportionally high influence over these groups. Integrating functional literacy programs and leadership training into women’s group activities might need to be explored at local levels. The latter should be part of the FID support process provided by NGOs and service providers.
- **Improving access to agricultural finance:** The inability to access agricultural finance affects all segments of the community but women and other marginalised groups suffer most.
- **Inclusion of NRM into enterprise development:** Specific elements need to be incorporated to raise the profile of the importance of NRM. NAADS should consider incorporating NRM when evaluating the feasibility and development of enterprises; provide specific services on NRM issues; support innovative natural resource enterprises; and generally integrate NRM into enterprise development. NRM is on agricultural land as well as in managed in common. Past deliberations on NRM and NAADS have tended to exclude integrated NRM on agricultural lands and this should be addressed in future.
- **Innovations outside normal NAADS enterprise selection processes to address NRM.** NAADS might need to explore innovations outside the usual SC enterprises selection processes in order to address NRM concerns, particularly where degradation is a major concern of communities. This might be through some form of innovative advisory service on NRM technologies and practices at district level that DNC can employ in situations where traditional approaches do not address emerging community environmental concerns. This is likely to be more apparent where natural resources are common property like dwindling fish stock in lakes and rivers; contaminated water sources (as felt by women in Pingire Subcounty, Soroti), declining tree cover and hillside and valley bottom management.

## Lessons Learnt

This chapter aims to derive main lessons learnt from this FID study so as to suggest more overarching principles useful for finding the way forward. These lessons and principles can be used in constructing strategies and a way forward for substantially strengthening FID in practice and for enhancing the quality of FID. The preceding chapters provided more detailed reviews of various FID components and have highlighted several specific issues and recommendations.

### SENSITISATION AND AWARENESS CREATION

NAADS has been launched in districts / sub-county with considerable preparation, it realizes that it needs to iteratively communicate its scope and activities more precisely and clearly to all stakeholders. Generally, the reviewed experience in the districts suggests that clear, transparent and relevant information about the program activities is fundamental to building realistic expectations among the intended beneficiaries. Some important principles and lessons emerged:

- Sensitization and awareness creation takes place within a context. This is particularly important given the complexity of the program, the departure from old roles and paradigm shifts required to implement NAADS as it was conceived. NAADS was being implemented in an environment where various projects and programs had already created a ‘dependency’ or ‘handout’ reliance syndrome. Pressures for quick roll out and spending according to a pre-conceived time schedule were not revisited. At times, these factors compromised their communication strategy. Time and iteration are required and should be recognized by those supporting and implementing NAADS.
- Feedback on the sensitization process helped to ensure it did not exacerbate expectations. Early on, allowances, lunches and promises raised expectations. Early NGO pressure was instrumental in bringing the ‘subsidized’ participation issue to NAADS. This underscores the importance of setting up early monitoring and consultation systems.
- Linked to raised expectations and the overall ‘projectized’ environment, new farmer groups formed opportunistically on the incentive of “perceived” benefits. They were not able to survive the call for active contributions and participation and tended to drop out within a short time. New groups that received up to one year of preparation using means of communication that they could understand and old, established groups were better prepared.
- Traditional, one-time communication through sporadic meetings or formal workshops on the program scope and content does not create an environment conducive to the unfolding of FID activities and processes over a longer term. In fact it leads to a misinformed community whose belied expectations actually give rise to more distortions of project facts and results in further discontentment particularly when perceived expectations were not realized.
- NAADS has made an effort to provide guidelines to implementers, and the Revised Guidelines (NAADS 2004) are greatly improved compared to the initial ones (NAADS 2001). However, most of the guidelines are in English (which is not spoken by most of the farmers) and developed in headquarters. If these are meant to inform farmers they should be translated and transmitted in ways they can understand. This is particularly true for the farmers whose limited literacy level makes it difficult for them to access the more conventional communication media or events.
- NAADS secretariat has repeatedly passed the message that there would be changes and evolution in the program due to its innovative nature. This up-front and straightforward recognition of innovation and evolution is excellent for a program of this nature.

### DEVELOPMENT OF FARMERS’ INSTITUTIONS

The overall experience of FID in NAADS embodies most notions about farmers’ groups and the factors that enable them to become self-managed, demand driven, enterprise-oriented entities. However, there is room for improvement on a number of areas:

- For groups to be strong agents of collective action it is important to invest adequately in their management systems, processes and leadership. Where these are weak or not well formed the groups are unable to sustain themselves as democratic or even functional entities.

- An iterative and incremental process of capacity building that aims to enhance systems, skills, processes, accountability and leadership in groups is a pre-requisite for mature farmers' organizations. One-off, pro-forma training input tokenizes these components and fails to contribute to social or institutional capital of groups.
- Strong commonality of interest in groups ensures their cohesion. Generally farmers operating with similar levels of resources, endowment and risks are able to identify common and actionable interests and these may relate to a range of production functions including input supply and procurement, trials and experimentation, marketing or negotiations. Formation or reformation of common interest groups should receive more attention by NAADS.
- In most cases there is a strong social, including gender, dimension to group cohesion. Social homogeneity ensures easier conflict resolution, equity in distribution and sustainability. Quality facilitation for building strong group cohesion is important. Adequate time and resources are needed and quality processes used for FID and mature groups to materialize.
- Though a clear common interest is needed, the way in which this is aiding or translating into individual or household level gains needs to be quite explicit. Further these need to be demonstrated early on in the trajectory of groups failing which, a sense of drift and purposelessness sets in, resulting in attrition.
- Deliberate strategies are needed to ensure inclusion of concerns of gender, poverty or special abilities within FID processes. The opportunity exists with the contracting committee in a way that they make this explicit in the TOR of those contracted service providers. The irony is that the capacity to articulate gender and NRM issues is limited among the procurement committee members. As such, the enterprise selection process being used carries the risk of omitting such priorities.
- Groups promoted by NGOs that have operated with broader or different mandates prior to NAADS have demonstrated better ability to internalize the NAADS' messages. They have also been able to articulate their demands better and have showed more briskness in enterprise selection. The main reason for this has been that these groups have been nurtured for longer periods and have more mature group processes even if these may not have experience in agro-enterprise management.
- Methodologies and practices are not well documented in the NGO and SP communities. Performance indicators are not used or available. It is therefore difficult to pass on or to assess good practice in the field. Therefore, good operational FID models or examples should be documented and used in building capacity of service providers and NGOs in the nuances of FID and quality facilitation.
- Current activities under NAADS alone are not yet a strong enough basis for groups to revolve and rally around. The implication is that NAADS has to either expand the menu of services being offered by it to farmers or improve linkages with others who are able to integrate services with NAADS supported groups more substantially.
- Indicators for farmers' group cohesion, processes and development need to be implemented and tracked at all times. A large scale FID process bereft of an explicit monitoring system is likely to become subjective and not easy to replicate.

## ENTERPRISE SELECTION AND DEVELOPMENT PROCESSES

The NAADS experience thus far confirms the growing evidence that farm households practicing subsistence scale agriculture are not able to make quick turn-around to commercial agriculture enterprises. NAADS has made a concerted effort to address information and technology gaps at through service provision to farmer groups while other important gaps continue to remain un-addressed. This will ultimately limit the scale of NAADS success in promoting enterprise development overall unless addressed. The following lessons can assist:

1. Farmers groups need relevant information, easy access to technology, reliable inputs, credit and assured links with markets. These are within the scope of NAADS and should be provided and/or leveraged if ESD is to be successful and investments in services realized.
2. Within the mandate of capacity building of farmers' groups there is a need to continuously upgrade farmers' skills in business and market analysis. Farmer groups will need to move along these areas of knowledge and skills in order to become effective managers of commercial agriculture enterprises. This includes the following components:
  - Understanding and establishing local potential for diversification
  - Ascertaining costs and investments needed in input procurement and enterprise management
  - Accessing market information on trade and prices

- Ascertaining and costing the potential for value addition through processing, packaging or grading
  - Determining returns and revenues on enterprise
  - Assessing production and market risks
3. Locally viable enterprises (viz. that have assured local markets or are meeting local demands) provide a safer opportunity to farmers' groups who are just starting out on the trajectory of commercial agriculture.
  4. Enterprise promotion needs sustained coordination among various institutional actors on the technology - production – marketing spectrum. In the successful instances of enterprise linkage for the farmers' groups it has been seen that a coordination and liaison role has been on critical importance. This role has taken the following functions:
    - Identifying production potential and scale
    - Assisting in procurement of input and technology
    - Overseeing quality and timing
    - Locating and negotiating with commodity buyers
    - Overseeing transactions and terms
  5. These functions need to be anchored in a specific facility charged with coordinating these different tasks e.g. who can organize the various actors and assist with information, negotiations, logistics and transactions between the producer groups and the buyers. High quality enterprise mentoring in the initial stages is often able to result in direct linkages between producers and market in the future. This function needs to be established in each sub county to service groups in different stages of commercialization.
  6. NRM enterprises and integrated strategies to solve NRM issues should be integrated into the EISP and EDC processes. Farmer groups should be made aware of these options and potential NRM impact assessment introduced for all enterprises.

## FARMER FORA AND EMPOWERMENT ISSUES

The following lessons on the empowerment of farmer fora were distilled from the research:

- A farmers' institution formed by federating a number of primary farmers' group should derive its primary mandate from its constituents. This however is not the case. FF is very much a program created structure, thus its operations are embedded in its design and structure. As a result it is serving the administrative purposes of the program rather than strengthening institutional processes or contributing to enterprise promotion. It is because of its top derived mandate that the members of FF perceive themselves more as deputies of NAADS than representatives of farmers' groups. The TOR for the FF and committees is ambitious and time consuming and is leading to requests for remuneration, which could potentially be even more confounding.
- It appears that more emphasis has been placed by NAADS on FID for farmer groups that for developing the FF. Limited capacity building and facilitation plus a changing TOR has under-capacitated the FF members leaving important oversight and monitoring tasks undone or implemented with poor quality. Time and resources are needed to build capacity given the newness of the job. Investing in 1-2 good 'models' per district would be advisable, so that one FF can learn from others.
- The relevance of FF in actually advancing demand driven extension delivery and enterprise development is not clearly established yet - it will take considerable redesigning of NAADS structure and roles at that level in order for FF to become effective.

## NGO PARTNERSHIP FOR FID AND ESD

NGOs are potentially effective facilitators of farmers' group and organizational processes at the grassroots level. Their location and rapport in the community enables them to communicate directly and effectively with all categories of farmers including poor or those with special needs.

- Despite their general structural similarity NGOs are a very diverse and heterogeneous group with different motivations, skills and proficiency. They have different core competencies and find it difficult to quickly acquire new competence or perform radically new roles, other than what they have done in the past. A broader review of NGOs activities does indeed confirm this however NGOs performance in similar NAADS mandated activities remains sub-optimal and merits urgent attention.

- In order to have NGOs perform new roles it is important to invest in the building of their capacity – it cannot be assumed that they are ready to take on new roles. Clearly NAADS has brought many new demands on NGOs even as they remain unprepared and insufficiently motivated to take on these effectively.
- One serious problem associated with NGOs participation in NAADS is that of short term, intermittent partnership arrangements which results in their inability to fully engage in the process of building farmer organizational capacities. Short term arrangements do not create any incentive for NGOs to use their best personnel capacities and improve their stake and ownership of NAADS processes. If they are used as contractors or event managers their ability to enhance farmers’ participation meaningfully will remain limited. The experience in NAADS confirms that NGOs are able to fulfill their roles provided they are brought on board with stable arrangements, clear contracts and helpful administrative procedures.

## EQUITY

The following lessons were learnt on achieving equity in NAADS implementation processes:

- Given its current strong orientation to commercial agriculture and enterprise development NAADS is not inherently tuned to the needs of the resource poor, bottom poor farm households. In this sense it is not a broader livelihood promotion initiative but a more specialized one that seeks transformation of subsistence agriculture to a more modern and market linked enterprise. This orientation may restrict the impact NAADS activities will have on the special category of poor and disadvantaged farmers which will continue unless there is a fundamental shift in scope *or* there is better integration with the other PMA components, as and when they fully unfold.
- Within the existing program paradigm some possibilities do indeed exist. For example it is possible to set a ‘vulnerability target’ to help the identified poor and vulnerable farmer groups. The fund could be used for supporting activities for improving food security or enterprise options not necessarily linked to owned assets (like retailing, processing or storage etc)

## Operationalising Recommendations

This chapter reviews possible strategies as ‘food for thought’ for NAADS consideration in terms of improving the FID for ESD process by taking on board the lessons learned and the various recommendations and derived principles. The study team has requested discussion with the NAADS secretariat on these suggestions and other emerging reactions and ideas so that NAADS may formulate the way forward in realistic operational terms.

### RETHINKING FID AND ESD IN NAADS: TAKING AN EVOLUTIONARY APPROACH

It is an opportune time to rethink and strengthen the conceptual models surrounding the operationalization of FID and ESD. This report has provided 5 inter-related ‘models’ that might trigger some deeper thinking and lead to new modes of operation that will improve the returns to investment and reach NAADS and PMA targets:

1. A holistic support model for ESD (Section 4.2.2)
2. FID stages for ESD (Section 4.2.2)
3. Comprehensive facilitation and strengthening of farmer groups (Section 2.1)
4. Performance monitoring (Annex 1: Performance Indicators)
5. Diversification of FID for different types of groups and different needs (Section 4.2.2 and 5.2)

It is recommended that the Technical leadership of NAADS uses the study team review information and other materials to revisit and redefine a more comprehensive way forward following these steps:

1. Refine the concept and elements for ESD considering it in its entirety and how it will evolve over time, e.g. WHAT should be done (1 and 2 above);
2. Identify the necessary support (capacity building and facilitation, methods and processes) to FID to accomplish this, given its current status and where it needs to be advanced to, e.g. HOW should FID be done (2 and 3 above); and

3. Revisit and refine monitoring and evaluation indicators so as to match the trajectory and elements identified in i) and ii) over time. Use these to capture diversity and evolutionary stages and to recognize quality work or not (e.g. Are we getting there?); and
4. Refine support to accomplish i), ii) and iii) in terms of strategy, time, resources and capacity to push FIs along a course towards achievement (3, 4 and 5 above).

An *evolutionary view* should be taken. Another words, view the new ‘model’ not as static but as dynamic – groups may fall anywhere along the path. At different stages of maturity and at different stages in their evolution, they will need different types of support. It is time to leave blanket approaches and over-arching guidelines behind and *recognize diversity*. This will help in tackling some of the inclusion and representation issues brought up in the report (bringing up the demand more fairly; addressing needs of the poor and youth, etc). Diversity needs to be recognized in terms of:

- Different livelihood needs (e.g. more income or more food);
- Different capabilities (e.g. limited land and labour of female headed households versus those with more resources);
- Different interests (youth versus elderly); and
- Different levels of group maturity.

The NAADS program needs to find effective and efficient strategies, systematic actions and evolving levels of support. Some suggestions are put forward in the following sections. In real terms this would mean, for example:

- More intensive facilitation of ‘new’ and ‘young’ groups to build leadership, cohesion, management abilities;
- Facilitate farmer groups to evolve into and/or form enterprise interest groups wherever possible;
- More training on actual ESD and associated business and entrepreneurial skills;
- More diversified services delivered to different types of groups expanding beyond but including technology development and demonstration into other facets of ESD;
- Better analysis and incorporation of NRM into ESD;
- Improving market information and access and training in use of the information;
- Improved partnerships with NGOs; and
- Support to SP capacity building and formation of SP as a business, which may go beyond individuals into small companies.

## RETHINKING THE TARGETING OF NAADS SUPPORT AND INVESTMENTS AND SCALING UP

### *Rethinking Methods for Identifying and Amalgamating Demand for Services*

Investments from NAADS are targeted at amalgamated demands that come from enterprise choices. Currently the demand is first formulated through negotiation by farmers groups and translated into service needs related to producing a commodity for sale. The current process and guideline for amalgamating demand now focuses more on the commodity rather than on the more generic business development skill-set (BDS) required for enterprise development, which includes FID. This methodology results in service provision focused on technologies for improving production and leaves out the other BDS needed for ED. To ensure that services lead to successful enterprises and interest groups is for the demand for services and the amalgamation of the demand to take into account more holistically what skills it takes to manage the whole enterprise development process, including cost-benefit analysis, risk analysis, record keeping, entrepreneurial skills, negotiating with traders, organizational development and management, market information processing, production skills, etc.

Thinking more broadly about service provision for ESD and FID requires a mindset change of farmer groups, the FF and committees, and the NAADS technical team as well as changes in the process. By considering a ‘business development skill-set need’ orientation rather than an ‘commodity based’ orientation, the tension that has emerged on the method for choosing and supporting commodity enterprises may be diffused by following these suggestions:



1. Continue providing support to amalgamated demand but change the prioritization methodology for amalgamating the demand so as to amalgamate more generic 'business development skill-set' needs, which will be most likely be aligned with different types and needs of groups. These BDS needs can be prioritized using weighted criteria. In addition, 'categories' of farmer interest / need groups can be created from major characteristics of the groups (poor, youth, elderly, entrepreneurial, new, experienced etc). With this inventory the FF and committees can cross check that multiple demands are catered for as much as possible.
2. Consider a variety of ways of providing the broader but targeted services: holding 'beginners' or 'advanced' courses with numerous groups or representatives attending on more generic skill needs such as cost-benefit analysis, using market information, production of 'x' etc.; providing courses on specific group management areas such as leadership, accountability, etc.; provide specific assistance and mentoring to selected groups on request basis and to ensure follow up of the more general courses.

### *Rethinking Organization of Service Provision for FID and ESD*

Current procedures for contracting, monitoring and provision of services might be revisited to increase effectiveness and efficiency, in light of the above suggestions. What is currently visible in the sub counties is dispersed, relatively small efforts that are not adding up to effective support for FID and ESD. The following idea might be considered:

*Establish an "ESD Facilitation Unit" in each sub county that could help to amalgamate the now dispersed services provided into a group or entity that services the whole territory, as envisioned in the last points above. Service providers that are currently a number of independents and serving a territory could be encouraged to 'incorporate' and/or bids taken and the selected service provider entity contracted to manage the ESD Facilitation unit for the sub county. They could in turn sub-contract for specific services beyond their capacity. Farmers could come to make demands for services rather than reverting to the 'supply' mode currently used. This entity would have a broader terms of reference related to ESD and could evolve upon renewal of contracts as ED becomes more sophisticated. The Facilitation Unit might build upon or draw initial support from project-led information or input provision centres (One-Stop Centres of SG-2000; or DATICS supported by DANIDA); however, it is suggested that these become privatized and contracted out in support of building up of SPs as private business entities, if NAADS, a project or government is providing funds for support.*

The TOR for the ESD Facilitation Unit at sub-county level might include the following tasks:

- Collect and collate farmer group demands
- Collect and collate farmer group characteristics and objectives
- Set up services for farmers and community facilitators (courses, mentoring visits, demonstrations etc)
- Act as a broker to link enterprise managers and groups with traders and private sector
- Document and publicise methods and experiences
- Set up cross farmer visits (provide the link) so they better learn from one another
- Provide secretarial and logistic support to FF and other ad hoc meetings about NAADS
- Organize visits for visitors
- Improve relationships, partnerships and follow up with NGOs
- Link to 'information centres' and serve as institutional memory
- Monitoring and feedback to NAADS Technical leadership team and district
- Link up with other sub counties to exchange plans, issues, methods, etc

Establish a 'Facilitation Unit' at District level with the following TOR:

- Ensure capacity building (do themselves or contract out) of service providers (SP) and NGOs in gap areas
- Conduct market analyses
- Coordinate across sub counties and information centres
- Serve as a clearing house to foster linkages with NGOs and projects
- Help sub counties link farmers / enterprise groups and private sector
- Assist in drawing up sub-contract agreements
- Lead in defining and ensure implementation of communication and scaling up strategies

## *Ensuring Build Up of Success Stories*

Current operations are resulting in some 'success' stories or good 'models', but these need to be expanded. Although support to SPs was not the focus of this study, the views from the field suggest that although the support provided currently is substantial, it is not sufficient. In addition, the study team is calling for a diverse rather than blanket approach, which can essentially dissipate investment further unless there is a thought out strategy. Targeted support leading to successful models can be used as 'learning' cases, link into the learning framework, and provide models for scaling out. Therefore, the strategy of targeting support is suggested as follows:

- Support two or more 'best bet' enterprise interest groups per sub-county. Develop a transparent method and selection criteria to choose these. Provide whatever services are needed to these groups to get good quality success models. Ensure linkages with other groups having similar enterprise interest. These models can be used to learn from and can be publicized. As time progresses, intensive NAADS support can move to other cases and bring them into this category. Eventually, a number of good models will be visible and operational.
- Select 2-3 other cases to provide services for more difficult aspects, such as targeting of the resource poor, of youth, NRM, etc. These will be 'learning cases' across the NAADS system and can provide examples or 'models' of ways to address diverse needs. Ensure linkages with other groups having similar features.
- Organize general support through a Facilitation Unit as mentioned above.

## *Scaling up FID and ESD*

Scaling up here refers to continued expansion of many profitable enterprises, broader use of quality methodologies and processes, and more able actors across the board. Some key elements required:

- Vertical and horizontal spread of innovations from multiple actors: This can be facilitated by NAADS Technical leadership team who links to district facilitation units who in turn link to sub country facilitation units and FF (vertical spread). Spread can be facilitated by sub county to sub county, farmer group to farmer group, NGO to NGO, SP to SP sharing of information (horizontal spread).
- Mechanisms needed to monitor, document and share need to be in place. Use FID and ESD framework and elements to help focus documentation. TOR of designated actors need to have this incorporated. Mechanisms for sharing (tours, fora and media) need to be budgeted and planned for.
- Set up quality or performance indicators. Quality is often difficult to maintain during scaling up.
- Consider cost effectiveness and decide on the focus of the documentation and media on an annual basis.

## **RETHINKING FARMER EMPOWERMENT AND POWER BALANCES IN NAADS ACTIVITIES**

NAADS and the PMA put forward farmer empowerment as a major objective of government. In NAADS the structures at sub county level, as a starting point, e.g. the SFF and the two committees, are two points where this can occur. To recapture the key issues:

- Under current revised guidelines and TOR, the actual decision making power given to farmers has been undercut (now in committees where there is potential domination by government officials), whereas the oversight power has been elevated (now in SSF). How can the balance of decision making and oversight power be distributed so as to put this in the hands of the grassroots?
- The FF is still under-capacitated, there is still a lack of clarity of how to perform the roles, and since the items have increased and will take substantially more time, being a member of the SFF is becoming more of a 'job'; hence, SFF members are asking for remuneration. How can the TOR be balanced so as to ensure power but not be a burden?
- Since guidelines and rules come from top down without overt consultations with grassroots, NAADS appears to still be driven from the top. Given this situation, a major question raised was: Who are the SFF working for / representing? NAADS or the FGs?

The relationships and TORs of the suggested Facilitation Unit, the SFF and the Executive and Procurement Committees at sub county as well as district and national linkages would need to be thought through considering the following principles:

- Decision making related to plans and budgeting should be devolved to farmers as much as possible with the necessary capacity building and checks and balances to ensure transparency and accountability.
- Monitoring should be in the hands of farmers as much as possible with the necessary capacity building and facilitation to have a reasonable monitoring method which includes gathering information from users, analysis and synthesis, and feedback as well as capacity building.
- Legal agreements, such as contracts could be amalgamated as much as possible to limit transactions. There should be a transparent tendering and review system, involving farmers as much as possible.
- Major NAADS program rules and guidelines drafts should be vetted with farmers prior to institutionalization in order to build their understanding, get their feedback which can be incorporated, and more widely posted and distributed in translated form.
- Farmer representatives should be through a transparent 'voting' system. If there are numerous groups, then have elections occur at group for parish and parish for sub-county levels.
- Mechanisms for amalgamating demand and sharing between levels (groups, sub counties, district, national) can be discussed for each district to come up with a workable solution (e.g. types and numbers of meetings, logistics and outputs) that limits transactions while promoting good monitoring, information sharing, feedback systems and general communication. NAADS technical team can vet.

## RETHINKING CAPACITY BUILDING FOR FID AND ESD IN NAADS

This review noted that much progress has been made but that there are deficit areas of expertise regarding FID and ESD in most entities – FIs, FF, NGOs and SPs. These deficits must be addressed or NAADS will not reach its targets. There is wide agreement on the need for capacity building, so the issues can be distilled to:

- What are the generic skill areas needed for each target group (FGs, FF, NGOs, SPs)?
- When, by whom and how should the skills be built and mentored?
- Who can organize these events as well as the mentored or followed up?
- How will quality control and continuity be managed?
- How can cross learning be encouraged?
- How can skill development most efficiently be organized?
- What level of investment needed at what level over time?

First of all it is necessary to establish the broad BDS needs (many are highlighted in this report and data sheets) which can be part of the 'demand identification and amalgamation' process. Lower level demands (FGs and FF) can be attended to at sub county level through the Facilitation Unit or SP contracts. Skill needs should be seen and invested in as part and parcel of FID and ESD. Some FF as well as SP and NGO demands might best be catered for at District or national levels, depending upon the skill need. Some TOT courses can be catered for at national level, perhaps using Makerere (WIN 25 group), NGO specialists, regional and international expertise for special cases.

Capacity building can be implemented through face-to-face traditional training courses, but these should be followed up with a mentoring system and should take an adult learning approach to motivate participants and encourage quality and self-solving of implementation issues. Manuals and guidelines can assist, but tend to promote a blanket approach which discourages adaptation and problem solving. Use of multiple media including electronic sourcing can be encouraged through the NAADS development communication thrust. Study tours and sharing examples and models can be visited and documented so as to increase ideas, innovation and application. Diversity and innovation around principles should be encouraged so as to avoid blanket application of approaches. Trips can be encouraged as much as possible, where NAADS and their web site and Facilitation Units can provide the contacts.

## RETHINKING PARTNERSHIPS

NAADS has been proactive in setting a policy to promote partnerships and set up agreements to bring major projects under their umbrella; however, this thrust could be elevated in future given the large task ahead. Several generic areas could be improved to encourage NGOs, research and project entities to collaborate:

What NAADS can do from the outsider's perspective:

- Provide credit and 'advertise' or promote the work done including inviting NGO for presentations, to talk to visitors, etc;
- Consult with entity to better understand modes, terms and time required to do certain tasks rather than using a top-down manner;
- Promote a reasonable, timely 'cost sharing' approach that is negotiated, rather than top-down procedures and accounting that cannot resolve issues; and
- Provide some partnership guidelines to NGOs on how and what can be linked with NAADS rather than holding many negotiating meetings that might not materialize in a partnership.

From the NAADS perspective:

- Build up a register of NGOs and projects, their territory and mandates so as to know who can be approached for different tasks
- Conduct a reconnaissance to ascertain quality of methodologies and staff capacity. Use a shared performance assessment guide that can also assist the NGO in defining its strengths and weaknesses
- Decentralize agreements to lowest level possible

Agreements from the partnership perspective might specify:

- Conflict management, monitoring and feedback systems
- Comparative advantage of two entities (resources, capability, etc) that then leads to the partnership agreement of who does what and how
- Periodic report and review meetings
- Credit sharing arrangements and logistics
- An 'out' clause
- Documentation and reporting
- Tasks, outputs and duration

## INTERNALIZING LEARNING

NAADS already has a comprehensive M&E framework (ref revised 2004 version) and is working on a participatory M&E system that can be used at grassroots. There is a monitoring team at headquarters as well as comprehensive reporting requirements from the monitoring team, the sub counties and districts. This is augmented by a number of in depth studies and consultancies that are commissioned as needed as well as unsolicited studies done by researchers and students. NAADS has an extensive and organized central library where materials are deposited. The written coverage and monitoring is fairly comprehensive. Like most M&E schemes there is a heavy concentration on programmatic indicators (number of events, number of farmer groups, etc) as opposed to more 'process indicators' related to 'how' something was done, steps and stages, and of what quality.

The work pace and amount of materials generated would be a major challenge to keep abreast. Nevertheless, there appears to be a felt need to either augment the current monitoring and documentation system and/or adjust it so that the technical leadership team can be kept in touch with what is happening in the field, how it is happening and what the results are in a dynamic way and to use this information to make management decisions. Three options are presented. NAADS may decide on one or create a hybrid.

Steps that can be followed to set up a learning framework might involve:

*Option 1:*

- Design a generic FID and ESD ‘model’ (as suggested in 7.1 above) and the generic elements required to get it to work (e.g. what are the main components that need to be in place for the model to work successfully).
- For each element, identify indicator(s) (e.g. what you would see) if it were operational and working well (similar to performance indicators in Annex 1). These become assessment criteria that can be used to assess what is seen in the field.
- Of the elements listed, identify or prioritize key elements that are the most important ones at this point in time and should be the focus of the learning.
- Organize periodic field assessments those elements in a number of scenarios or cases to identify and document the methods and strategies used to accomplish those elements and whether or how they performed in what circumstances (compare with performance assessment criteria or indicators). Document what your assessment and describe the situation and what has been done.
- Synthesize the field assessments to identify: what were success factors (these are strategies or methods that led to good, quality achievement); the gaps and weaknesses (these are areas where good quality achievement was not seen). The gap areas can be the focus of future assessments.
- Document and feedback results. The documentation can be built into a guide and used in management decisions.
- Review the elements and the original model to augment it with what you have learned. The field assessment can be repeated – either focusing on the same elements or different elements, depending upon what you need to know. (Stroud et al 2004).

*Option 2:*

- Define the model and the indicators (as in option 1)
- Design a lessons learning capture framework for the generic lessons.
- Design a monitoring and/or documentation guide to capture learning from selected field cases: for example, choose cases where particular issues are going to be tackled (inclusion, NRM, etc) and/or where successful models are being mentored (in section 7.3 above – ensuring success stories) to capture learning on specific issues.
- In the documentation be sure to capture the methodology and processes (exactly how the work was done), and the context (describe the social, environmental and physical context)
- Use the indicators and assess quality and outcome of implementation in each case.
- Hold periodic review, analysis and synthesis sessions.

*Option 3:*

- Define the model, indicators and lesson capture framework (as in option 2).
- Opportunistically contact actors and scenarios where implementers are interested or can be contracted to provide documentation of their model.
- NAADS can provide some standardization on monitoring and documentation areas to ensure comparability across cases.
- NAADS can hold periodic reviews inviting in implementers for sharing, analysis and synthesis.

## Acknowledgements

The Coalition for Effective Extension Delivery (CEED) would like to acknowledge the contributions of the following people – denoted as the ‘study team’ in the report:

*Methodology Development:* Ann Stroud, Laura German, Joseph Tanui and Chris Opondo (AHI staff); Beda Mbewesa and Engorok Obin (CARE staff).

*Data Collection:* (i) Tororo: Engorok Obin, Beda Mwebesa, Emily Kamusiime (CARE); Frank Matisko (Makerere University); Joseph Tanui (AHI); Alex Ario (Africa 2000 Network); Doris Akishule (CARE-CEED); Livingston Nabyamanya (Africare); (ii) Soroti: Engorok Obin (CARE); Olive Kyampaire (AHI); Doris Akishule; Daniel Edyau (private agroforester); Frank Matsiko (Makerere University); (iii) Arua: Joseph Tanui (AHI); Emily Kamusiime (CARE); Frank Matsiko (Makerere University); Livingston Nabyamanya (Africare).

*District Team Leadership, Write-Up and Data Entry:* (i) Soroti: Beda Mwebesa; (ii) Tororo: Engorok Obin; (iii) Arua: Joseph Tanui with contributions from their field teams and Frank Matsiko.

*Presentation to the NAADS Stakeholders Meeting (May, 2004):* Engorok Obin and Ann Stroud (with analytical inputs from Rajiv Khandelwal, Chris Opondo, Olive Kyampaire, Joseph Tanui and Frank Matsiko).

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*Administration and Logistics:* Edward Beyendeza (AHI) and various drivers from AHI and CARE.

We wish to thank NAADS secretariat for availing their time, logistic support, documents and ideas; the NAADS Coordinators in the study districts for their time and assistance; and the many farmers and farmer groups that provided time and their frank opinions. In addition we thank the NGOs and various projects and key informants that were visited.

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## Acronyms

APEP	Agricultural Productivity Enhancement Program
BMU	Beach Management Units
CBOs	Community Based Organisations
CDRN	Community Development Resources Network
CEED	Coalition for Effective Extension Delivery
CEFORD	Community Empowerment for Rural Development
CIGs	Common interest group(s)
CREAM	Consultancy for Rural Enterprise and Management
DFID	Department for International Development
DNC	District NAADS Coordination
EDC	Enterprises Development and Commercialization
EISP	Enterprise Identification, Selection and Promotion
ESD	Enterprises Selection and Development
FAO	Food and Agricultural Organisation
FF	Farmer Fora
FGs	Farmer Groups
FI(s)	Farmer Institutions
FID	Farmer Institutional Development
HH	Household
ILM	Integrated Lake Management
NAADS	National Agriculture Advisory Services
NGO	Non-Governmental Organisation
NRM	Natural Resources Management
PMA	Program for the Modernisation of Agriculture
PWD	Persons With Disabilities
R&D	Research and Development
SARD	Sustainable Agricultural Rural Development
SC	Sub County
SFF	Substantive Farmers Forum
SOCADIDO	Soroti Catholic Diocesan Development Organisation
SODIFA	Soroti District Farmers Association
SORUDA	Soroti Rural Development Association
SPs	Service Providers
TEDDO	Teso District Diocesan Organisation
TODIFA	Tororo District Farmers Association
TOR	Terms of reference
TOT	Training of trainers
UGTL	Uganda Grain Traders Limited
UNDP	United Nations Development Program
WB	World Bank
WSSD	World Summit for Sustainable Development



## **The AHI Working Papers Series**

The AHI Working Papers Series was developed as a medium for AHI staff and partners to synthesize key research findings and lessons from innovations conducted in its benchmark site locations and institutional change work in the region. Contributions to the series include survey reports; case studies from sites; synthetic reviews of key topics and experiences; and drafts of academic papers written for international conferences and/or eventual publication in peer reviewed journals. In some cases, Working Papers have been re-produced from already published material in an effort to consolidate the work done by AHI and its partners over the years. The targets of these papers include research organizations at national and international level; development and extension organizations and practitioners with an interest in conceptual synthesis of “good practice”; and policy-makers interested in more widespread application of lessons and successes.

## **Acknowledgements**

The African Highlands Initiative (AHI) expresses its gratitude to the Department for Research and Development of Tanzania (DRD); Ethiopian Institute of Agricultural Research (EIAR); FOFIFA of Madagascar; Kenyan Agricultural Research Institute (KARI); National Agricultural Research Organization of Uganda (NARO); International Centre for Tropical Agriculture (CIAT); World Agroforestry Centre (ICRAF); Tropical Soils Biology and Fertility Institute of CIAT (TSBF-CIAT); International Maize and Wheat Centre (CIMMYT); International Potato Centre (CIP); International Institute of Tropical Agriculture (IITA); Ministries of Agriculture and NGO partners operating in AHI Benchmark Sites of Ethiopia, Kenya, Tanzania and Uganda for the technical, facilitation and partnership roles they have played in our effort to develop tools and methods in Integrated Natural Resource Management together with local communities.

AHI is very thankful to the donors which tirelessly financed the regional and global engagement of AHI in improving our development and natural resource management research endeavours, namely the Swiss Development Cooperation (SDC); International Development Research Council (IDRC); Ministerie van Buitenlandse Zaken (the Netherlands government); Cooperazione Italiana (Italian government); the Rockefeller Foundation; the European Commission; the Consultative Group on International Agricultural Research (CGIAR); the Department for International Development (DfID); the Collective Action and Property Rights Programme of the CGIAR (CAPRi); the International Potato Center (CIP) and ECAPAPA.