

**Farmer to Farmer East Africa**

**Volunteer Assignment Scope of Work**

**NOTE: THIS SCOPE OF WORK IS A DRAFT AWAITING EDITS**

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| **Summary Information** | |
| Assignment Code: | UG58 |
| Country: | Uganda |
| Country Project: | Maize Country Project |
| Host organization: | Namubuka Grains Area Cooperative Enterprise |
| Assignment title: | Collecting marketing (Bulking and Marketing strategy) |
| Type of Volunteer Assistance: | *Business/Enterprise Development (E)* |
| Type of Value Chain Activity: | *Marketing (M)* |
| Preferred assignment dates: | March – April 2016 |
| Objective: | 1. Management of the cooperative acquires knowledge in modern agricultural marketing principles and gains an understanding of the importance of group marketing.  2. Farmers are helped to evaluate their production and marketing costs and are guided into determining their break even prices.  3. Management clearly understands the marketing strategies aimed at increasing market access, reducing risks and increasing profits  4. Increase members’ understanding of the importance of having a marketing plan and are helped into developing a marketing plan for Namubuka ACE |
| Desirable Volunteer Knowledge and Skills: | • • Specialized expertise in farming-for-profit/farm business management  • Formal qualifications in Agribusiness development /Agricultural economics (with a major in marketing/agribusiness) / Business Administration (with a major in agribusiness/ marketing)  • Wide experience with private agribusinesses involved in providing a range of services to their farmer clients (including input distribution, training/advisory and market linkage) targeting the development of market oriented smallholder agriculture  • Other skills may hands-on experience in developing market strategies for agricultural products and market and product development |

1. **BACKGROUND**

NAMUBUKA Grains Area Cooperative Enterprise (ACE), is a newly registered apex organization with a board of directors. The apex brings together 11 constituent cooperatives and their members in Bugiri district. The potential for collective action to improve agricultural practice, provide financial services, and engage in collective procurement of inputs and collective marketing is limited by the level of development of the three tiers of the farmers’ organizations : 1) the apex organization targeted in this project is new and not fully functional; 2) its constituent cooperatives have limited organizational capacity; and 3) farmers belonging to cooperatives are not fully organized to enable them to participate in and receive benefits from constituent cooperatives or the apex.

Namubuka ACE was formed with the overall objective of improving smallholder farmers’ incomes and livelihoods through improving their productivity and access to competitive markets. Farmers were therefore organized into Rural Producer Organizations (RPOs) which form the ACE’s constituents. To join an RPO, an individual farmer pays UGX 10,000 membership and UGX 5,000 annual subscription. In addition, the farmer buys shares worth UGX 20,000. RPOs pay UGX 50,000 and buy shares worth UGX 400,000 to join the ACE.

Namubuka governance structure is comprised of the general assembly which is the supreme authority of the ACE. The general assembly is composed of 6 delegates elected from each RPO. The second organ is the Board of Directors whose composition is representative of each of the member RPOs. The Board of Directors meets every month to keep updated on the ACE’s progress and addresses any upcoming issues. The board is composed of 9 members with designations as board chairman, vice chairman, secretary, treasurer and 5 members.

Namubuka ACE operates in nine parishes in 54 villages as Rural Producer Organizations in Bugiri district. Currently, the ACE is composed of 800 smallholder farmers of whom 300 are male and 500 female. Services offered include:

* Mobilization of farmers into production units (RPOs)
* Farmer training in basic agronomic practices
* Sourcing other agricultural extension and advisory services
* Bulking and marketing of farmers’ produce
* Savings and credit facilities

Namubuka is supported by other development partners such as Lutheran World Relief (LWR) and Uganda Cooperative Alliance, Uganda National Agro Input Dealers Association (UNADA) among others.

The primary beneficiaries are farmers who profit from the trainings and other services rendered by the host. Individual households benefit by consuming the maize produced. Capacity building activities enable farmers to increase their maize, productivity thereby ensuring household food security and surplus for sale. The community members benefit from selling labor to the ACE farmers especially during planting, weeding and harvesting periods. Finally, local agro dealers are able to earn income by selling their inputs to farmers.

The major commercial crop cultivated is maize. Others crops include sorghum, peanuts, and coffee. Average land holding by the farmers is 2 – 6acres, of which 85% is used for maize production. Namubuka farmers cultivate their crops using basic tools such as hand hoes and ox-ploughs. About 50% of farmers use improved maize seed varieties obtained from local agrodealers. The remaining 52 % use home saved seeds. An estimated 38 % of farmers use inorganic fertilizer, mainly Di-Ammonium Phosphate (DAP) (at planting) and Urea for top dressing. Farmers are beginning to adopt the use of an organic liquid fertilizer (super grow) which is relatively cheaper than DAP. Use of crop protection chemicals (CPPs) is minimal. Farmers who use CPPs mainly use insecticides such as cypermethrin and dimethoate. The major product marketed by Namubuka farmers is maize. Marketing is done both on an individual basis and as a cooperative. Individual farmers sell their maize to local middlemen while the ACE sells to institutions such as schools and other large buyers such as WFP.

**ISSUE DESCRIPTION**.

Grain crops play an important role in Uganda’s agricultural sector and are central to the socioeconomic development of the country. Besides their traditional and major role in the food security of both rural and urban population, grain crops are increasingly gaining significance in the income security of households and of the national economy. Most Ugandan farmers work comparatively small plots of land and cannot, therefore, produce large volumes of surplus goods for sale. Their inability to produce larger volumes of crops means that they receive much lower prices because traders have to meet additional costs of sorting and grading to attain the required quality for the market.

Market access is a big challenge for most rural farmers because growers are not organized. They frequently lack access to information on prices, quantity and quality standards requirements by the market, time of delivery of the produce to specific markets, and other market information which would allow them to make informed choices. Even when armed with this information they lack the means and organized channels to benefit. This is partly because they are not organised into formal groups which can benefit from economies of scale and they are unable to meet buyer demands in terms of quality and quantity. Consequently the bulk of sales are made at the farm-gate level to brokers paying sub-optimal prices.

Understanding markets and marketing is a cornerstone for any business foundation. What to grow, when to plant, when to harvest, what value addition measures to employ, and whether to store crops are all based on an understanding of the markets. Marketing is not something farmers should consider at the end of the production cycle, but instead must be among the first considerations when planning a farm business. It is against this background that Namubuka ACE is requesting technical support in market analysis and collective marketing so that farmers can gain confidence and improve their negotiating power by consolidating relationships with their buyers and establishing effective communication channels.

With CRS volunteer training, Namubuka ACE farmers would realize that collective action can, help them to reach larger domestic urban, regional, and international markets. In these cases, acting collectively may enable them to deal with transportation and storage issues, acquire technologies and certificates to comply with required quality standards, and reach the necessary scale to supply the desired quantity of their products.

1. **SPECIFIC OBJECTIVES OF THE ASSIGNMENT**

The objective of this volunteer assignment is to provide a road map for Namubuka Area Cooperative Enterprise members for carrying out bulking and collective marketing through market analysis and market development.

**1.** Specifically under market analysis Namubuka ACE would require emphasis on the following key areas:

• Analysis of production status (current and future)

• Market growth rate

• Profitability

• Cost structure

• Distribution channels

• Market trends (changes in demand)

• Key success factors (e.g. organizational strength, technological progress, access to essential resources etc).

**2.** Market development on the other hand is a process for developing sales, new business and sales. This process is effective for developing all types of businesses, and delivers business growth via:

• new products or services to existing customers,

• existing products or services to new customers, or

• new products or services to new customers.

Namubuka ACE’s desire is to grow and expand their business beyond producing and selling maize. To be able to do this Namubuka ACE should be able to answer the following questions:

• Is the business profitable?

• Will it require introduction of new or modification of the existing products?

• Is the customer and the distribution channel well researched and understood?

In addition, the management of Namubuka ACE should be guided into making a marketing plan which should address the 5’Ps (people, product, price, promotion and place) of marketing or 4 C’s (customer solution, customer cost, convenience and communication) of marketing.

**3.** Finally Namubuka ACE members need to be sensitized on the importance of collective marketing and how best to achieve this as an Area Cooperative Enterprise.

Namubuka is optimistic that the technical support in the area of market analysis and market development would assist in developing an integrated system that allows for an efficient coordination of members involved in marketing activities and buyers. The members’ loyalty and commitment to sell through the cooperative will be built and the marketing and negotiation skills of members will improve. The knowledge acquired in marketing will enable management make informed decisions and therefore reduce risk of loss to farmers.

**Host contribution** – Namubuka Grains ACE has committed to mobilize the RPOs members to the trainings to be conducted by the volunteer. Namubuka Grains ACE will also avail key personnel to work closely with the volunteer, during the preparations and actual trainings, to ensure that key staff are trained and will continue training other members even after the assignment is completed especially as leaders’ term of office expires. The host will also provide a vehicle for volunteer transport on a cost share basis if they fail to meet the entire cost.

1. **ANTICIPATED RESULTS FROM THE ASSIGNMENT**

The anticipated deliverables include:

* Trainings conducted and people trained
* Marketing plan developed
* Debriefing with USAID and in country group presentations after assignment
* Field trip report and expense report
* Outreach activity, press release or a media event back in US

1. **SCHEDULE OF VOLUNTEER ACTIVITIES IN UGANDA**

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| Day | Activity |
| Day 1 | Travel from home to US international airport |
| Day 2 | Arrival at Uganda Entebbe Airport, picked by Airport shuttle to Kampala and check in at Hotel. |
| Day 3 | At 9.00 am, the volunteer is greeted at the hotel by CRS staff and thereafter go to CRS office for introductions and briefings including host brief, logistics and expectations and anticipated outcomes. Handouts will be prepared at CRS offices. |
| Day 4 | Travel to Bugiri to commence the assignment. |
| Day 5 | In the morning CRS introduces the volunteer to the Namubuka ACE management team. Together with CRS and the management, the volunteer will review work-plan and be finalized. The action plan should include group presentation to be done after the assignment. In the afternoon, visit some of the Namubuka Rural Producer Organizations (RPO). |
| Days 6-14 | Work with ACE on 1. Market analysis and 2. Market development |
| Days 14-18 | Training 5 RPOs on 3. Collective marketing |
| Days 19-20 | Develop marketing plan |
| Day 21 | Wrap up trainings and emphasize key concepts of assignment. Participants evaluate the training and together with the volunteer discuss final report recommendations. |
| Day 22 | Group presentation and Volunteer travels back to Kampala |
| Day 23 | Debriefing at CRS office with USAID Mission and CRS staff.  Volunteer will finalize his/her reporting at CRS office and fill out all necessary M&E forms as well finalize advances and expenditures with finance. |
| Day 24 | Depart for USA |
| TBD | Outreach event when back in the US |

1. **ACCOMODATION AND OTHER IN-COUNTRY LOGISTICS**

In Kampala, the volunteer will stay at Fairway Hotel & Spa ([www.fairwayhotel.co.ug](http://www.fairwayhotel.co.ug)). In Bugiri, the volunteer will stay at Gilgal Hotel. The hotel has running water and electricity which is subject to local load shedding.

CRS will pay for hotel accommodation, and provide volunteer with per diems to cater for meals and other incidentals. The volunteer may get an advance which has to be cleared before departing Uganda. For more information, please refer to country information that will be provided.

1. **RECOMMENDED ASSIGNMENT PREPARATION**

* The volunteer should prepare materials for hand-outs, which can be printed at CRS office in Kampala before commencement of the assignment. Flip charts, markers, masking tapes can be obtained at CRS offices in case the volunteer wishes to make some illustrations. Depending on the training venue the volunteer may use a laptop and projector for power point presentations. However if the training venue is in the community, it will be difficult to use PowerPoint. In this case the volunteer will be expected to prepare training materials and have hand-outs printed at CRS offices for distribution to the participants.
* CRS strongly recommends that the volunteer becomes familiar with the maize country project description prior to arrival in the country as well as country information that will be provided.

1. **KEY CONTACTS**

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