

Wageningen University – Department of Social Sciences

Management Studies

MSc. Thesis Final Report

Title: **Unraveling multi-stakeholder platforms and their impact on the growth of agri-food entrepreneurs in Africa**

May 2014

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Preface and Acknowledgments

“There are those who enter the world in such poverty that they are deprived of both the means and the motivation to improve their lot. Unless these unfortunates can be touched with the spark which ignites the spirit of individual enterprise and determination, they will only sink back into renewed apathy, degradation and despair. It is for us, who are more fortunate, to provide that spark”.

These words from The Aga Khan IV have given my life a direction, and have inspired to assist the underprivileged to realise their inherent and often untapped potential.

I am immensely happy and consider myself fortunate to have devoted seven months of my masters’ program to this research. It was indeed a challenging but intellectually stimulating journey with gains on both professional as well as personal fronts. Experiences such as spending countless hours in the library, traveling over 500 kms on ‘boda-bodas’ and the Ugandan version of taxi, and interacting with impoverished yet hospitable farmers are all etched on my memory and will continue to inspire me for many years to come. This research and my travel to Africa have also rejuvenated my belief in how each one of us is tremendously capable to influence and improve lives around us.

Of course, I have a long list of people to thank for their support and cooperation throughout this whole process. Firstly, I would like to thank my supervisor, Dr. Domenico Dentoni for his guidance, valuable insights and consistent support. Without his sheer commitment and believe in me, this research would not have been possible. I would also like to thank Dr. Jos Bijman, my second supervisor for his critical comments and feedback. A special “Thank you’ to all those people who participated in and supported my work; Ms. Inger Janssen, Mr. Roel Snelder and Ms. Anja de Feijter from Agri-ProFocus, all respondents, facilitators and farmers in Uganda.

Last but not the least, I would like to thank my girl friend, Komal Ali, for being with me during the turbulent times, for her patience, compassion and endless love.

I dedicate this and all the work I will do in future to my family.

Noor Ali –

Amsterdam, May 14, 2014

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List of Acronyms

ADP	African Development Bank
APF	Agri-ProFocus
AHU	Agri-Hub Uganda
BoA	Bank of Africa
BoU	Bank of Uganda
CABCS	Community Agribusiness Capacity Services
CAADP	The Comprehensive Africa Agriculture Programme
CDI	Center for Development Innovation
ESAFF	Eastern & Southern Africa Farmers' Forum
FARA	Forum for Agricultural Research in Africa
KIT	Royal Tropical Institute
KRC	Kabarole Research Center
MSP	Multi-stakeholder platform
MSWU	Multi-stakeholder workshop Uganda
MFI	Micro-finance institution
MoEA	Ministry of Economic Affairs
MoFA	Ministry of Foreign Affairs
MoU	Memorandum of Understanding
MSE	Micro and small enterprises
MSP	Multi-stakeholder platform
NUCAFE	National Union of Coffee Agribusiness and Farm Enterprises
OSSUP	Oilseed Sub Sector Uganda Platform
PPP	Public private partnership
PO	Producers organisation
SATNET	Sustainable Agriculture Trainers Network
SACCO	Savings and Credit Cooperative
THP	The Hunger Project
ToR	Terms of Reference
RICNET	Rwenzori Information Centers Network
UCA	Uganda Cooperative Alliance
UNFFE	Uganda National Farmers Federation
UOSPA	Uganda Oilseed Producers and Processors

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Abstract

While much has been discussed in literature on collaborative models such as producer organisations, cooperatives and vertical value chains, there is an evident dearth of knowledge on relatively new but emerging multi-stakeholder platforms (MSPs). These platforms, mainly for the purpose of knowledge sharing and co-creation, connect farmers within and across different value chains, and with other stakeholders such as private enterprises, public institutions and the civil society.

Therefore, using example case of an MSP 'Agri-ProFocus (APF)' working in Uganda, this research aims to answer; *'How and to what extent do Agri-ProFocus impacts the growth of farmer entrepreneurs in Uganda'*. To address this question, 14 local and international stakeholders were interviewed to find out key structural arrangements and mechanisms within the network. Further, interviews with 32 farmer entrepreneurs from five different districts across Uganda were conducted to assess how *'financial marketplace events'* organised by APF impacts the lives of these entrepreneurs. The result of this research not only enriches the literature pertaining to MSPs but also provides valuable insights to Agri-ProFocus and other similar platforms on how they can improve their systems to have greater impact.

Keywords: *Multi-stakeholder platform, entrepreneurship, farmers, Uganda, Agri-ProFocus, impact evaluation*

Management Summary

As 64 percent of total population in Africa still lives in rural areas and 82 percent works within the agriculture and food (agri-food) sector, sustained growth in this sector is imperative for the improvement of living standards in African countries. Though farm based entrepreneurs offer tremendous potential to generate more employment opportunities and 'pro-poor' inclusive growth, they consistently have to face a plethora of problems to start and operate their farms and, expand from peasantry level to a more commercial scale.

To tackle this issue, numerous multi-stakeholder platforms (MSPs) with an aim to boost economic development in Africa are increasingly emerging on the scene, but limited knowledge is currently available on their structures, functionalities and impact on entrepreneurship development. Therefore, using Agri-ProFocus (APF) as an example, the main aim of this research was first to understand the internal network and mechanisms within multi-stakeholder platforms, and then explore how and to what extent do these platforms contribute to the growth of farmer entrepreneurs.

After defining the main research questions, a preliminary background literature study was conducted to understand following three domains in isolation and subsequently their interconnections: i) Agri-food sector in Uganda ii) Entrepreneurship mechanisms and iii) Multi-stakeholder platforms. On one side, the literature on agri-food sector in Uganda identified the policy and institutional structures, while on the other side, divulged an extensive list of issues surrounding this sector. Connecting this to the entrepreneurship literature, especially pertaining to entrepreneurial mindset, and common problems revealed what internal and external factors can influence and therefore must be controlled to promote farmer entrepreneurship in Uganda. Lastly, a brief study of multi-stakeholder platforms (MSPs), their salient features and challenges enabled to appraise the potential of these coordination models to address the known issues.

The empirical part of this research was conducted in the Netherlands and across six districts in Uganda. To collect relevant data, in-depth interviews were conducted with 4 key personnel from Agri-ProFocus (APF), 14 member organisations of the Agri-Hub Uganda, and 32 farmer entrepreneurs divided into three distinct categories. While respondents from APF elicited information on history, arrangements and activities with the entire network, Agri-Hub members gave insights on how they think agribusiness marketplace events organised by the Agri-Hub contribute to their objectives and impact entrepreneurial pursuits of farmers. Lastly, farmers categorised as *participants*, *non-participants* and *control*, were interviewed using a range of

tangible and behavioral indicators to evaluate whether and to what extent can the impact of marketplace events be seen in their livelihood. All the respondents were selected using *theoretical sampling* method and the questionnaire was designed using the information collected through preliminary literature study.

The results show that Agri-ProFocus is a multi-stakeholder network of platforms, established to strengthen the farmers' support system through dissemination of knowledge and co-creation. It functions on the fundamentals of *social learning* and *systems approach* by promoting technological, organisational as well as institutional aspects of the innovation process. Consistent with the key elements described in literature, it was found that Agri-ProFocus works on multiple levels, encourages ownership and decentralisation through *country-focus processes*, and has formulated a *Theory of Change* to ensure that shared value is delivered to all stakeholders.

This research also revealed stakeholders' perspective on the impact of marketplace events, their motivation to be part of the initiative, and what further needs to be improved to boost the effectiveness of the network. It showed that *networking, information sharing, marketing of products, and capacity building* came up as four most important motivating factors. On the problems side, *reluctance of financial institutions, unawareness and hesitation of farmers, inaccessibility and procedural costs, and low government priority of the agriculture sector* were identified as the main issues. Lastly, suggestions such as *organisation of events in rural areas, empowerment of local steering committees, enhanced inter-level communication, and more publicity* were made.

Last but not the least, this research also confirmed a *positive* but *limited* impact of marketplace events on farmer entrepreneurs and their organisations. Through interaction with various farmers, it was evidently observed that participant farmers, who were already significantly affluent than the others, learned from these events but did not transfer this knowledge to other farmers within their organisations. Thus this factor along with *limited participation of women, consistent fear among farmers, and continued unapproachability* cap the potential impact of marketplace events.

The research makes an academic contribution to the literature on multi-stakeholder platforms and entrepreneurship, as well as gives practical recommendations to Agri-ProFocus and similar networks on enhancing the effectiveness and impact of their interventions.

Chapter 1 – Introduction

The growth generated by the agri-food sector is found to be up to four times more effective in reducing poverty than other sectors (World Bank, 2007). One plausible explanation of this lies in the structure of the agri-food sector which is primarily constituted of smallholder farms and farm-based micro and small enterprises (MSEs) (Magingxa and Kamara, 2003; Diao and Hazell, 2004; Resnick, 2003). These MSEs promise great potential in reducing marginalization and achieving a more equitable income distribution (Luetkenhorst, 2004), as the agri-food sector generates almost 65 percent of total employment in Africa (UNDP, 2013). In some countries like Uganda and Tanzania, the contribution of agri-food MSEs to employment generation ascends up to 80 percent (Ministry of Agriculture Uganda, 2007; Govt. of Tanzania, 2013).

Recognised as the emerging private sector in the developing countries (Hallberg, 2000), most of these small enterprises in Africa are being established by necessity entrepreneurs with minimum availability of resources, making it considerably difficult for them to grow into larger and more profitable firms (Reynolds et al, 2001). Research (Naude, 2010) has indicated that the business climate in most African countries needs to be made more conducive as farmer entrepreneurs still have to face persistent challenges such as lack of capital, technology and experience (Elkan, 1988), corrupt and bureaucratic government policies (Coyne and Leeson, 2004), complicated legal procedures (Irwin, 2011) and weak information, marketing and supply chain networks (EU, 2013). To contribute to this, most of these challenges are inherently complicated in their cause-effect relationship making it difficult to define whether a certain policy or project supporting farm businesses will benefit or harm entrepreneurs and local development (Dentoni, Hospesb and Ross, 2012).

To counter this absence of resources and avoid single actor failures, agri-food entrepreneurs are increasingly mobilising themselves into several groups and associations. In addition, international organisations such as the United Nations, national governments as well as large private firms are adapting new and inclusive models of development which could protect interests and harness competencies and resources of all sectors and stakeholders (World Economic Forum, 2010). Common examples of such coordination or partnership models include producer organizations (E.g. Milk Producers Organisation in South Africa), agricultural cooperatives, buyer led (E.g. Nestle) and NGO driven (E.g. Oxfam) networks, Public Private

Partnerships (PPPs) and multi-stakeholder platforms (MSPs). In contrary to other models which connect a limited categories and often only primary stakeholder for commercial purposes, MSPs comprise of a wider group of stakeholders who perceive similar issue(s) and realise their interdependence, and come together to find appropriate solutions (Steins and Edwards, 1998). MSPs may also function as a central stage to exchange knowledge, set up relevant code of conducts, develop mechanisms for compliance, and/or issue labels and certifications (Mena and Palazzo, 2012). Such platforms can be statutory or voluntary, commercial or developmental, and may connect all actors across the value chain (vertical) or actors in similar business (horizontal) and/or both. Stakeholders (Freeman, 1984) that are typically part of an MSP include farmers, public agencies, NGOs, financial institutions, buyers, service providers and knowledge institutions. Appropriate examples of MSPs are Agri-ProFocus and Forum for Agricultural Research in Africa (FARA), both working to uplift quality of rural life through poverty alleviation.

While the current management literature extensively discusses the dynamics, significance and concerns pertaining to other models such as producer organisations, agricultural cooperatives and vertical value chain networks (Peterson, Wysocky and Harsh, 2003; Menard and Valceschini, 2005), there is an evident dearth of knowledge on these relatively new but emerging MSPs and their network structures, key mechanisms and features. Despite several recent researches have been focused on these platforms (Faysse, 2006; Warner, 2006; Bitzer, Francken, & Glasbergen, 2008; Ergano et al, 2010; Dentoni & Peterson, 2011; Mena & Palazzo, 2012; Pinkse & Kolk, 2012), further research is now required to disentangle these platforms from other participatory models and develop concrete understanding on what elements in actual make these platforms different and distinct from others. Besides contributing to literature, knowledge of this will also serve as the basis in subsequent exploration of whether these platforms are capable of generating long term impact. Other than standard reported project outcomes such as total number of assisted people, farm-firm linkages and/or farmer-bank deals (Agri-ProFocus, 2012), more conclusive validation is required how and to what extent these MSPs create larger and more sustainable socio-economic impact by producing, for instance, more employment opportunities, higher income, increased market accessibility and/or competitiveness.

Therefore, keeping in view the economic significance of agri-food entrepreneurs in Africa, key obstacles to growth and potential but ambiguous role of multi-stakeholder platforms in perspective, this research aims to answer the following research question:

“How and to what extent does Agri-ProFocus impact the growth of agri-food entrepreneurs in Uganda?”

Using the case of Agri Pro Focus (APF) as an exemplar, the intent of this research is to first describe the structure, dynamics and distinguishing features of this MSP, and then qualitatively evaluate the impact of its agribusiness marketplace events with respect to the goal of helping farmers and entrepreneurial start-ups.

Uganda has been selected as a subject country of typical African economy that faces multiple challenges marring its entrepreneurial development.

Relevance and practical implications

The knowledge generated through this research will have threefold benefit, both with respect to theory and practice. Firstly, it will make a timely contribution to the literature on the structures and mechanisms within multi-stakeholder platforms. Secondly, the results of impact evaluation will give first insights to Agri-ProFocus and other similar platforms on how effective they are in achieving their goal of creating a long term impact, particularly in comparison with other participatory models. Lastly, formulation of an impact assessment tool in form of interview questionnaire and testable propositions will help future researchers to conduct more extensive studies and make concrete recommendations to MSPs, which in turn will promote agri-food entrepreneurship and contribute to poverty alleviation in Africa and other parts of the world.

Overview of this report

This research report has been divided into seven chapters. The first chapter introduces the problem statement and identifies gap in the literature that illustrates the need of this study. The proceeding chapters 2 and 3 discuss the preliminary literature and elaborate on what methodologies were followed to achieve the research objectives. Chapter 4 and 5 extensively document results of the empirical study and interpret it in light of the available literature. Finally, report sums up with formal conclusions and a discussion on limitations and further research in Chapter 6, followed by a list of papers and books referred for this research.

Chapter 2: Preliminary literature study

The purpose of this chapter was to conduct a background research to understand i) Agri-food sector in Uganda ii) Entrepreneurship mechanisms and iii) Multi-stakeholder platforms.

The knowledge gained through this preliminary literature review was used to develop a suitable research design and interpret research findings during later stages.

2.1 Agri-food sector in Uganda

2.1.1 Importance of Agriculture and Food Sector in Uganda

Alike most of the countries in Africa, Uganda relies heavily on its agriculture and food sector for economic development. Though it has gone down over last few years, agrifood sector contributed 23.9 percent to the total GDP in the year 2013 making agri-food sector the single largest contributor to national GDP followed by manufacturing and other sectors (MAAIF, 2010). Agriculture also is the largest employer in Uganda. According to the Uganda National Household Survey 2005/06, 73 percent of households in Uganda are dependent on this sector compared to 4.2 percent in manufacturing and 23 percent in services. It is significant to note that this share of working population associated with agriculture went up by 7 percent in since 2002/03 when it was 66 percent (MAAIF, 2010). Some estimates also show that over 80 percent of employment in Africa is provided by the agriculture sector as most of the allied industries and services in the country are also dependent on it (World Bank, 2007). This is a simple indication of the fact that growth attained by agriculture sector is *pro-poor*, which enables the poor to actively participate in and significantly benefit from the economic activity (Kakwani and Pernia, 2000). Being a labour intensive sector concentrated in rural localities with high poverty rates, agriculture based pro poor growth plays a vital role in equitable distribution of economic benefits to the marginalized farmers through provision of more and/or better income opportunities that results in poverty reduction (Klasen, 2003).

2.1.2 Issues related to the Uganda agri-food sector

Despite being the main fuel of the economic engine, agriculture and food sector continues to consistently underperform due to several intrinsic and extrinsic factors. As a result of this lack of performance, Uganda continues to be one of poorest countries in the world with a per capita income of US\$506. In 2013, Uganda ranked 161st among 187 countries on the Human

Development Index (HDI) developed by the United Nations Development Program (UNDP), in the Low Human Development Category, with an index value of 0.456. This is lower than neighboring countries of Kenya and Tanzania which stand at 145 and 152 who have an index value of 0.519 and 0.476 respectively.

Following is the list of most problems faced by the Uganda agriculture and food (MAAIF, 2010):

- 1- Lack of access to transportation system, vehicles and roads to transport produce to larger and more profitable markets.
- 2- Weak market linkages and access to information
- 3- Unavailability of agricultural inputs and technology to increase productivity
- 4- Declining soil fertility
- 5- High losses due to pests, vectors and diseases
- 6- Lack of financial services
- 7- Over-exploitation of fish stocks
- 8- Uncertain land rights leading to underinvestment in agricultural land
- 9- Non-compliance with increasingly demanding international quality standards for traded food and agricultural products
- 10- Insufficient infrastructure for value addition processing, storage and distribution
- 11- Multiple policy frameworks and uncertain environment for investors
- 12- Inadequate coordination and conflicts among public agencies
- 13- Negative consequence of climate change
- 14- Lack of education
- 15- Decrease in youth participation
- 16- Corruption and bureaucratic procedures
- 17- Lack of fiscal budget allocation

2.1.3 Agricultural policies in Uganda

Since the dissolution of state controlled marketing boards resulting in the liberalisation of commodity markets in early years of 1990s, the government of Uganda has taken various initiatives to bring adequate policy reforms that could cater to the changing needs of the agriculture and food sector. These initiatives are primarily the result of increased realisation of the importance of agriculture sector to the economy and its potential role in development and

poverty reduction. In addition, various regional and international agreements made it a requirement for the Ugandan government to commit to the goal of agricultural reforms.

In the last two decades, several policy frameworks targeted for and operated within the agrifood sector have emerged, mostly formulated and overseen by Ministry of Agriculture, Animal Industry and Fisheries (MAAIF). To manage these policies and subsequent interventions, MAAIF works with several semi-autonomous agencies, ministries, local governments, farmer organizations and other development partners from the private sector. Principally, the ministry headquarters is responsible for planning, formulation and supervision of policy implementation, while it is the local governments that have the ultimate task of mobilising and implementing various decentralised government programs. Several concerns have been raised pertaining to the consistency among these policies, which sometimes can be parallel and conflicting. This indeed can have detrimental impact on the overall performance of the sector.

Following are the details of the most important policy documents related to agri-food sector in Uganda (MAAIF, 2010):

Plan for Modernisation of Agriculture (PMA):

The Plan for Modernisation of Agriculture (PMA), developed in 2000, was the first comprehensive policy initiative taken to guide the agriculture sector and bring several scattered interventions under one holistic framework. Established as a part of wider Eradication Plan (PEAP) of 1997, the main objective of PMA was to bring investments and commercialise agriculture through bringing in support from other ministries and agencies, as many of the investments needed to develop the agriculture sector such as transportation system, education and training, energy and financial services were beyond the mandate of MAAIF. Under the umbrella of PMA, seven interventions were conceived, namely, agricultural research, advisory services, agro-processing and marketing, rural finance, rural infrastructure, agricultural education and sustainable natural resource utilisation and management. This also led to the formation of the National Agricultural Research Organization (NARO) and National Agricultural Advisory Services (NAADS).

Though PMA is an important landmark in Ugandan agricultural policy reforms, it was evaluated that the level of implementation as envisaged at the time of its inception was not achieved (Goo,

2006). Due to large scope of interventions, more than thirteen ministries and agencies had to be involved to execute various projects which resulted in lack of consensus and coordination of activities, directly limiting the effectiveness of the policy. In addition, selective support of government and other partners to only two of the seven interventions, NARO and NAADS, led to unsatisfactory growth in other interventions.

Rural Development Strategy (RDS):

In order to overcome this gap in coordination and bring some structure, the Ministry of Finance, Planning and Economic Development (MoFPED), 2005, devised the Rural Development Strategy (RDS). The main objectives of RDS were to i) Increase productivity of selected commodities ii) Increase household output of selected agricultural products iii) Add value and ensure a stable market for agricultural products. Though targeted towards agricultural and rural development as well, RDS was aimed to focus more on supporting farmers through provision of agri-inputs and cooperative societies (MAAIF, 2011).

Prosperity for All (PFA):

The Prosperity for All (PFA) was also developed by the Ugandan government in 2006 as a supervisory program to ensure better coordination to achieve common goals. PFA is a visionary step which does not introduce any new programs but aims to improve coordination across government institutions and ministries (MAAIF, 2010). The main of PFA is to improve the lives of all Ugandan people, and development in the agriculture sector forms the key aspect of the PFA policy.

National Development Plan (NDP):

In 2008, after the last expiration of PEAP, a five year National Development Plan (NDP) with extra emphasis has been given to agricultural growth as an engine for industrialization and socioeconomic development.

National Agricultural Policy (NAP):

Deriving from the mandate of NDP, a new National Agricultural Policy (NAP) was formulated in 2010-2011 by MAAIF with a mission “subsistence farming to commercial agriculture” (MAAIF, 2010). Specific for the agriculture sector, NAP is one of the policies directed by the NDP, while

its implementation is through periodic Development Strategy and Investment Plan (DSIP) for agriculture.

One of the main aims of NAP is to collect the experiences from the implementation of PEAP, PMA and local governments act and has formulated six broad guiding principles:

- 1- Private sector led and market oriented economy
- 2- Implementation of zoning strategy
- 3- Provision of agricultural development services to all farmer categories, including women
- 4- Provision of agricultural services through decentralized local governments
- 5- Balanced growth across all regions, zones and genders
- 6- Sustainable usage of agricultural resources

2.2 Entrepreneurship mechanisms

2.2.1 Definition of an entrepreneur

There is no single, unanimously accepted definition of entrepreneurship existing in the literature (Van Praag, 1999; Reynolds, 2005), as various researchers over many decades have associated different approaches and terminologies to define this dynamic phenomenon. One of the earliest definitions of an entrepreneur was given by Cantillon (1755) who differentiated entrepreneurs from capitalist landlords and wageworkers. He identified entrepreneurs as firm managers and arbitragers involved in simultaneous buying and selling with a degree of uncertainty and risk (Kilby, 1971; Van Praag, 1999). As per Cantillon, the key distinguishing feature of an entrepreneur is his/her risk bearing nature, against the fixed contracts and wages. Schumpeter (2008) in the early part of the 20th century associated innovation with entrepreneurship, defining entrepreneur primarily as an innovator and not a risk-bearer, manager or a capitalist. According to Schumpeter, an entrepreneur is a person who seeks opportunity for profit and introduces new products, processes or markets, which in turn results in creative destruction of the static market equilibrium and generates economic growth. Similarly, many researchers see entrepreneurship as the process of discovery, evaluation and exploitation of opportunity (Kirzner, 1979; Shane and Venkataraman, 2000), while others go on to associate it with creation of new enterprises (Gartner, 1985). While there is limited consensus of the exact definitions of entrepreneurship and entrepreneur, it can be said with some level of certainty

most of the definitions associate traits of risk taking, innovativeness and opportunism with this concept. Thus, for the purpose of this study, a relatively broad definition given by the Global Entrepreneurship Monitor (GEM) with minor addition has been used, which defines an entrepreneur as an “adult (who has identified new opportunity/ies) and is in the process of setting up a venture he will (partly) own and/or currently owning and managing a young business” (Reynolds, 2005).

2.2.2 Key personality attributes and internal motivations

The evaluation of an archetypical entrepreneur personality and psychological factors such as, attitudes and values that influence and eventually determine entrepreneurial activity has long been a matter of debate and discussion. Though arguments exists that characterising entrepreneurs on the basis of traits is inappropriate (Gartner, 1988), general consensus is that entrepreneurs are *leaders* with a specific characteristics that distinguish them from non-entrepreneurs. When reviewing the literature related to key entrepreneurial traits, a few traits are reported more than others and considered typical entrepreneurial personality.

The theory of psychological motivation put forward by Atkinson (1987) stated that entrepreneurs are primarily motivated by three principal needs: i) Need for achievement ii) Need for power or control and iii) Need for affiliation. Hisrich (1990) explains entrepreneur as a person who is creative and willing to take initiative to exploit resources and situations and turn them into practical account. He also noted that entrepreneurs are willing to take *risks* and dwell in *ambiguity*, as also concluded by many other researches (Begley and Boyd, 1987; Sexton and Bowman, 1983; Casson, 1982). It was however emphasized that entrepreneurs take moderate risks with the sound business judgment instead of indulging in plain guesswork.

The Big Five model originating in the mid 1980s (Ciavarella et al., 2004) used the terms extraversion/assertiveness, emotional stability, agreeableness, conscientiousness and openness to experience as primary entrepreneurial traits. Being broad in its coverage, this model gives a comprehensive review and states that entrepreneurs, though individualistic and assertive, are also flexible and likeable with superior people management skills. Further, respective descriptors provided by Barrick and Mount (1991) for these five terms encompass most of the traits identified by other researches such as initiative, risking, need for control, making the Big Five model inclusive and widely applicable.

Unarguably the most important personality trait of all entrepreneurs is *innovation*, which has been reported extensively in the literature (Schumpeter, 1934; Timmons, 1978; McClelland, 1987; Carland, Boulton and Carland, 1984). Schumpeter was the first one to use the concept of innovation to define entrepreneurship as he identified it as the key feature that distinguishes entrepreneurs from managers or small business owners. He argued that risk bearing is inherently associated with ownership and entrepreneurs may not necessarily own business or an enterprise. This also implies that all owners cannot be bundled as entrepreneurs as value addition and opportunity exploitation through innovation is the prime distinction of entrepreneurial behavior and mindset. Carland and his colleagues (1984) in their paper have differentiated entrepreneurial ventures from small businesses as 'the one that engages in one of Schumpeter's behavioral categories and is established with a goal of profitability and growth via innovative practices. They further define entrepreneur as an individual who establishes and manages a business (like small business owner) but is characterized principally by his innovative behavior.

2.2.3 External motivations

Besides personality traits mentioned in the previous sector, there are several external factors which can motivate a person and/or influence his decision for entrepreneurial pursuits. Broadly, a person can either be *pulled* by opportunity and innovation or be *pushed* to start a business due to economic reasons such as lack of employment choices and poverty (Reynolds et al., 2001). These two categories can be called as '*opportunity*' and '*necessity*' entrepreneurs. While opportunity entrepreneurs strive to exploit the available opportunities for personal satisfaction and wealth (Burke et al., 2002), necessity entrepreneurs adopt more survivalist approach to generate income and subsistence. This necessity theory initially presented and supported extensively by the Global Entrepreneurship Monitor (Reynolds et al., 2001) has been further substantiated by the evidence of higher rates entrepreneurial activity in the developing countries than that in the developed world. Reynolds (2001) rationalized it as greater levels of poverty, unemployment and undeveloped markets makes it necessary to start an enterprise.

Quite a few researchers have stated that entrepreneurs in Africa and other developing countries generally are necessity entrepreneurs who start ventures primarily with a motive to make ends meet (Frese and De Kruif, 2000; Wild, 1995; Tellegen, 1997; Bewayo, 1995; Chamlee and Wright, 1997), while opportunity driven entrepreneurship is prevalent in the more affluent countries (Acs et al, 2005). However, many other studies have found several other influential

factors which can also motivate or de-motivate potential entrepreneurs both in the developing and the developed countries. These include family and/or communal values (Tellegen, 1997), improvement in social standing and recognition (Shane et al., 1991), economic progress and a strategy to spread risk due to unpredictable and seasonal farm income (Rosa, Kodithuwakku and Balunywa, 2006). As most of the researches are focused on particular regions and/or countries, these factors differ on their importance across nations and sometimes across gender as well (Benzing and Chu, 2009).

It can be conclusively entrepreneurs in the developing countries may have different motivations to start business, but all of these motivations are underlined by a basic element of necessity or inevitability. On the other hand, entrepreneurs from the developed countries are more pushed towards identifying market opportunities and exploiting them but for them it is not necessarily a way out to earn income for survival.

2.2.4 Entrepreneurship in Africa and Uganda

Various studies have suggested that entrepreneurship is the main vehicle of economic development (Holcombe, 1998; Anokhin et al, 2009; Brixiova (2010) noted that for African countries to escape from poverty and raise living standards, structural transformation of their economies is necessary enabling productive entrepreneurship to emerge and help create jobs. Entrepreneurs introduce important innovations by entering markets with new products or production processes (Audretsch, 2003). They may often play vital roles in the early evolution of industries while also increase productivity by increasing competition (Geroski, 1989).

According to Global Entrepreneurship Monitor's report (2003), Uganda has one of the highest Total Early-Stage Entrepreneurial Activity (TEA) value of 29.2. This means that 29 out of every 100 people in Uganda are engaged in some form of entrepreneurial activity. In terms of entrepreneurship within the agri-food sector, following two strategic orientations of farmers have been described as entrepreneurial (Rudmann, 2008):

- 1- New business development
 - a. Value addition
 - b. Diversification into new crops
 - c. Diversification into non-food businesses
- 2- Conventional business development
 - a. More investment (risk-taking and growth orientation)

GEM's report also indicates that the firm discontinuation rate in Uganda is also very high, evident through the difference between total number of start-up and established firms. This points out towards a fact that nascent start-ups need consistent support during early years of their inception to reach sustainable profit margins and generate more employment opportunities and improved quality of life. Some of the problems that farmer entrepreneurs face include, lack of capital (Goedhuys and Sleuwaegem, 2010; Bianchi, 2010), lack of technical and organisational skills (Elkan, 1988), lack of market and high competition (Ishengoma and Kappel, 2008), bureaucracy and corruption (Driemeier and Aterido, 2007), strict and complicated regulations (Coyne and Leeson, 2004; Stel, Storey and Thuirk, 2007), and lack of technology and infrastructure (EU, 2013).

2.3 Coordination models and multi-stakeholder platforms

As concluded in the previous section, farmer entrepreneurs and MSEs face persistent resource scarcity that disallows them to mitigate or avoid capital, market, competence and transaction costs related growth obstacles. In this context, finding new models of development that could *coordinate* interests, competencies and resources of all stakeholders within supply chains is critical to avoid single actor failures, and to create shared value (Margolis and Walsh, 2003; Porter and Kramer, 2011; Scharerhoff et al., 2009; Biermann et al., 2007). This notion is embedded in the recognition that modern societal problems are difficult to frame and cannot be solved without engaging groups with strongly held and often conflicting beliefs (Dentoni, Hosperb and Ross, 2012).

2.3.1 Coordination theory

In simple terms, *coordination* can be defined as 'an act of independent communicating actors working together harmoniously towards mutually defined goals (Malone and Crowston, 1990; NSF, 1989). Composed of three components, actors, activities and interdependencies, coordination processes can be understood on following four levels (Malone and Crowston, 1990), each depending on the level below it:

Table 1 Coordination theory levels

Process level	Examples of generic processes
Coordination	Identifying goals, ordering activities, assigning activities to actors, allocating resources, synchronising activities
Group decision making	Proposing alternatives, evaluating alternatives, making choices
Communication	Establishing common languages, setting communication channels
Perception of common objects	Seeing same physical objectives, accessing shared database.

2.3.2 Types of coordination models

Numerous models have been proposed and implemented in the last few decades to harness the potential of multi-actor coordination. Some of these include *vertical* models that align activities and investments of economic stakeholders (such as producers, processors, and traders) along the value chain (Bijman, Muradian and Cechin, 2011), while others are *horizontal* alliances among firms doing similar businesses with positive externalities among them (Nault and Tyagi, 2001).

In addition to these two, various NGOs, development agencies and services providers have begun to serve as *intermediaries* to coordinate efforts and broker innovation processes within networks of interdependent stakeholders (Leeuwis and van den Ban, 2004; Klerkx et al., 2009; Kilelu, 2013).

2.3.3 Multi-stakeholder platforms (MSPs)

Compared to other types of coordination models, *multi-stakeholder platforms* are inclusive of more than two types of stakeholders (Warner, 2006), which may have vertical, horizontal or complementary dependencies among them. While some (Steins and Edwards, 1998) define MSPs as either voluntary or statutory *decision making bodies*, where different stakeholders (Freeman, 1984) come together to solve similar resource management problems, others (Faysse, 2006; Lundy et al., 2005) view them as *learning alliances* to promote knowledge-sharing and co-creation. Whatever the purpose may be, these platforms open opportunities for

mutual understanding, social learning, and joint actions which none of the members could have taken on their own (Röling et al., 2002).

Within the agri-food sector, most of the MSPs aim to promote sustainable production practices, increase market access and revenues for producers, and/or empower smallholder producers (Bitzer, 2012).

Increasingly, agrifood firms regardless of their size and scale of operations, are now attempting to interact effectively with a much broader set of stakeholders, including not only supply chain actors and investors, but also governments, knowledge institutions, non-governmental organizations (NGO) and other civil society organizations (Rankin and Boehlje 2010; Dentoni and Peterson, 2011). Additionally, firms have realized that partnerships with NGOs and other development actors are among the most common means to exploit market opportunities and secure supply while demonstrating ethical business behavior (Linton et al., 2007).

2.3.5 Contribution to entrepreneurship:

Networking with stakeholders within one or across different value chains can offer several benefits for the agri-food entrepreneurs. Firstly, possession of right information is critical to understand market trends and discover new business prospects (Landstrom, 1999; Shane and Venkataraman, 2000). Entrepreneurs can use the complexity of stakeholder relationships to breach their cognitive limitations and so facilitate themselves in the exploration of growth opportunities (Vandekerckhove and Dentchev, 2005). Once an idea has been identified, strong linkages with partners and the capability to engage stakeholders in positive relationships can offer significant competitive advantage to entrepreneurs, by enabling their access to additional resources such as finance, technology and human capital (Dyer and Singh, 1998). Smaller entrepreneurial startups can also use such networks and relationships to overcome their size disadvantages to reduce higher transaction costs and overcome isolation in the global marketplace (Madhok, 1997). They can also learn and employ experiences of other parties which reduce duplication of efforts, ease up resource constraints and consequently stimulate innovative problem solving (Waddell and Brown, 1997).

2.3.6 Issues and problems

Despite their potential to forge collaborative problem solving, MSPs face multiple barriers in terms of their successful operations. The participating organisations and individual may have their personal motivations, preventing them from working together, reaching consensus, and execute a range of decisions. There may also be pressures from the country in which MSPS is targeted, and/or from the funding agencies who may exercise power to influence representation of all participants.

Collectively, the challenges around MSPs can understood at four analytical levels (Truex and Soreide, 2010):

- 1- International pressures – Donor influences
- 2- Country context – Socio political environment
- 3- Organisational dynamics – Stakeholder roles and interactions
- 4- Personal motivations – Individual members

1- Personal motivations

To be effective, MSPs must have interested and fully committed members, who are willing to share their own resources for the common good. Typically, MSPs that are designed on *bottom up* approach tend to achieve local stakeholder representation but fail to garner any recognition at the state or policy level (Faysse, 2006). On the other side, *top down* MSPs, sometimes backed by the state governments, can find it difficult to motivate local actors at the grass root level (Warner and Simpungwe, 2003). In either case, three main barriers can hamper a MSPs growth (Truex and Soreide, 2010):

- Low prioritisation: Members may lose motivation and consider participation at a lower priority if the cost of their participation in terms of time and resources is not outweighed by benefits they expect from the platform. These benefits can be gain in market knowledge, networking, or realisation of their respective organisational objectives.
- Early stage setbacks and obstructions: MSPs that suffer early setbacks or if their working environment changes during early years after inception, may lose members

leading to *empty participation*. Main reasons for this could be lack of trust development, pessimism about impact, and/or excessive workload.

- Conflict of interest: As a diverse set of stakeholders are involved in MSPs, there can be conflicts in how different organisation perceive a problem and/or whether building consensus is harming their individual interests.

2- Organisational dynamics

MSPs often face difficulties in defining individual responsibilities, and facilitating decision making through effective and balanced representation of all stakeholders.

Three issues that must be addressed are:

- Power imbalance: Power can be defined as 'the capacity of a person or organisation to obtain leverage so that, in the relationship with another person or organisation, the components of the interaction are favorable to the former over the latter (Crozier and Friedberg, 1977). Members within a MSP have differences such as lobbying power, available human capital, outreach and contribution to the platform. This can lead to power imbalances in form of imposition of ideas, control over decisions and their implementation, and freedom to stay disengaged from the negotiation processes (Faysse, 2006, Rakner, 2010; Fukuyama, 2001).
- Inadequate representation and capacity to participate: Some stakeholders such as smallholder farmers and producer organisations may not be able to participate fully in decision making processes during to difficulties such as lack of internal organisation (Seshoka et al., 2004), lack of financial means (Manzungu and Kujinga, 2002) and technical knowledge (Faysee, 2006).
- Lack of communication channels: MSPs may suffer if the communication within and across stakeholders is not extensive, transparent, and robust (Faysse, 2006).

3- Country context:

MSPs, especially those operating in the developing countries such as in Asia and Africa, also have to deal with several country-specific institutional constraints. These include:

- Political support and local legitimacy: Local actors may perceive that the MSP is an extra-legal institution imposed from the outside, promoting 'participatory democracy', and feel threatened if the MSP has the same objectives as them. Those MSPs which are funded by external donors are especially at risk of such perceptions (Truex and Soreide, 2010).
- Lack of required inputs: Unavailability of trained field teams, restrictive government laws, and poor infrastructure can significantly limit MSPs outreach and growth in a country.

4- Donor pressures:

Though funds received from the international funding agencies can be critical to establish and run MSPs, it can also cause several issues:

- Power imbalance: If the major portion of an MSPs' activities is dependent on donor funds, then it is likely that these organisations may have a greater say in what and how decisions are made.
- Stringent requirements: Donor agencies often define strict protocols such as fixed project timelines, lengthy documentation, and extensive monitoring and evaluation procedures. These requirements, in specific context of a country, are sometimes unrealistic resulting in unnecessary pressure on other stakeholders. (Truex and Soreide, 2010)
- Uncertainty of funds: Donor agencies may conduct lengthy evaluation of proposals, which may either limit or delay release of required funds.

Chapter 3: Methodology

This chapter elaborates on the research design, methods and strategies which were employed in this research to collect and analysis of data to yield valuable information. It also provides answer to sub research question (SRQ) 3, which is: “How can the impact of Agri-ProFocus on the growth of agri-food entrepreneurs in Uganda be measured.”

In the first section, conceptual design and research framework has been discussed to address ‘*what*’ and ‘*why*’ questions, followed by methods of sample selection, data collection and analyses (‘*how*’ *questions*) in the subsequent sections of 3.2 and 3.3 respectively. The last section gives details about measures taken to ensure rigor in the research.

3.1 Conceptual Design

3.1.1 Type of Theory Oriented Research

This research can be seen as an *inductive form of theory development* by employing grounded theory approach. In this approach, cases from reality are observed and compared with each other and with existing theoretical insights to eventually develop a new theory (Verschuuren and Doorewaard, 2005). The ‘grounded theory’ is recognized as the appropriate method to analyse and evaluate complex issues at the organisational and/or inter-organisational level while limited data points or cases are available (Stake, 1995; Westgren and Zering, 1998).

Therefore, instead of presenting predetermined and ungrounded hypotheses at the start (Glazer and Strauss, 1967), this research puts forwards most conclusive outcomes as *testable propositions*, which are grounded in data collected in the field and augmented through various secondary sources.

3.1.2 Research Objectives

By using the exemplar case of Agri-ProFocus and Agri-Hub in Uganda, the objectives of this research are to:

- Describe network structures, governance mechanisms and activities within Agri-ProFocus (APF) and identify its distinguishing features from other multi-stakeholder platforms (MSPs).

- Give insights on extent and pathways through which APF's financial services via marketplace events impact farm entrepreneurs in Uganda.
- Develop testable propositions conjecturing how structures and mechanisms within APF can be reformulated to enhance the overall impact on farmer entrepreneurs.

3.1.3 Research Framework

To realise the objective of this research, the steps required to be taken are shown in the designed research framework (figure 1). This systematic framework will be used to keep the research process on the right track and to bring clarity in the research study.

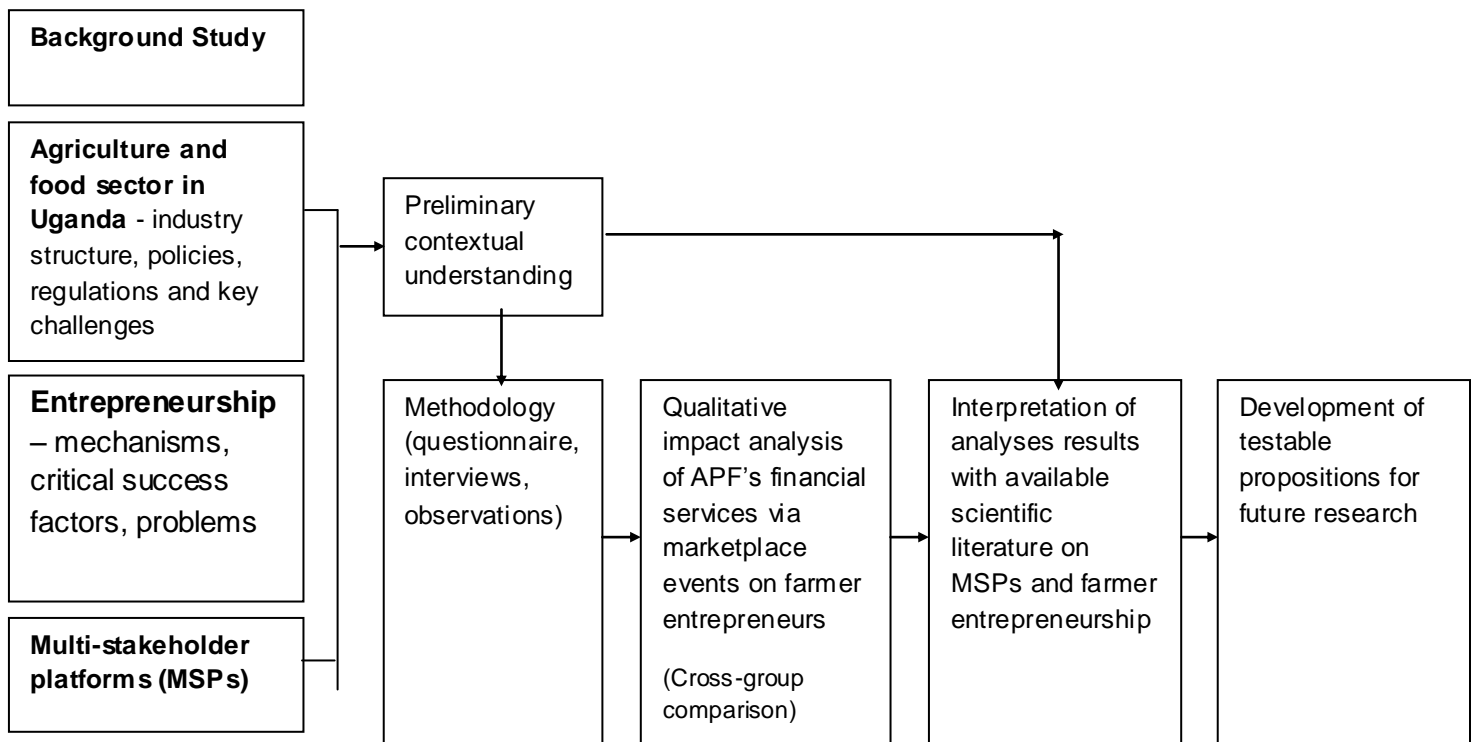


Figure 1 Research framework

As seen, the research framework consists of five sections: (1) Background study and development of contextual understanding (2) Empirical research (3) Analysis of impact and impact pathways (4) Interpretation of findings with available theory (5) Development of testable propositions for future research.

1. Preliminary literature study

In the first part, the available background literature related to agri-food sector in Uganda, farm entrepreneurship, micro and small enterprises (MSEs), and multi-stakeholder platforms (MSPs) was studied. Review of this available knowledge was essential to gain adequate understanding of the research themes, develop a comprehensive survey questionnaire, and perform data analyses in a most effective and efficient manner.

As micro and small enterprises (MSEs) and agri-food entrepreneurs in Uganda are one of the ultimate beneficiaries of multi-stakeholder platforms, their problems must be well understood to sketch out more suitable solutions for them. Identifying what specific hurdles hamper and/or slow down the growth prospects of farmer entrepreneurs in Uganda could be the first step that MSPs can take to devise better pro-poor and pro-farm strategies. Further, it is imperative to focus on the *industry structures, demographics, policies, regulations and other factors* specific to the country selected as subject of this research i.e. Uganda as existing socioeconomic and political circumstances in every African country is different and these have a direct and implicit influence of the growth of MSEs.

The existing literature related to multi stakeholder platforms and partnerships either emphasizes firms to engage stakeholders across their supply chains i.e. from farmers to retailers (vertical value chain networks), or discusses dynamics and challenges of other forms of partnerships ranging from producer organizations to buyer and NGO led networks. This knowledge of partnership models was studied to develop a context and compare with empirical findings collected during the later stages of this research.

2. Empirical research

In the second part, the empirical research was conducted primarily through interviews with selected members of the APF's support team, of Agri-Hub Uganda and farmer entrepreneurs to understand the mechanisms within a Agri-ProFocus, and how being part of it may or may not have influenced the growth of farmer entrepreneurs. The same survey was simultaneously administered to other categories of farmers to draw comparison(s) and evaluate impact in the later stages.

Questions for the interviews were designed with the help of the information available in the contextual framework constructed in the previous section. More information on interview design can be found in section 3.2.2.

3. Analysis of Impact

In the third part, the main research question will be answered through performing comparative analyses on growth, awareness and entrepreneurial traits among different farmers' categories.

This will be done through mixed (qualitative and quantitative) analyses of the data gathered through empirical field work.

4. Interpretation of analyses results with available literature

The conclusions driven from the analysis of empirical findings were then compared and contrasted with the available theory on multi-stakeholder platforms and farmer entrepreneurship.

5. Development of testable propositions

Lastly, the interpretative outcomes which were substantiated by the available literature were developed into testable propositions, conjecturing the relationship between structures and mechanisms with APF and resulting impact on farmers. These propositions can be tested, either qualitatively or quantitatively, by future researchers to provide concrete recommendations for improvement to APF and other similar MSPs.

3.1.4 Research Questions

In this section the main research question is brought, and several interlinked sub questions are formulated. Connecting the sub questions together systematically, the central research question will be answered and supported.

The central research question (CRQ) is:

“How and to what extent does Agri-ProFocus impact the growth of agri-food entrepreneurs in Uganda?”

In connection to the central question, the sub research questions (SRQ) are:

1. What theory and literature is of use to develop contextual understanding of multi-stakeholder platforms (MSPs) and their relationship with agri-food entrepreneurship in Uganda?
 - a) How do agri-food operate in Uganda, what is industry structure, policies, regulations and key challenges impeding growth of entrepreneurial start-ups?
 - b) What are the main mechanisms for the growth of agri-food entrepreneurship in Uganda?
 - c) What are MSPs, their dynamics and characteristics, and how are they different from other forms of coordination models such as producer organizations, agricultural cooperatives, buyer and NGO led networks?
2. What are the key network structures, governance mechanisms, and operational procedures within Agri-ProFocus (APF)?
3. How the impact of Agri-ProFocus's marketplace events on farmer entrepreneurs in Uganda can be evaluated?
4. How the distinctive characteristics of Agri-ProFocus can be correlated to the impact generated by marketplace events?

The sub research questions (SRQs) will contribute to answer the central research question (CRQ). The first sub question, primarily answered through background literature study, will reveal the structure and dynamics of agri-food sector in Uganda, mechanisms responsible for entrepreneurship growth, characteristics and governance structure of MSPs, and their fundamental differences with other partnership arrangements. The second sub question is about gaining a thorough understanding of APF while third question explains methodology to conduct impact evaluation. With information gathered from the first three sub-questions, the last sub question will deliver testable propositions hypothesising the relationship between characteristics of APF and varying impact of marketplace events, to be tested by future research.

3.1.5 Study Design

The task to understand the structure and mechanisms within APF and evaluate impact involved many conceptual dilemmas, solving which was critical to ensure rigor of this research. Some of these dilemmas were:

- 1- Why Agri-Hub Uganda?
- 2- Impact of which activity/working group/innovation community should be evaluated, which can both be valuable as well as viable to evaluate?
- 3- Who should be contacted to understand the APF network and impact of interventions?
- 4- Which geographical regions in Uganda must be focused?
- 5- Farmers belonging to which value chain/crop should be selected as respondents?

1- Why Agri-Hub Uganda?

The decision to select Agri-Hub Uganda as the subject of this research was primarily made on two factors:

- a. **High importance of agri-food sector and farmer entrepreneurs in Uganda:** As identified in the previous chapter (section 2.1.1), the expansion of Ugandan economy is indispensably linked with the growth of agri-food entrepreneurs. Therefore, it was deemed timely to conduct a research on how these entrepreneurs can be assisted to boost their productivity and income.
- b. **Greater presence of Agri-ProFocus in Uganda:** Compared to other countries, Agri-Hub Uganda is one of the oldest (established in 2009) and largest in terms of total membership (more than as per APF Annual Plan 2014).

2- Which innovation community to focus?

There are several innovation communities or thematic groups under the Agri-Hub Uganda which individually as well as collectively organise various fairs, marketplace events and workshops. The selection of one or more innovation communities and evaluating its impact on farmers was thus based on the following factors:

- a. Higher relevance to or common determinant of entrepreneurial survival and growth.

- b. Ability of farmers to effectively recollect and associate their growth in a given time span to attendance with particular event(s).
- c. Ease of operationalisation of concepts into indicators.

Based on these three factors, Access to Finance innovation community was selected for the evaluation of impact. Lack of finance has not only been documented in the literature as one of most important problems of entrepreneurs (), but it was also deemed possible for the farmers to recollect whether they were able to make contact with banks and secure a loan deal through attending one specific event.

It must however be noted that irrespective of the fact that agribusiness marketplace events were jointly organised by all innovation communities in 2013, scope of this research was limited to the activities of the Access to Finance community.

3- Who should be interviewed?

To answer all the research questions, three sets of interviews were conducted:

a. Agri-ProFocus support office and country coordination team

These personnel operating from Arnhem and Kampala were interviewed to understand the background, network structures, governance procedures, intervention areas, and activities at the network level. Interaction with APF support team was considered imperative to understand overarching vision and objectives, basic founding structure, details of inception and Agri-Hub replication stages, and strategic plans for the future.

Interviews with country coordination team in Uganda were conducted to understand the dynamics at the Agri-Hub level including country-specific challenges and demands.

b. Agri-Hub Uganda member organisations

As these member organisations serve as the linchpin between APF and producer organisations, knowing what motivates them to join APF, and their perspective on key operational issues and opportunities for improvement was deemed important. With thorough knowledge of regional contexts and limitations, it was also expected that these stakeholders will elicit critical information of how linkages can be better formed to enhance the overall impact.

c. Farmer entrepreneurs

Three categories of farmers were interviewed to evaluate whether and how attendance in agribusiness marketplace events impacts their growth and change in lifestyle. These three categories were:

Participants (P): These are those farmers were invited by a member organisation and have attended at least one agribusiness marketplace event in last two years.

Non- Participants (NP): These are those farmers who have never attended any marketplace events, but are associated with a cooperative or producer organisation where one or more of their fellow members have participated in an event.

Control (C): These are those farmers who are not connected with the Agri-Hub Uganda and have never attended nor heard about marketplace event.

The methodology to select type and size of samples has been elaborated in Section...

4- Which geographical regions to focus?

In the last two years, Agri-Hub Uganda has organised agri-finance and joint agribusiness marketplace events in three main regions:

- Northern Region – Lira
- Western Region – Rwenzori
- Eastern Region – Mbale

It was communicated by the APF support office that there are certain logistical and security issues in Lira. This is why regions of *Rwenzori* and *Mbale* were selected for this research.

5- Farmers associated with which value chain or crop to be interviewed

Based on the decision to focus on Rwenzori and Mbale regions, producer organisations and farmers chiefly growing *coffee* and *maize* as the main income-generating cash crops were selected. This decision was made on the following criteria:

- 1- High importance of coffee and maize crops in the Ugandan agriculture sector.

- 2- Dominance of these crops in the selected regions.
- 3- Greater participation of coffee and maize farmers in agribusiness events.

In combination with these two crops, it was understood that farmers in Uganda grow a wide variety of food crops such as beans, potatoes, Irish potatoes, bananas and groundnuts.

3.2 Technical Design

3.2.1 Research strategy

The research strategy defines the approach that is taken to gather relevant material and process it into answers to the research questions (Verschuren and Doorewaard, 1999).

In the first phase, a preliminary desk study was conducted to explore literature on three central themes of this research which are agri-food sector in Uganda, farmer entrepreneurship and multi-stakeholder platforms (MSPs). This study gave insights on key concepts and bottlenecks, and refined the focus for proceeding empirical study.

To develop new theory, grounded theory approach was used which involves multiple stages of data collection and refinement of interrelationships among categories of information (Charmaz, 2006; Strauss and Corbin, 1998). Two of the most important features of this strategy include constant comparison of data with emerging categories and theoretical sampling to maximise differences as well as similarities of information.

The data was collected through multiple explanatory case studies and comparative analyses were performed on individual cases to produce a coherent explanation of empirical findings. Lastly, these findings were evaluated against the existing literature to produce a set of verifiable propositions.

3.2.1.1 Sources and methods for data collection

Although this is essentially a qualitative research, methods to obtain both qualitative as well as quantitative data have been used to systematically answer the main research question and all related sub-questions. This deliberate usage of multiple sources and methods has been done to enable triangulation of data, which substantiates the constructs and enhances the overall validity of the research (Eisenhardt, 1989). Further, quantitative data can indicate and/or strengthen relationships which may not be evident from qualitative methods.

Primary Sources

Interviews

In-depth interview with respondents was the main method used for primary data collection during this research. Case study interviews are open-ended informal but guided conversations, in which the respondents are asked about facts and opinions about events, with an aim to understand their perception (Yin, 2003). This method was ideal to converse with illiterate farmers, elicit sensitive information and avoid low turnover rates (Ranjit Kumar, 2005). Moreover, an interviewing method enabled to ask in-depth questions and explanations where necessary, which is essential to gain a profound understanding of the case.

All the interviews conducted were semi-structured, with 31 open end questions formulated beforehand. The open end questions allowed the respondents to not only divulge facts and figures, but also explicitly express their opinions about the subject. Their answers were later compared and contrasted with secondary data sources such as scientific papers and reports during the analysis stage (see chapter 4).

Observations

Through this method, individualistic traits of respondents such as behavior, gestures and body language were noted through active observation and listening (Randolph, 2007). Particularly in the case of farmers, these reflections were important to spot differences including communication skills, level of knowledge, confidence, optimism, and risk affinity among different categories (P, NP and C), which were otherwise difficult to retrieve via interviews.

All observations made during the interviews and field visits have been documented along with individual interview transcripts as annexure to this report.

Narratives

Respondents were also asked to narrate their life and organisational histories, personal accounts, and perception to give inside view of their routine activities. These stories were also used to steer conversation and develop deeper understanding of issues important for answering the research questions.

Secondary Sources

Documents

Various secondary data sources such as scientific papers, books, government reports, censuses, annual review and strategic planning reports of APF, and information available through various websites and databases are used. Utmost attention was given to ascertain that only credible data from authentic sources were used during this research.

Along with these sources, documents published by the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), Uganda Bureau of Statistics (UBOU) and international organisations such as the World Bank, International Monetary Fund (IMF), Food and Agriculture Organization (FAO) are specifically used to understand the agri-food sector in Uganda. Moreover, articles and books related to the field of entrepreneurship development, small and medium enterprises, new institutional economics (NIE), impact evaluation, participatory platforms and network theory are used. Lastly, research papers such as by Eisenhardt (1989), Yin (1999), Van De Ven (2007) and Harrison (2004) were used to strengthen and validate the research design.

A complete list of articles, books, reports and other forms of documents are listed as the references on page

3.2.1.2 Method and criteria for sample selection

The samples for the empirical part of this research have been selected through *theoretical sampling*. As the intention of this research is to build a new theory, the cases were chosen to extend emergent theory and on the basis of their usefulness, instead of purely on statistical reasons (Glaser and Strauss, 1967; Eisenhardt, 1989).

The three categories of respondents were sampled and selected as follows:

1. APF support office and country coordination team

Three individuals team members on basis of their key positions, knowledge about the network, responsible and availability were selected to be interviewed. These include:

Respondent types
1- APF support office & country coordination team
2- Key member organisations within Agri-Hub Uganda
3- Farmer categories (P, NP & C)

Figure 3 Respondent types

- Director of Programmes
- Network Facilitator for Uganda
- Country Coordinator for Uganda

2. Key member organisations within Agri-Hub Uganda

As stated earlier, the aim to interview all types of stakeholders involved within Agri-Hub Uganda was to get insights on their background, their contribution towards farm entrepreneurship, motivation to join APF and perception related to Agri Hub's access to finance interventions.

Therefore, keeping in mind that this research was focused on Agri-Hub's Access to Finance innovation community, only those member organisations which are part of this community, and actively participate in organising marketplace events and mobilising farmers were considered for interviews. The rationale was that these organizations must be more aware of the key strategic and operational issues related to the events and are hence in a better position to identify opportunities for improvement. Assistance from Agri-Hub's coordination team as well online platform was used to identify individuals who are responsible and directly connected to the Agri-Hub on behalf of their respective organisations.

In addition, the proportion of different types of stakeholders/professionals across all Agri-Hubs mentioned in APF's Annual Report for the year 2012 was used to roughly estimate which stakeholders group should be given more priority in terms of total number of interviews. As this report indicates that the private sector represents 35 percent of the total members of Agri-Hub Uganda and NGOs constitute 34 percent, it only seemed logical to proportionately interview more professionals from these two types of organisations. A definite number of respondents were not predetermined as more emphasis was given to cover all types and develop a complete picture. No further interviews were conducted after reaching *theoretical saturation*.

All of these interviews were conducted either through face to face interaction at organisations' premises or via self-administered questionnaire. On average, in-person interviews lasted between 60 to 90 minutes each.

Following is break-up of total number of interviews conducted. Further details of these respondents can be found in the Results chapter (section...)

Organisational type	No. of interviews
Local NGOs	04
International NGOs	03
Banks	03
Microfinance Institution/SACCO union	02
Government	01
Knowledge institute	01
Total	14

Table 2Total no. of participants

The information gathered through these interviews was compared and contrasted with information about remaining Agri-Hub members collected through Agri-Hub coordinators and online members' directory.

3. Farmer groups

Farmers from three different categories (P, NP and C) were sampled and interviewed up to the point of theoretical saturation in the following manner:

Participant and Non-Participant farmers: Two local NGOs, Community Agribusiness Capacity Services (CABCS) and CARD Uganda who have in the past led Agri-Hub's Regional Steering Committees in Rwenzori and Mbale regions respectively were asked to provide lists of producer organisations (POs) they are associated with. From these POs, a selected number of farmers who have participated in agribusiness marketplace events and those have not participated were randomly selected and interviewed.

Control farmers: These farmers were randomly selected from the same areas as the other two categories primarily using personal contacts of interpreters assigned by CABCS and CARD. Though these interpreters knew these farmers at a personal level, they were neither associated with CABCS or CARD Uganda nor had heard about Agri-ProFocus before.

All of the interviews were conducted face to face either at farmers' own land or at cooperatives'/POs' office, and lasted between 50 to 75 minutes.

Details about these cooperatives and total no. of farmers can be found in Chapter 4.

3.2.2 Operationalisation of concepts and interview design

The concepts used to evaluate the impact of Agri-Hub's financial services via marketplace events on farmer entrepreneurs are rather abstract, immeasurable and subjective as their interpretation may vary between different people. In this section, these concepts have been given operational definitions in the scope of this research to develop a uniform understanding. In other words, this section elaborates on key concepts and how they were converted into specific indicators and their variables which have been subsequently incorporated in interview questions.

Key concepts:

Related to providing better services to farm entrepreneurs, APF identifies three core issues (APF, 2013):

- 1- Easier access to finance
- 2- Affordability of financial services
- 3- Information about different financial products available for farmers

Based on these concepts, a basic scheme of how APF's marketplace event creates impact was developed as follows:

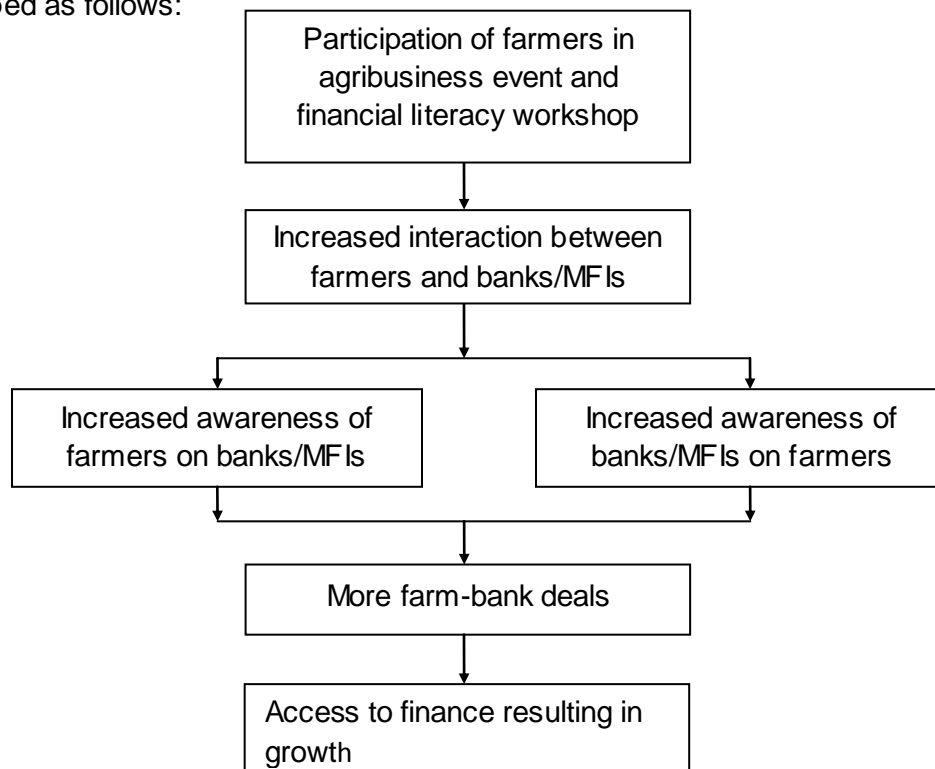


Figure 4 Assumed pathway of impact

3.2.2.1 Development of qualitative and quantitative indicators

In order to assess the impact of Agri Hub's marketplace events on farmers, both qualitative and quantitative indicators were employed in this research. While qualitative indicators gave descriptive impressions that were mostly subjective, quantitative indicators were more tangibly measurable, and were used to identify discrete patterns as well as validate findings achieved qualitatively. The qualitative indicators were mainly employed to estimate whether or not there have been changes in the attitudes, aspirations and satisfaction level among the farmer entrepreneurs participating in the marketplace events. In this way, the questions designed for qualitative indicators evaluated how changes were perceived by the farmers themselves which was further triangulated by the attitudinal observations made by the interviewer during the interviews.

The quantitative indicators such as recruitment of more employees, expansions of assets, and diversification of income sources were used which represent preconditions of sustainable income generation and growth (Ahlin and Jiang, 2008; Field et al., 2010). The financial indicator such as income per month and yearly return on investment were used to a limited extent as in context of microfinance, there are several researches which argue that measuring these indicators does not offer long term perspective of entrepreneurial success (Armendariz and Morduch, 2010). These indicators were mainly used to gain insights on whether easier access to finance leads to enhanced profitability.

At first stage of operationalisation of concepts, several discussions were held with academic experts and officials from Agri-ProFocus to answer key questions such as 'On what basis it can be said that the marketplace events have been impactful?', 'how can farmers' growth and change in lifestyle be attributed to attendance in such events?', 'how will it be ensured that interviews yield valid information without biases and extraneous influences?'. The conclusions derived from these meetings were documented in form of meetings minutes and circulated to all parties. Further to this, several secondary sources such as scientific papers (Reyonlds, 2002; Acs et al, 2008 write more names), international studies of Global Entrepreneurship Monitor (2012) as well as internal assessment reports of marketplace events by Agri-ProFocus () were used to identify key indicators to be used in this study.

Following is the exhaustive list of indicators along with their rationale, variables and related questions used for this study. These questions can be broadly classified into four groups:

- 1- Personal/informational
- 2- Tangible growth indicators
- 3- Intangible/behavioral indicators
- 4- Opinion of participant farmers on marketplace events

During the course of the interviews, a set sequence of questions was not always followed to maintain a conversational flow and allow respondents to speak freely. A few probing questions were also asked as and when required.

3.2.2.2 Interview design

In total, APF team members, 14 Agri-Hub member organisations, and 32 treatment farmer entrepreneurs were interviewed for this research.

As this is a qualitative research, all interviews consisted of mainly open questions which encouraged participants to express their opinions and gave more detailed information. The complete interview protocol, list of questions and participants can be seen as Appendix II, III and IV of this report.

After a formal introduction of the interviewer, translator (if required) and the subject, the interviews with farmers started with informational questions such as age, education level, entrepreneurial history and affiliation with other networks and associations. In the case of member organisations, questions were directed to understand how they started, their vision, mission, objectives and key areas of intervention. Once this information was collected, broad opening questions such as *'tell me about your work'* in case of farmers were asked to make respondents more comfortable and resultantly divulge more information. All the questions asked during the interviews were based on the theoretical framework and conceptual operationalisation as discussed in previous section. Utmost attention was given to develop a contextual understanding and to develop trust through avoiding authoritative behavior. Depending upon the comfort of the farmers, the interview usually ended with a visit to farm and/or household.

3.3 Analysis of Results

The answers, narratives and observations of all interviews have been fully transcribed, which can be found as Appendix V. The transcripts are structured as the questions were asked in the real-time.

To analyse data, a systematic hierarchical method was used. This method implies that during the first stage of analysis, cases were studied separately in isolation, cited in literature as *within-case analysis* (Eisenhardt, 1989). In the second stage, results from each case were *cross-analysed* and *compared* to derive overlapping conclusions and propositions. The overall idea is to become closely familiar with each case to allow unique patterns to emerge which eventually leads to cross case generalizations.

The results have been presented as graphical illustrations for the ease of comparison and comprehension.

3.4 Ensuring rigor - validity and reliability

Numerous researchers have used 'natural science model' (Eisenhardt and Graebner, 2007), to suggest four primary criteria to ensure rigor in a research. These are: construct validity, internal validity, external validity and reliability (Gibbert and Ruigrok, 2010; Cook and Campbell, 1979). This section briefly elaborates on specific actions that were taken for the fulfillment of these criteria.

1- Construct validity

The construct validity is measured as the *extent to which a research objectively investigates what it claims to investigate, and presents an accurate observation of reality without subjective judgments* (Denzin and Lincoln, 1994; Yin, 1994).

Three strategies were used to ensure construct validity in this research:

- a- Firstly, different data collection strategies and sources such as in-depth interviews, observations, narrations, and secondary documents were used to enable triangulation and corroboration of findings (Denzin & Lincoln, 1994; Yin, 1994). The answer received from farm entrepreneurs were analysed in the light of observations and information available in the different documents.

- b- Secondly, drafts of evolving case studies were given for review to academic peers who helped in further enhancing consistency and objectivity of the research (Gibbert and Ruigrok, 2010).
- c- Lastly, an explicit account of all events and procedures has been transcribed to let reader understand how final conclusions were reached (Yin, 1994). Details such as data collection procedures, circumstances, total interview time and experienced difficulties have also been included.

2- Internal validity

Internal or logical validity refers to *presence of clear causal relationship between variables* (Cook and Campbell, 1979) and credibility that conclusions are derived from detailed investigation and not by selecting only a chosen few, called as anecdotalism (Baum & Silverman, 2005).

Internal validity of this research was established through designing a clear research framework and theoretical farmer categories, derived from an extensive literature review and discussions. Within these categories, farmers were selected randomly from a list to avoid biases and anecdotalism. Further, the conclusions were matched with findings reported in the literature (Eisenhardt, 1989).

3- External validity

External validity or transferability (Trochim and Donnelly, 2007) refers the *extent to which theory can be considered generalizable in different settings*. Given the qualitative nature of this research, analytical instead of statistical generalisability was ascertained through sampling multiple farmers for each category and distributed across ten different producer organisations in five districts (Eisenhardt, 1989). The rationale behind sample selection and size has also been detailed in section ... to enable clear understanding of the selection process (Gibbert and Ruigrok, 2010).

4- Reliability

Reliability, also cited as conformability (Trochim and Donnelly, 2007) refers to *transparency and replication, which allows different researchers following similar steps achieve similar results*.

Reliability in this research was ensured through thorough documentation of case study procedure, detailed interview transcripts, field notes of observations and narrations, and preliminary conclusions. It was ensured that all the data collected were documented as it is, before summarizing them. This should enhance the transparency and facilitate future researchers to use the step by step procedures and available data to replicate (Yin, 1994).

Chapter 4: Results

4.1 Agri-ProFocus

4.1.1 Background – Why and how it started?

Agri-ProFocus (APF) was founded in March 2005 as a partnership among 19 Dutch development-oriented organisations, including donor agencies, non-profit organisations, financial institutions, fair trade organisations, knowledge institutes and commercial companies. Collaboration with the Dutch Ministry of Foreign Affairs through its Directorate General for Development Cooperation (DGIS) and the Ministry of Agriculture, Nature and Food Quality (LNV) was also developed (APF Annual Report, 2008; APF Annual Report 2009).

The main impetus to establish this multi-stakeholder alliance was to create synergies, and bring together professionals, contextual expertise and resources to tackle larger problems in the developing countries. Thus, all the founding members who were brought together on the platform of Agri-ProFocus shared a common vision to *'promote farmer entrepreneurship through supporting and strengthening producer organisations'*.

4.1.2 Mission and Theory of Change

In order to achieve its vision, APF undertook a mission to create *spaces for multi-stakeholder action as well as for knowledge exchange, enhancing sustainable entrepreneurship among organised farmers*. As a network, APF realised that promotion of farmer entrepreneurship is a complex and multi-step process, where effectiveness of one step is directly dependent on the others. Based on this, APF formulated a theory on how change occurs in a series of coordinated steps (APF Strategic Plan 2013 – 2016):

Figure on next page –

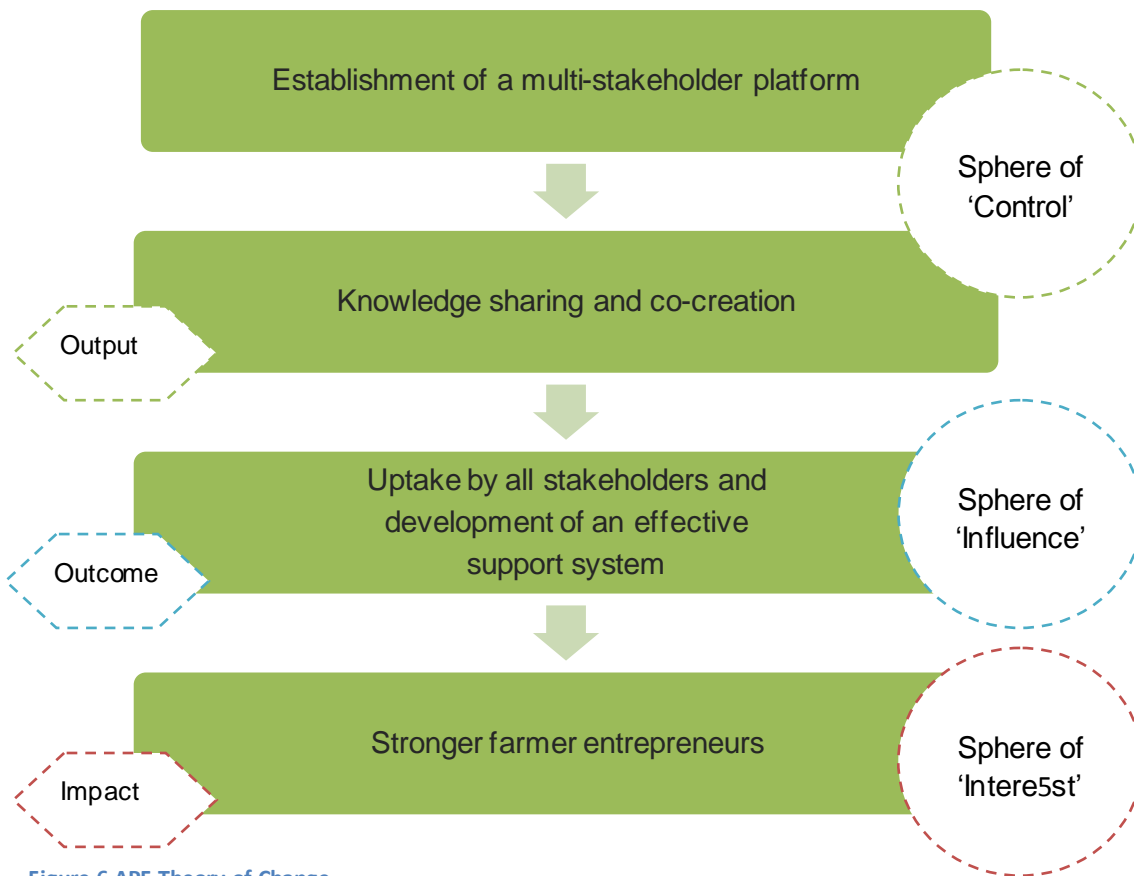


Figure 6 APF Theory of Change

The Sphere of Control

Alongside provision of a space for multi-stakeholder interaction, APF offers a set of products or **market triggers** under specific intervention areas to facilitate knowledge sharing and co-creation. These products or **outputs** are in direct control of the APF support office and Agri-Hub coordination teams, who have to ensure effective and efficient execution of pre-determined plans.

The Sphere of Influence

In turn, the generated output contributes to the design and delivery of interventions by different actors who are in direct contact with farmers via producer organisations. In other words, APF realises that the uptake and integration of network outputs by all stakeholders is vital to produce an effective farmer entrepreneurship support system.

Sphere of influence can be evaluated by **outcomes** such as farm-firm deals, new institutional partnerships and policy changes.

Sphere of Interest:

If the support system is well placed and effective, it offers various opportunities to farmers to make informed choices and carry out their entrepreneurial pursuits. This is the grass-root level where the actual **impact** and **realisation of APF's vision** is measured using indicators such as higher income and employment, higher profit margins and more balanced livelihoods.

4.1.3 Three Thematic Focus Areas – *The pillars*

To facilitate knowledge sharing and development of farmer support system, Agri-ProFocus adopted an approach centered on three focal areas. These areas, often cited as **the 'Thematic Focus or Choices'** provide a premise and act as foundation pillars under and on which all the interventions, activities and projects are organised and evaluated (APF Strategic Plan 2013 – 2016). In other words, these pillars provide an assurance that all the activities built on them will significantly contribute to the ultimate vision of stronger farmer entrepreneurs.

Since its inception in 2005, Agri-ProFocus has re-analysed its thematic choices several times to make it more befitting to the ever evolving scenarios in the agri-food sector. Through making a comparison of how APF's choices have evolved over the last eight years, it can be seen that some of the choices have stayed relevant while others have evolved and/or merged into a different and often a larger focus area (APF Annual Report, 2008).

Focus Areas – 2006-08	Focus Areas – 2009-12
Inclusion in Value Chain Development	Value Chain Development
Access to Financial Services	Access to Financial Services
Capacity Development	Sustainable Food Production
	Gender Balance (Cross Cutting Theme)

The Strategic Plan 2013 – 2016, goes one step further to define three more refined yet elaborate focal areas as:

Support organised farmers	Foster entrepreneurship support systems	Support sustainable food production in domestic market
With focus on:	With a focus on:	With focus on:
<ul style="list-style-type: none"> - Innovative business models - Social capital - Market linkages 	<ul style="list-style-type: none"> - Access to finance - Access to business development services - Capacity development - Land tenure 	<ul style="list-style-type: none"> - Bridging vertical value chain development with livelihood approaches

In addition, two cross cutting themes, to be embedded across all pillars were also identified

- **Inclusiveness** (gender, ethnicity, youth)
- Integration of economic growth with **sustainability**


4.1.4 Strategic Choices and Initiation of Country Focus Processes – ‘How’ will it be achieved?

In alignment with the evolving thematic priorities, APF formally sketches out its strategic orientation in Strategic Plans. There have been three such plans so far, Phase I (2005 to 2008), Phase II (2009 to 2012), and current Phase III (2013 to 2016). As APF has grown, learned and re-evaluated its focus areas or *what needs to be done* over the years, it has also re-designed strategies on *how these ‘whats’ can be optimally achieved*. This strategic dynamism directs how intervention modalities and relevant products are conceived and developed all across the network (APF Annual Report, 2008).

The year 2008 marked a significant change in APF’s strategic direction when a shift was made from ‘project based’ to a more **‘country driven programmatic’** approach. Based on the recommendations of the 2007 Mid-Term Review (MTR) and extensive discussions among the Board and Participants’ Council, this change was made to stimulate *ownership* and establish subsequent *Country Focus Processes*. In addition, this new strategic plan also complemented the joint policy paper ‘Agriculture, Rural Economic Development and Food Security’ put forward by DGIS and LNV in 2008 (APF Annual Report, 2010).

Following changes in APF’s strategic direction were reported in the Strategic Plan 2009 – 2012:

Phase I (2005 – 2008)	Phase II (2009 – 2012)
Strengthening producer organisations	Promoting farmer entrepreneurship through enhancement of producer organisations’ (PO) capacity
Knowledge and information exchange	Learning and innovation at member and PO level
Gradual increase in network approach	Intensification of member commitment
Predominantly NGO, research network	Stronger private sector involvement



4.1.5 Country Focus Process Approach

One of the most important outcomes of the discussions following Mid Term Review was inception of the *country level joint action programs or multi-stakeholder platforms*, alongside cross country trajectories. Centered on the demands of farmers and producer organisations, this approach was targeted to foster ownership and collaborative learning amongst all and particularly local members.

Contrary to an initial plan of selecting only three to five countries, multi-stakeholder platforms in no less than seven countries were started in the year 2009. The decision to focus only on Africa was made to address the urgency of agriculture-led economic development in the continent. Further, criteria such as the local environment, presence and demands of Dutch members, potential to merge existing networks, and Dutch government priorities were also taken into consideration.

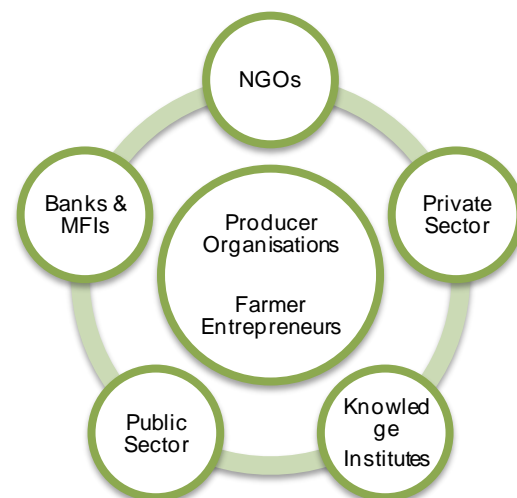


Figure 8 APF Country Focus Approach

Five of the APF's founding members were requested by the Board to accept the role of host/lead organisations in different countries. The organisations were given the task to start programs in their respective country(ies) as well as mobilise local members to share responsibilities.

Partner organisation	Lead in:
SNV	Kenya, Uganda
HIVOS	Mozambique
Cordaid	Zambia
ICCO	Ethiopia and Rwanda
Oxfam Novib	Niger

4.1.5.1 Stages of Country Focus Process – Inception and Replication of Multi-stakeholder Agri-Hubs

Besides some procedural differences, a standard three-stage process was followed to initiate multi-stakeholder platforms in all seven countries:

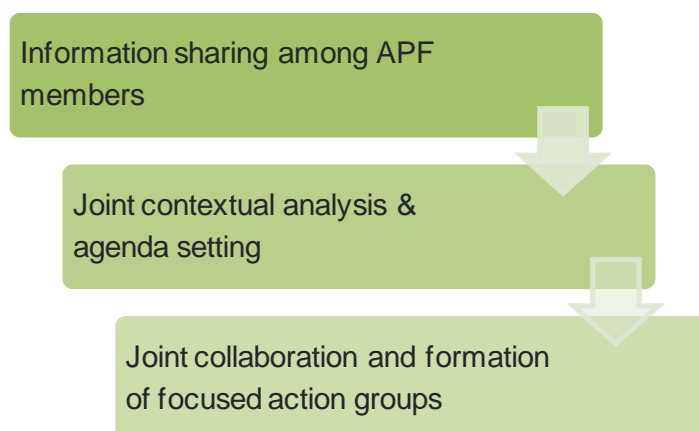


Figure 9 Agri-Hub inception process

The request to establish a country focus approach is always generated by Dutch partner organizations in that country. At first, viability of the proposition is evaluated to make decisions on setting up of an Agri Hub in a particular country. Once a decision had been made, both Dutch and local members worked together to draft a strategic framework to answer the key questions of *'who'*, *'what'*, *'how'* and *'when'*.

In another way, this whole process can be divided into two broad phases (APF Annual Report, 2009):

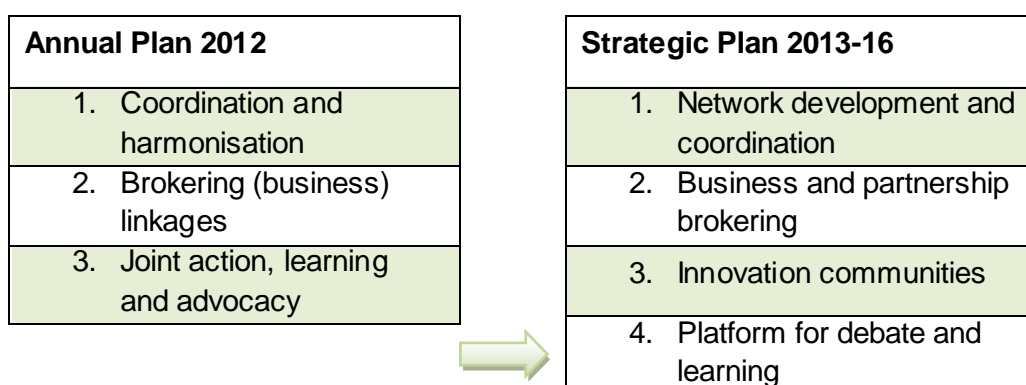
- **Inception & preparation phase** (lead up to Multi-stakeholder workshop): Receipt of request from member(s), field assessment and approval of agri hub inception proposal, documentation of Terms of Reference (ToR), affiliation scoping, development of synthesis paper, launch of online platform (NING), planning and agenda setting for multi-stakeholder workshop.
- **Programming phase**: Organisation of multi-stakeholder workshop, development of action plans on strategic choices, completion of country programme agreement (CPA).

More specific details on the inception of Agri-Hub Uganda can be found as Appendix to this report.

4.1.6 Intervention Areas and Activities

Based on the agenda of ‘knowledge sharing and co-creation’ (see Theory of Change) and built around the strategy of ‘country driven multi-stakeholder programs’ (see Strategy section), APF has devised *intervention modalities*, which are to be implemented both at the Netherlands and Agri Hub level (APF Strategic Plan 2013 – 2016). These are all encompassing delivery areas with outputs or products to be offered to and by APF’s member organisations. As APF’s *sphere of control*, these modalities can be viewed as the *vehicle* to deliver benefits, influence and eventually impact farm entrepreneurs.

In comparison to previous years, APF identified four broad intervention modalities in their Strategic Plan for the period of 2013 to 2016:



1- Network development and coordination

Aims:

- I- To consolidate and harness Dutch partnerships to meet information and investment demands (Netherlands).
- II- To promote participation of new and active involvement of existing members and professionals for decentralised delivery of services (Agri-Hubs)

Key outputs:

Netherlands Level

- Continued resource commitment (financial and in kind) from partnership members
- Coordination with DGIS and Min EL&I for the development of Food Security Policy Framework
- Inclusion of at least one Dutch agri-business company annually as APF member (2013: Friesland Campina).
- MoUs with Dutch and other international networks such as MVO Nederland, NABC, SANEC, BoP Inc. and LANDAC to initiate complementary services.
- Promotion of individual memberships

Agri Hub level

Existing Agri-Hubs:

- Consolidation of local governance structure
- At least one third increase in membership on annual basis
- Increased contribution from members matching with DGIS funding
- Increased participation from private companies and producer organisations
- Enhanced coordination with Dutch embassies in the country

New Agri-Hubs:

- Inception of at least one new Agri Hub per year (2013: Indonesia – 2014 expected: South Sudan and South Africa)

Communication support:

- Hosting and maintenance of online platforms for each Agri-Hub
- Development of knowledge databases, toolkits, instruments and factsheets.

2- Business and Partnership Brokering

Aim: To create opportunities for business linkages and partnerships

Key outputs:

Netherlands Level

- Communication of offers and demands of Dutch members through the network.
- Facilitation of partnerships between members through joint B2B events and development of pre-competitive instruments
- Q&A function (annually 50-80)

Agri Hub Level

Market intelligence:

- Directory of organisations and professionals per region, chain level, services and sub-sectors.
- Information on investors and donors and calls
- Quick-scans for sector or issue specific interventions

Brokering support:

- Connection of at least 5 proposals from every African country with Dutch investors
- Encouragement of member associations to access available financial resources
- Online space for Q&A
- Network events (1-2 annually per country) and get-togethers (quarterly or semi-annually)

3- Innovation Communities

Aim: To establish communities through which members can take joint actions to solve cross cutting thematic or sub-sector specific problems, and create enabling support systems.

Key outputs:

Netherlands Level

- Continued knowledge programs for existing communities
- Development of new thematic areas and communities
- Facilitation of online platforms
- Co-organisation of knowledge events in the Netherlands (3-4 annually)
- Engagement of Dutch universities with on-going research (10-20 annually)

Agri Hub Level

- Selection and facilitation of innovation communities (3-5 per country).

- Organisation of expert meetings, market fairs and learning events (5-7 annually per country).
- Issue specific courses and training modules such as gender in value chain, financial literacy.
- Initiation of tie-ups with local knowledge institutes.

4- Platform for debate and learning

Aim: To provide a space for debate, learning and advocacy on policy related issues.

Key outputs:

Netherlands Level

- Formation of policy group(s) to jointly discuss and act on emerging policy issues.
- Liaison with Dutch policymakers and communicate member experiences on issue such as security and sustainable food production. These views are taken into account in the formulation of Dutch agricultural development policy.

Agri Hub Level

- Promotion of online discussions and debates on policy issues.
- Communication of relevant policy briefs, and research results.
- Dissemination of knowledge from DGIS Food and Business Knowledge agenda among all members.

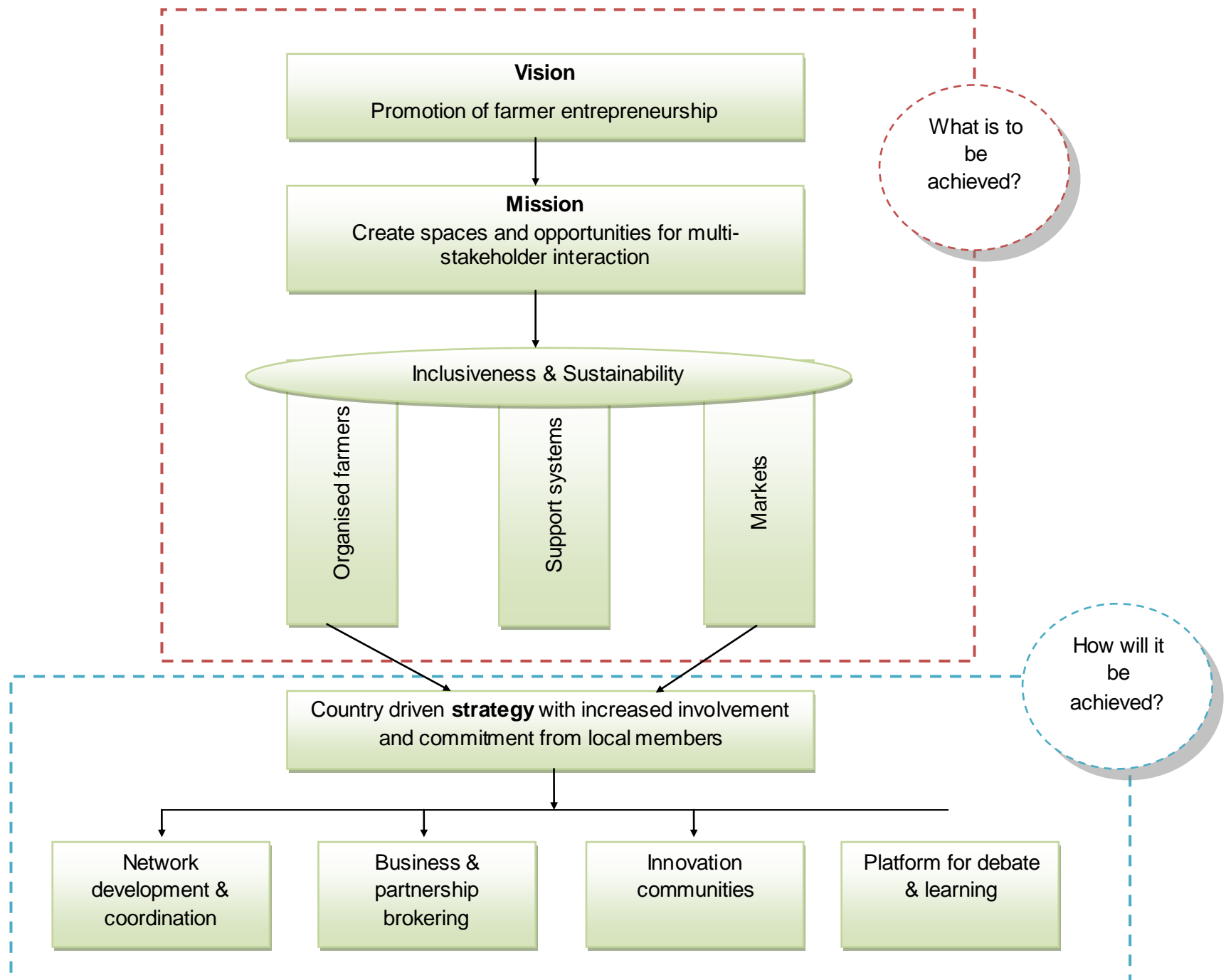


Figure 10 APF strategies and pillars

4.1.7 APF Network Structure

The overall network of Agri-ProFocus is constituted of three *interacting groups* or stakeholder categories (APF Strategic Plan 2013 – 2016; APF Annual Plan, 2014):

- a- Dutch partnership member organisations
- b- Agri Hub member organisations
- c- Individual agri-professionals from member organisations

Within the network, these organisations and individuals are arranged on different levels, into different sub-units (agri hubs and thematic groups) with distinct as well as sometimes shared set of responsibilities. Instead of a hierarchical organisation, APF functions as a *service oriented network* with a relatively *flat* structure. This is vindicated by decentralised decision making and governance mechanisms while ensuring accountability and effectiveness at all levels.

Following are the details of the entities that make up the APF's entire network structure. An illustration of the complete network can be seen as Figure 12 of this report:

The Agri-ProFocus Participants' (Members') Council

The APF Participants' Council is composed of at least one representative from all APF partnership organisations. Membership as an APF *Partner* is open and exclusive to all Dutch funded or Netherlands based organisations that share the common goal of promoting farmer entrepreneurship and empowered producers in the developing countries. In other words, they agree with APF's Theory of Change (ToC) and have farmers as one of their target groups.

Founded by 19 partner organisations in 2005, APF partnership has grown from 27 in 2008 to 37 by the end of 2013. As part of its Annual Plan 2014, APF aims to have at least one new membership on annual basis.

Partner organisations have to formally sign a Memorandum of Understanding (MoU) with APF and pay an annual membership fee of EUR 3000.

Following are the partnership member organisations whose representatives collectively form APF's Participants Council:

Participants' Council			
Aeres Group	Agentschap NL	Agriterra	Aidenvironment
Both ENDS	CBI	CIDIN	Cordaid
ETC Foundation	Friesland Campina	Hogeschool Den Bosch	Heifer Nederland
Heineken	HIVOS	The Hunger Project	ICCO
ICRA	IFDC	IICD	ILEIA
KIT	Ministry of Foreign Affairs	Ministry of Economic Affairs	MDF
Oikocredit	Oxfam Novib	PUM	Rabobank Foundation
Rijkswaam	SCOPEinsight	SNV	Soil & More
Solidaridad	Van Hall Larenstein	Wageningen UR	Woord en Daad
ZOA			

The Agri-ProFocus Board

The APF Board is constituted of a maximum of seven members, including an independent chair, five representatives of Dutch partnership organisations (usually from their own Board of Directors) and two observers from the Ministry of Foreign Affairs (DGIS) and the Ministry Economic Affairs (EL&I).

The APF Board is elected from a period of 2-3 years. Following are the organisations whose representatives are current APF Board members:

Organisation	Position
(Ex Chairman - Friesland Campina)	Independent Chair
ICCO	Member
PUM	Treasurer
KIT	Member
SCOPEinsight	Member
IICD	Member
SNV	Member
Ministry of Foreign Affairs	Observer
Ministry of Economic Affairs	Observer

The Agri-ProFocus support office

A team comprised of a managing director, director of programmes, country network facilitators, and administrative assistants operates from the Arnhem office to facilitate communication and disseminate knowledge across all levels within the APF network. With a consistent increase in number of Agri Hubs and thematic trajectories, the staff at the APF support office has grown from 5 members in 2008 to 9 in 2012 and 11 by the end of 2013.

Following is the composition of the current APF support office team:

Agri-ProFocus Support office team
Managing Director
Director of Programmes
Network Facilitator – Ethiopia, Mozambique, Tanzania/ Innovation community leader – Dairy, Seed
Network Facilitator – Burundi, RD Congo, Rwanda/ Innovation community leader – Potatoes, Network Development
Network Facilitator – Kenya, Mali, Niger/ Innovation community leader – Inputs & Technology, Students
Network Facilitator – Uganda, Zambia/ Innovation community leader – Farm-Firm Relationships
Network Facilitator – Benin, Indonesia/ Innovation community leader – Access to Finance
Management Assistant
Communication Facilitator
Knowledge Facilitator
Financial Officer

The Agri-ProFocus Core Group

Each one of the five network facilitators in the APF support office is connected to a country level Agri-Hub coordination team. All these network facilitators along with Agri Hub coordination teams constitute the APF Core Group.

The Agri Hub host organisation

All 13 Agri-Hubs have been adopted by one of the Dutch partnership organisations which hosts and assumes all operational and administrative responsibilities related to that (those) particular Agri Hub(s).

Currently, four organisations, namely, SNV, ICCO, HIVOS and Oxfam Novib lead multiple Agri Hubs while Cordaid has accepted the responsibility to lead in South Sudan:

APF partnership organisation	Host in countries
SNV	Benin, Mozambique, Tanzania, Uganda, Zambia
ICCO	Burundi, Ethiopia, Mali, RD Congo, Rwanda
HIVOS	Indonesia, Kenya
Oxfam Novib	Niger

The Agri Hub coordination team

Day to day operation of all Agri Hubs is managed by individual country based coordination teams that generally include two members: The country/Agri-Hub coordinator and Agri-Hub assistant. As exception, Agri-Hub Uganda has an additional Agri-Hub agri-business linkage facilitator. These team members assigned to APF are in actual employees of the host organisation of that country and work in close coordination with the network facilitator in Netherlands as well as the local advisory/steering committee.

Agri-Hub Coordination Team
Agri-Hub Coordinator
Agri-Hub Assistant
Agri-Hub Agri-Business Linkage Facilitator

The Agri Hub advisory/steering committee

This committee is composed of active Agri Hub members who lead various activities and programmes at the national level. Both local and international member organisations including development agencies, commercial enterprises and knowledge institutes are part of this committee.

The Agri Hub steering committee is elected for three years and includes (for Agri-Hub Uganda):

Agri-Hub Advisory/Steering Committee
An elected chairman
Two general members elected through online vote
Country representation of at least one Dutch partner organisation
Leaders of all thematic groups/ innovation communities
Agri-Hub coordinator (without vote)

Thematic working groups/ innovation communities

These communities, one of the modalities or delivery areas, are made up of different member organisations that either show interest to join or are invited by the community members. The decision to accept a new member is jointly made by the APF country coordinator, group leader and the team.

Following are the innovation communities of the Agri Hub Uganda along with member organisations (Agri-Hub Uganda ning platform):

Innovation Community	Coordinator/Leader	Members
1. Farmers Organisation	NUCAFE	Send a Cow Uganda, SNV, Agriterra. TRIAS and Makerere University
2. Farming Services		
Oilseed	OSSUP platform pre-dating APF country-focus in Uganda – UOSPA, Mukwano, SNV, Wageningen UR and Makerere University.	
Rice	BRAC Uganda	KIT, DANIDA, UOSPA, Environmental Alert and UNFFE.
3. Access to Finance	The Hunger Project	TRIAS, AMFIU, aBI Trust, GIZ, Bank of Uganda, SNV, Centenary Bank, FORMA, Oikocredit Uganda, UCA, Cordaid, NUCAFE, Kulika, KRC and VECO East Africa.
4. Access to Market Information	FIT Uganda	AgriNet, UCE, KRC, RIC-NET, CEFORD, ESAFF, EACG, Kulika, HIVOS, SNV, EAGC, Ssemwanga Centre.
5. Policy Advocacy	PELUM Uganda	UNFFE, JESE, SATNET, ACORD, Oxfam, VEDCO, SNV, Environmental Alert and UEEF.
6. Gender in Value Chains (cross country knowledge agenda)	Supported by KIT, Fair and Sustainable, and local coaches	
7. Food Security	ICCO	Oxfam, ZOA, Broederlijk Delen, Gulu University, Environmental Alert and local partners from Lango and Acholi regions.

Regional steering/organising committees

These committees consist of self-organised group of regional stakeholders who are primarily responsible to organise agribusiness fairs and marketplaces events.

In Uganda, there are individual committees for Eastern (Mbale), West Nile, Rwenzori (Fort Portal), Northern (Lira) and Bunyoro regions. So far these committees function informally.

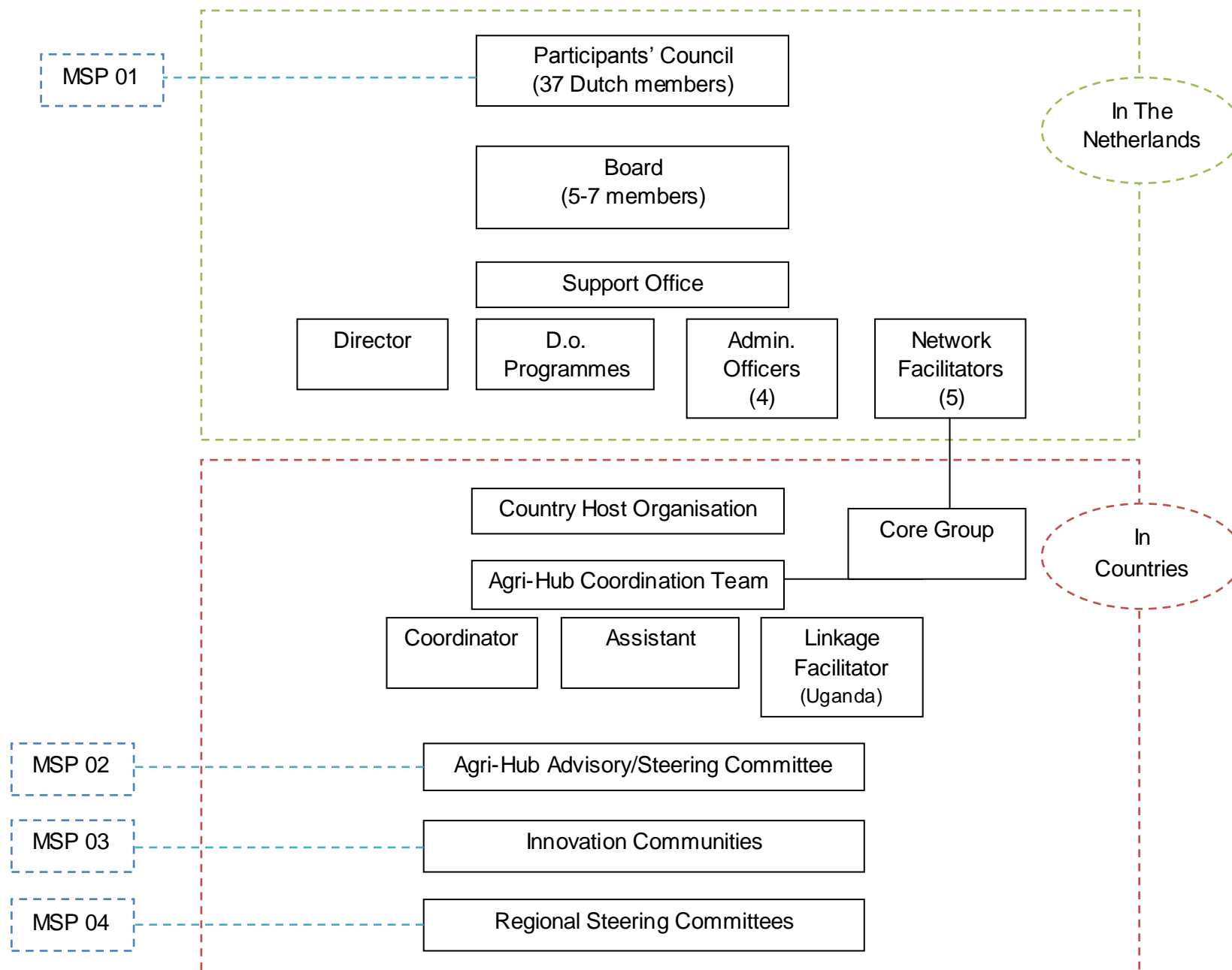


Figure 11 APF network structure

4.1.8 Governance and Communication Mechanisms

As *ownership* and *decentralisation* are two core elements of the *modus operandi* of APF, responsibilities and authorities pertaining to different tasks have been distributed across the entire network. On broad terms it can be understood that the *goals* and *strategic directions* of the overall network are administered by the Board and Participants' Council, while country agendas and execution plans are determined by their respective Agri-Hub coordination team and member organisations. Further, several formal and informal communication channels have been established for exchange of information and M&E purposes (APF Strategic Plan 2013 – 2016, APF Annual Plan, 2014)

The APF Participants' Council

The partner organisations as individual members are committed to contribute both financially and in kind, and play active role in one or more of the Agri Hubs or thematic areas. The Council with representation from all partner organisations is responsible to:

- Determine the overall direction, strategy, operational plans and procedures, and structure of the APF network.
- Give final approvals of annual plans and budgets.
- Elect the Board members and advice on member applications and other developments.
- On one hand, these members are considered as the *ambassadors of APF* in their respective organisations, while on the other hand, they stand to represent their organisation's viewpoint and influence decision making through a designated vote.

The Participants' Council meets twice every year in the Netherlands.

The APF Board

Alongside the Participants Council, the Board is responsible for reviewing decisions such as of membership applications, strategic plans, budgets and appointment of APF support office team.

The Board meets four times every year.

The APF support office

Based in Arnhem, the support office operates as a linchpin that connects the decision makers in the Netherlands with all country level Agri Hubs. The support team has the responsibility to:

- Ensure accountability and effective implementation of plans at the agri hub level.
- Communicate decisions, evaluation reports and plans made in the Netherlands to all Agri Hub coordination teams through respective network facilitators.
- Receive annual agri hub plans, budgetary and resource requirements and take suitable actions.
- Develop and facilitate organisation of events and meetings.
- Develop and facilitate online platforms.
- Coach and advise member teams on request
- Mediate in case of conflicts and disagreements

The APF Core Group

All network facilitators along with Agri Hub coordination teams meet once every year in the Netherlands to share their experiences, compare results and discuss several management proposals and issues.

The core group meets once every year.

The Agri Hub host organisation

The host organisations represent APF legally in all countries as Agri Hubs are managed and run as loose networks. This is why the country coordination has to follow the administrative, financial and other procedures of its host organisation.

The hosts are also responsible to:

- Ensure overall coordination as APF country focus liaison
- Facilitate day to day operations, joint learning and growth of the network
- Act as budget holders, implement agreed results areas and manage cash flows.
- Coordinate the writing, reporting and monitoring of annual activity plans (RCA Rwanda IPER, 2010).

The cost of hosting is covered through Agri Hub's general budget shared by all participating organisations.

The Agri Hub coordination team

Some of the main responsibilities of the coordination team include:

- Organise and facilitate annual meetings and ensure participation of all innovation communities' leaders and members of the steering committee.
- Monitor progress of innovation communities on action plans
- Select regional organising committees for agribusiness marketplace events.
- Supervise planning, organisation, and evaluation of regional events.
- Plan budgets at the hub level and approve financial expenditures of regional committees.
- Approve vendors for agribusiness events.
- Receive, review and dis/approve online and manual membership applications.
- Develop, and circulate newsletter and other informational emails.
- Maintain an updated list of members' directory.
- Liaise with local government authorities on organisational issues.

The Agri Hub steering committee

- Serve advisory role and think-tank to the coordination team on financial and management issues.
- Review budgets and plans.
- Supervise performance of the coordination team.

It must be noted that since Agri-Hubs are non-legal entities, the steering committee does not have any formal responsibilities.

Innovation communities

- Plan, budget and execute theme specific annual plans.

The coordination team, steering committee and leaders of all innovation communities formally meet once every year to prepare annual plans.

Regional steering/organising committees

- Make all arrangements for regional agribusiness marketplace events.
- Mobilise producer organisations and farmer groups to attend events.

- Select and contact exhibitors and other participants such as private enterprises, banks, microfinance institutions, district government officials and local universities.
- Liaise with district government and ensure their support.
- Evaluate and source vendors for services such as catering, security, promotions etc.
- Conduct post-event evaluation and produce feedback report(s).

4.1.9 Network Outreach and Growth

The outreach of APF network has consistently grown since its inception, as it continues to expand in new countries, and draw wider and diverse group of stakeholders. As mentioned earlier, Dutch partnership has increased from 19 members in 2005 to 37 in 2013 with Friesland Campina being the latest organisation to join in.

Geographical coverage and establishment of new Agri Hubs

After adopting the country focus approach in 2008-09, APF concentrated only on the continent of Africa and established Agri-Hubs in 12 different countries. In 2013, APF for the first time ventured outside of Africa and established an Agri Hub in Indonesia, hosted by HIVOS. Further, possibilities of two more Agri Hubs in South Sudan and South Africa are being explored for the year 2014. A total of 16 Agri Hubs are envisioned by 2016 as the Dutch partnership members consider requests from Bangladesh, India, Bolivia and Guatemala as well (APF Annual Plan, 2014). If this happens, Agri-ProFocus will have its presence across three different continents of Africa, Asia and South America within next two to three years.

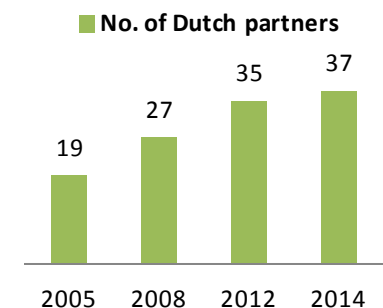


Figure 12 Growth in Dutch partners

Following is the list of Agri Hubs and their inception dates:

Year	Agri-Hub(s) established
2008-09	Rwanda, ,Uganda, Kenya, Niger, Mozambique, Zambia, Ethiopia
2011	Benin, Mali

2012	RD Congo, Tanzania Burundi,
2013	Indonesia
2014 – 16 (possibilities)	South Sudan, South Africa, India, Bangladesh, Bolivia Guatemala

Growth of existing Agri Hubs

All 13 Agri Hubs have seen significant growth both in terms of total number and diversity of organisations and professionals over the last few years (APF Annual Plan, 2014).

Country	No. of registered professionals		
	2014	2013	2012
Benin	1000	728	420
Burundi	300	192	129
Ethiopia	1000	708	523
Indonesia	200	120	0
Kenya	1800	1246	790
Mali	500	335	215
Mozambique	500	352	228
Niger	300	214	149
RD Congo	300	186	104
Rwanda	800	619	358

Tanzania	750	430	176
Uganda	3400	2471	1644
Zambia	500	335	238

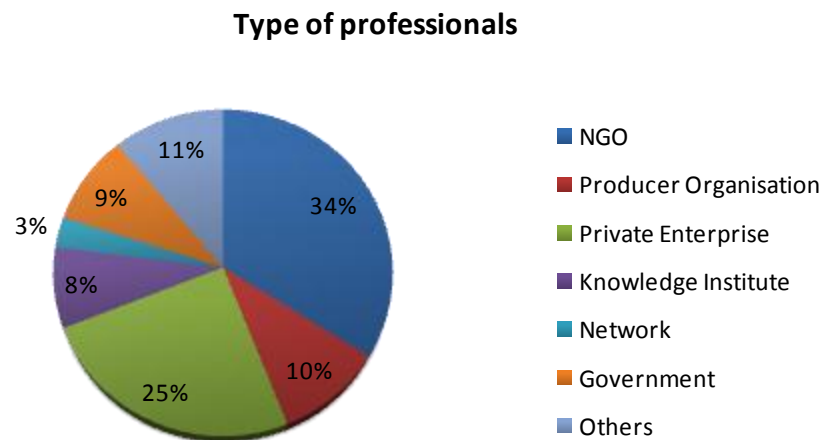


Figure 13 Breakdown of professional across Agri Hubs

Presence on social media platforms

In addition to online platforms, APF's presence on social media such as Facebook, Twitter, LinkedIn and Twitter has also increased. Presently, APF has more than 1100 followers on Twitter and around 400 on Facebook with more on individual Agri Hub pages.

4.1.10 Planning, Monitoring and Evaluation Mechanisms

In 2010, Agri-ProFocus adopted a Planning, Monitoring and Evaluation (PME) framework developed by WUR/CDI. It was an outcome of a realisation that the overall effectiveness of APF country focus processes is directly dependent on the capabilities and performance of individual country networks. Therefore, a system to guide uniform and/or comparable data collection, results



evaluation and subsequent action planning was implemented across all country networks and thematic focus areas (van Vugt and Verhoosel, 2010).

The **5 Core Capability (5C) model** presented by the European Centre for Development Policy Management (ECDPM) was used to identify 5 specific aspects on which the capacities, performance and impact of country networks and interventions must be evaluated. The APF's Theory of Change (See section...) is directly linked to this 5C model, as assurance of the five capabilities is imperative for achieving desired outputs (sphere of control) and outcomes (sphere of influence).

Figure 15 PM&E Cycle

Following is the list of core capabilities and their relationship with the Theory of Change:

Core Capability	Aspect	Relationship to ToC
1. Capability to achieve coherence	Coordination and harmonisation – <i>Are we relevant and coherent?</i>	Sphere of Control (market triggers or outputs)
2. Capability to relate	External linkages – <i>Are we well connected?</i>	
3. Capability to survive and act	Join action – <i>Are we efficient?</i>	
4. Capability to adapt and self-renew	Learning and innovation – <i>Are we improving?</i>	
5. Capability to achieve development results	Development results – <i>Are we effectively contributing to interventions of our stakeholders?</i>	Sphere of Influence (market uptake or outcomes)

Based on these capabilities, a PME matrix including specific evaluation questions and progress markers (Expect to See, Like to See and Love to See) was developed.

Development of systematic baseline indicators in 2014

From the year 2014, a specific set of baseline indicators have been established (APF Annual Plan, 2014) to perform M&E of both outputs (capabilities 1-4) as well as outcomes (capability 5):

Outputs

Output (As per four intervention modalities)	Baseline indicators
Satisfaction – overall and for network services	1. Appreciation survey score
Network development and coordination	2. In country (regional) outreach 3. Network membership and balance between stakeholders 4. Ownership – Development of steering committee with local and Dutch leadership plus member code of conduct 5. Organisations contributing financial means 6. Total budget and income from services 7. MoUs developed
Brokering for business and partnerships	8. No. of business promotion events 9. No. of service requests answered 10. Organisations/ companies profiled
Innovation communities	11. No. of innovation groups with no. of active member organisations per group 12. Virtual and face to face participation in cross country exchanges 13. No. of regional and national events
Platform for debate and learning	14. No. of policy debates and reviews 15. No. of unique online visitors and page views 16. Hosting of other networks

Outcome	Baseline indicators
1- Network development and coordination 2- Brokering for business and partnerships 3- Innovation communities 4- Platform for debate and learning	1. Farm – firm relations 2. Farm – bank deals 3. Partnerships and investments 4. Innovation uptake 5. Policy improvements

Methods for collection of data/ monitoring

To monitor and gather factual data for further evaluation, several methods have been employed at different levels within the APF network. These include but are not limited to:

- Compilation and review of documents such as event reports, participants' feedback assessment reports, and meeting minutes (1 more?)
- Circulation of an annual Appreciation Survey to all members via online platforms
- Face to face interviews
- Documentation of cases

Analysis, Evaluation and Communication

The data collected on output and outcome indicators is then interpreted and evaluated to extract opportunities for further improvements.

As part of its M&E system, APF uses communication tools such as the online platforms and newsletter to ensure that required information is periodically shared with all relevant parties. Further, a series of events at pre-determined intervals are organised at different levels within the network to evaluate facts and feedbacks, which leads to the development of new insights and ensuing annual plans.

Following is the list of formal events or discussion platforms areas (van Vugt and Verhoosel, 2010).

Platform	Participants	Frequency
Participants Council	Dutch partner organisations	Twice per year
Board meetings	Board members	Four times per year
APF Core Group meeting	Core group members (network facilitators and country coordination teams)	Once every year
Coordination team meetings	Country coordination team, steering committee, innovation communities leaders	Once every year

4.1.11 Management of Finances and Budgets

Sources of Finance

During the first phase of operations from 2005 to 2008, Agri-ProFocus received funds primarily from the Dutch Ministry of Foreign Affairs and member organisations (APF Annual Plan, 2008). As the country focus processes started only in late 2008, these funds were initially used for coordination activities of the APF support office and a specific set of trajectories. Based on evaluation of results, the support from the Ministry as well as members has consistently grown over the second (2009-2012) and third phase (2013 onwards).

The inception and running of the seven Agri-Hubs in 2009 was exclusively sponsored by APF members and a few local partners. Besides paying an annual membership fee of EUR 3000, these Dutch member organisations continue to be main financial contributors to the operations of Agri Hubs with an increasing role of local partners. Further, the APF support office is backed by additional funds from leading members such as SNV, ICCO, HIVOS, Oxfam Novib and Cordaid.

To ensure smooth functioning of Agri Hubs and boost participation of local organisations, DGIS since 2012 has started to match contributions of members and local partners. This means that DGIS doubles the collective investments made by the members to cover costs per Agri Hub (Agri-Hub Uganda Annual Plan, 2014).

Financial Management and Budgeting

The financial management and budgeting of the network is divided into two divisions: General APF Partnership based in the Netherlands and Agri Hubs. On broad basis, the origin and distribution of funds can be understood as follows:

- The Netherlands based APF members transfer their contributions to *APF Arnhem account*. The support office administers as well as transfers funds to allocated countries.
- The local and international Agri Hub members with offices in Agri Hub countries contribute directly to the *account held at country level*. These accounts are typically owned by the host organisations and managed via their respective financial management systems.

- There are also contributions in form of technical assistance and/ or deployment of human resources. Some of these are also converted to financial calculations, while remaining are registered as *'in-kind'*.

Irrespective of the year, following are the streams of revenues and costs generated at Partnership as well as the Agri Hubs:

Partnership	
Revenue	Costs
Annual membership (EUR 3000)	Personnel
Funding MoFA	Activity
Interests	General/administrative
Agri Hubs	
Revenue	Costs
Member investments (Local and Dutch)	Personnel
Funding MoFA	Activity
	Coordination and support

To broaden its revenue stream, APF plans to achieve the following during strategic period 2013 – 2016:

- Have equal share of contribution from both Dutch and local members.
- Offer products, services and events to members at a cost based fee.
- Initiate organisational member fee
- Achieve separate service contracts

Financial management for agribusiness events

The budget to organise all activities including agribusiness events are decided and approved during by the country coordination team, steering committee and innovation communities'

leaders. The regional steering committee assigned to organise the event then plans and proposes event budget for approval.

After the event, individual invoices are submitted to the coordination team and payments are made through account managed by the host organisation.

4.2 Agri-Hub Uganda - Stakeholders' Perspective

Continuing from the network structure, governance and operational mechanisms within APF elaborated in the Section 4.1, this section aims to shed light on opinions and views of key stakeholders within the Agri-Hub Uganda. More specifically, it identifies factors that motivate different stakeholders to take membership of the Agri-Hub and how they perceive it contributes towards their respective organizational aspirations. Further, this section suggests on what further needs to be done to augment coordination among different parties, which in turn will positively impact the management and effectiveness of all activities.

The sub-section 4.2.1 provides details of the interviewees selected for this research respectively. Then sub-section 4.2.2 describes opinions of these respondents on questions developed on different themes. Lastly, section 4.2.3 documents key findings and learning points in form of concluding remarks. Since the selected groups of stakeholders are very different in terms of their goals, structures, business models as well as activities, their answers have been compiled to facilitate *cross-group analysis* and develop a deeper understanding of how perspectives and priorities differ among different members within Agri-Hub Uganda. Chapter 3 (Methods) documents the rationale to select these stakeholders and interview questions, while full interview transcripts are available as Appendix IV of this report.

4.2.1 Details of interviewed stakeholders

Organization type – wise breakdown

Type	No. of interviews
Local NGOs	04
International NGOs	03
Banks	03
Microfinance Institution/SACCO union	02

Government	01
Knowledge institute	01
Total	14

Figure 15 Breakdown of stakeholders interviewed

A complete list and details of the interviewed stakeholders can be found as Appendix to this report.

4.2.2 Stakeholders' Perspective

1- Motivation to join Agri-Hub Uganda

This question reveals factors that motivate organisations to become Agri-Hub members, and their key expectations.

NGOs, Knowledge and Public Institute: Representatives of all seven NGOs emphasised *networking* and *information sharing* as the most important benefits they aim to achieve by being part of the platform. Considering scale and complexity of the task of socioeconomic development in Africa, these NGOs clearly identified that they need like-minded partners to create collaborative synergies and achieve their individual objectives.

All the respondents stated that being part of the Agri-Hub enables them to connect to a wider group of stakeholders and engage in multi-stakeholder dialogues for the exchange of information. According to them, this interaction helps to learn about the perspective of other members within the value chains, as well as recognise opportunities to develop better products/services and/or partnerships. This is why terms such as *network*, *connect*, *dialogue*, *exchange*, *collaboration* and *partnership* are common in the answers given by all NGOs.

Respondents also acknowledged that organising and/or being part of agribusiness events helps to *develop capacities of their teams*.

One less evident but significant difference was noticed in the answers given by local and international NGOs. International NGOs gave more priority to how APF can help them *deliver* more benefits to farmers in an effective way, as motivations such as *advocacy of issues*, *influence over decision making* and *more exposure to farmers* was common in their responses. In contrary, local NGOs seem relatively more interested in utilising *shared resources* to expand *their own capabilities* which can later on yield benefits for the farmer communities.

Banks and MFIs: Along with the motivations stated by the NGOs, banks and MFIs considered APF marketplace events as an important opportunity to *market their products*. In other words, interest of these stakeholders is more *commercial* in comparison to that of NGOs.

As elaborated by the respondents, APF marketplace events benefit them in two ways. Firstly, these events increase awareness of financial products, available sources, and terms and conditions among farmers. This information is vital to *sensitise farmers* and make them financially literate, which directly expands the total client base for banks and MFIs. Secondly, these events provide an ideal platform to *showcase products* not only to a wider group of newly sensitised farmers who are willing to explore different financial options, but to other commercial entities such as input providers and equipment manufacturers. This is reason why all of the banks and MFIs interviewed disclosed that they received numerous inquiry calls, visits and loan applications immediately after the marketplace events.

A few respondents also noted that being part of this platform gives them a *competitive edge* over their competitors. This sense of competition in itself can be of significant value to farmers as these financial institutions pursue to develop easier procedures and affordable products.

2- Knowledge of any other network like Agri-ProFocus

Most of the respondents acknowledged that APF is unique in its structure and benefits it offers to member organisations. One respondent stated that APF is more dynamics as it organises activities more frequently while another commended how the network connects a much wider group of stakeholders.

Some of the networks that were identified by respondents as doing work similar to APF include:

- Feed Uganda
- Lango Food Safety Cluster
- Rwenzori Regional Development Network
- Rwenzori Association of NGOs and Networks (RANNET)
- NAADS structure – District Farmers Forum (DFF), Sub County Farmers Forum (SCFF), Parish Coordination Committee (PCC) and Village Farmer Forum (VFF)

3- Contribution to APF's activities

As these organisations are active and closely connected to farmer communities in their respective regions, the respondents identified five ways in which they contribute specifically to the cause of APF's agribusiness marketplace events:

- I. **Event planning and arrangement:** Though some organisations are more active than the others, all of them stated they are involved in organising agribusiness events in their regions. Some of the quoted key responsibilities before the event include planning 'whats' and 'hows, preparing budgets, distributing tasks such as registration, security and catering among different committee members, sourcing and evaluating vendors, and corresponding with exhibitors and government officials. On the event day, these members are responsible to ensure smooth execution of event schedule, delivery of high quality services and collection of real-time feedback from the attendees. After the event, one of the main tasks is to process invoices so that timely payment could be made to all parties.
- II. **Contribution of funds:** Besides time, efforts and competencies, members indicated that they also make significant contributions to the total budgetary requirements of the events. The decision about this contribution is made at two levels. At the first level, an agreement is reached on how much the regional committee will contribute, while on the second level, the regional committee in decides within itself total share of each member organisation.
- III. **Mobilisation of farmers:** One of the main contributions, especially of local members, is to mobilise and sensitise farmers to attend these events. As all of these members are directly connected to farmer groups across regions, their efforts to spread awareness and motivate farmers are imperative to ascertain maximum outreach of APF events. Further, these members are responsible to provide logistical assistance to farmers traveling from remote villages to the venue.
- IV. **Exhibition of products/services:** Some of the respondents, particularly all banks and MFIs, stated that they assign officers as well as place information stalls at the events to make sure that attendees are given sufficient information on different financial products and relevant requirements. In this way, they add to the variety of products/services offered at the events, enhancing the overall interest and utility among attendees.

- V. **Financial literacy workshop:** Some of the respondents such as GIZ and Bank of Africa are also involved in design and delivery of the financial literacy workshop. This workshop is organised a day before the event to help farmers understand financial products, requirements and basic terminologies which helps them to interact and make use of the event in a more effective manner.

4- **Views on Banks and Microfinance Institutions (MFIs)**

The stakeholders were asked to share their perspective on the main hindrances that limit farm-bank/MFI interaction and subsequent deals. In addition, they were also requested to give their views on why they think farmers are hesitant and/or afraid to approach bank and MFIs.

Despite their organisational differences, all the respondents identified a set of five interrelated issues which need to be resolved:

- I. 12 out of 14 respondents reasoned that most banks in Uganda are traditionally more accustomed to deal with bigger and commercial enterprises, and their association with smallholder farmers is relatively recent. This is why banks are still in process of learning and adapting to the requirements of this new customer group.

As per the respondents, banks must:

- a. Continually develop innovative farmer-friendly financial products which can suit the requirements as well as the limitations of smallholder farmers.
 - b. Ensure that assigned bank officers have the required contextual knowledge and skill set to deal with farmers. Officers must learn to modulate their behavior, language and tone when making a switch between urban businessmen and small farmers. One of the respondents phrased that banks may have to be *more patient* and *go an extra mile* to assist farmers.
 - c. Find a way to soften their loan application procedures. This may include steps such as reducing documentation requirements, easing out collateral conditions and simplifying language used on application forms.
- II- 12 out of 14 respondents suggested that banks and MFIs are sometimes reluctant to extend support to smallholder farmers, mainly because:

- a. Agriculture is generally perceived as a high-risk sector, as the yield heavily relies on situational variables such as unpredictability of weather, soil condition, quality of seeds and inputs, and practices implemented by the farmers.
 - b. Many of the smallholder farmers and producer organisations do not make business sense to banks/MFIs as they lack formal structures, management procedures and documents such as registry and audited books.
- III- 11 respondents also agreed that banks and MFIs must strive to improve financial awareness among farmers which in turn will also sort out several preconceived notions. As per the respondents, most of the rural farmers do not approach formal financial institutions because of one or more of the following reasons:
- a. They are unaware of innovative farmer friendly products some of the institutions have developed.
 - b. They are unaware of the loan procedural requirements.
 - c. They perceive loans requirements very strict and/or complicated.
 - d. They perceive that loans are offered at very high interest rates.
 - e. They lack trust and perceive banks/MFIs are very inflexible in their requirements. This causes fear that in case if they fail to repay in time, their land or house will be confiscated.

In addition, three of the respondents stated that sometimes negative perception of banks also rubs off on MFIs, as farmers are still unable to differentiate between them.

- IV- While all the NGOs, knowledge and public institution argued that banks are still often far and inaccessible to rural farmers, all banks and MFI claimed that they now have widespread network of branches and field teams. Nevertheless, all respondents acknowledged that distance and incurred transportation costs can deter farmers from approaching banks/MFIs.
- V- The representative from NAADS pointed out that the government has a critical role in bridging the gap between farmers and financial institutions. According to him, only 3.4 percent of the total budget is currently allocated for the agriculture sector which is clearly insufficient to bring any radical breakthroughs in the system. The government must

share risks and costs of the financial institutions through funds, so that banks/MFIs are able to go an extra mile in assisting smallholder farmers.

5- Suggestions for improvement

Being network members as well as part of local steering committees, respondents came with different suggestions to improve the coordination, planning and organisation of marketplace events.

11 out of 14 respondents suggested that instead of urban centres these events must be organised in rural areas in proximity of farmer villages. One respondent from an NGO phrased that *instead of asking farmers to travel, we should travel to them*. The varied reasons for this shift in venue given by all the respondents can be categorised into two broad categories.

- I. **Logistical issues** – As the events are organised in the central towns of Fort Portal and Mbale, local organisations have to provide transportation and other essential facilities (meals etc.) to farmers located in far flung villages. For instance, some of the farmers who participated in the agribusiness event held in Fort Portal in 2013 are situated as far as Kms from the event venue. Due to these costs, organisers revealed that they are unable to invite more than two farmers from a few selected cooperatives and/or farmer groups they work with. These two farmers then have the responsibility to transfer information to and motivate all other members, sometimes as much as around 200. They also have the task to derive change(s) in their respective cooperatives, encourage recordkeeping, and initiate loan application procedure only if other members are also interested.

According to the respondents, this creates a problem as the transfer of knowledge across all farmers becomes entirely dependent upon a selected few who attend these events. Therefore, they suggested that bringing events closer to rural areas will allow them to invite more farmers to such events, and enable dissemination of knowledge to a wider group of farmers, who either as a cooperative or individuals can later explore and utilise available funding options. Farmers' perspective on this issue can be found in the proceeding section 4.3.

- II. **Relevance to small farmers** - Some respondents also noted that many small farmers who very occasionally travel to urban centres and have limited or no prior exposure of attending such events feel hesitant to approach unfamiliar exhibitors and cannot relate to products and services that are offered to them. One respondent told that commercial farmers and businessmen seem to benefit more from such marketplace events than subsistence farmers operating at the peasantry level. He gave an example that many of the equipment exhibited at the events are imported and very costly for smallholder farmers to afford. Another respondent pointed out that many of the farmers lose contact with other organisations and/or exhibitors because of lack of accessibility and cost involved in travelling to their office which are mostly situated in towns. Therefore, it is beneficial to organise events in local familiar settings which will enable farmers to interact more freely, select products/services which are affordable and stay in contact even after the event.

Another suggestion that came up was related to *strengthening local steering committees*. On one hand, most of the respondents agreed that local committees must be authorised to independently plan and organise events with minimum supervision from the central coordinators. Conversely, some of them also accepted that local members are still unclear of APF policies and at times find procedures too tedious to abide. One respondent presented an argument that as NGOs constantly have to deal with numerous donor agencies, this inculcates *donor dependency syndrome* as well as creates confusion about specific requirements set forth by APF.

In order to address this issue, following ideas were put forward by the respondents:

- I. APF must further formalise its governance and decision making structure. This step will allow coordinators to effectively supervise while allowing more independence to local members.
- II. Defined structure for communication must be followed to ensure passage of timely information to all committee members. This is essential to prevent mistrust and lack of motivation in some of the members.
- III. Local committees must be informed about event plans at the start of every year so that they can plan and budget their activities in a more effective manner.

- IV. While local committees must accommodate set procedures, APF must also make an attempt to simplify its requirements to accommodate local practices and limitations.
- V. Procedures to perform various tasks such as procuring vendors, managing budgets, and organising meetings can be documented in form of an operational manual. This can provide local committees clear guidelines on protocols, their rationale, scope and record keeping requirements. Local organisations must be made part of the team responsible to develop this operational manual.

Five of the respondents also suggested *more publicity* of these events. They are of opinion that APF must use wider and more innovative channels to spread awareness among farmers. NAADS representative suggested that the local government structure which is embedded throughout all regions in Uganda and has an extensive outreach to millions of small farmers can be used for this purpose. Further, three of the banks suggested that promotional material in form of pamphlets and banners can be placed at their branches as hundreds of *economically active* farmers visit them every day who may find agribusiness events useful.

Other suggestions that came up from the respondents include:

- It should be made sure that complete and correct information is delivered during financial literacy workshops and at stalls during the event.
- Agribusiness events can be synchronised with Agri Fairs organised by NAADS every year on the World Food Day.
- Incentives and prizes should be awarded to exceptional exhibitors to motivate other farmers to showcase their products.

4.3 Impact of Financial Services offered during Agribusiness Marketplace Events on farm entrepreneurs

This section aims to answer the central research question (CRQ), that is: 'Whether and how does Agri-ProFocus impact the growth of farm entrepreneurs in Uganda?' As cited before (See Chapter 3), three categories of farm entrepreneurs, Participants (P), Non-Participants (NP) and Control (C) were selected and interviewed from two different regions of Uganda, namely Rwenzori and Mbale. A total of 33 questions, mostly open, were asked from each farmer to

gather personal information and his/her perception on how agribusiness marketplace event may have impacted his/her business and overall quality of life.

Firstly, the section 4.3.1 gives details of the total number of interviewees across different categories, regions, districts and crop types. Followed by this, a brief summary of findings substantiated by individual answers is provided in section 4.3.2. As a set of similar questions were asked from all categories of farmers, data has been compiled and presented in graphical form for the ease of comprehension. Lastly, concluding remarks will be provided in the section 4.3.3. All detailed interview transcripts can be found as attachment to this report.

4.3.1 List of farmers/ respondents

Region	District	Cooperative name	Crop type	Farmer category (P, NP or C)	Total number of respondents
Rwenzori	Kabarole	Iruhuura Organic Farmers Association	Maize	NP	03
	Kabarole	Bubandi Coffee Growers Co. Society	Coffee	P	02
	Kasese	Nyamughasani Valley Marketing Cooperative	Coffee	P	02
				NP	03
	Kasese	Thukole Thuti	Coffee	P	02
				NP	03
	Kyegegwa	Kibuya Organic Farmers	Maize	P	02
				NP	03
	Kyenjojo	- -	Coffee	C	03
Region	District	Cooperative name	Crop type	Farmer category (P, NP or C)	Total number of respondents
Mbale	Kadama	Nankokoloi Cooperative	Maize	P	01
				NP	01
	Kadama	Goli Goli Farmers Cooperative	Maize	P	01
				NP	01
	Kadama	Kaguma Cooperative	Maize	P	01

	Kadama	Nabuli Farmers Cooperative	Maize	P	01
	Kadama	- -	Maize	C	03

Summary of respondents

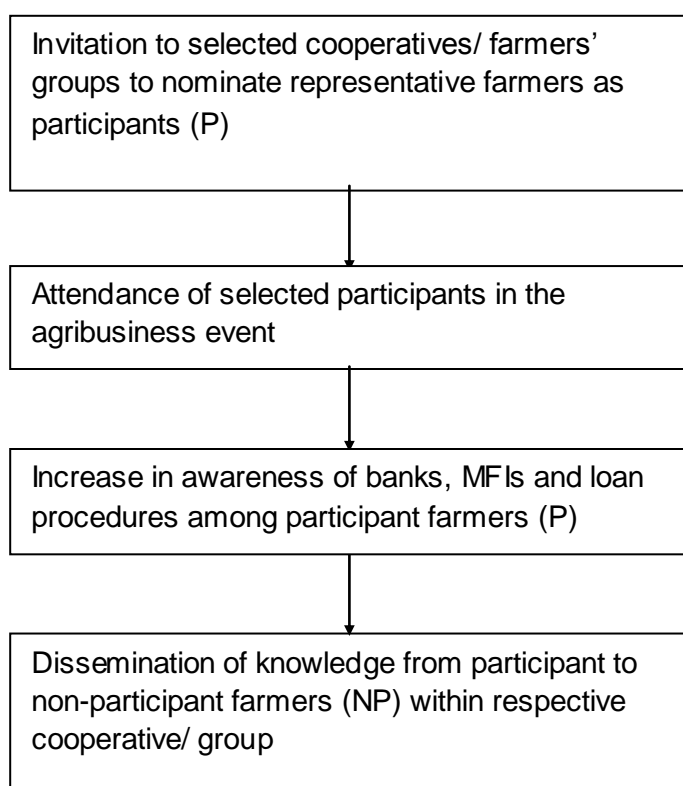
Total no. of farmers interviewed	32
Total no. of cooperatives	10
Regions covered	02
Districts covered	05

Crop/category – wise distribution of respondents

Crop Type	Farmer Category		
	Participant	Non-Participant	Control
Coffee	06	06	03
Maize	06	08	03
Total	12	14	06

4.3.2 Responses from farmers

APF's desired pathway to impact farm entrepreneurs (APF, 2012)



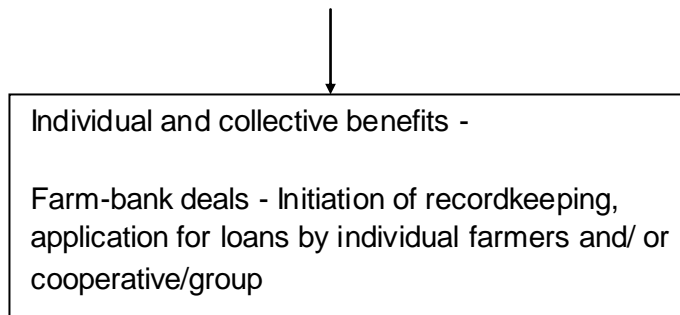
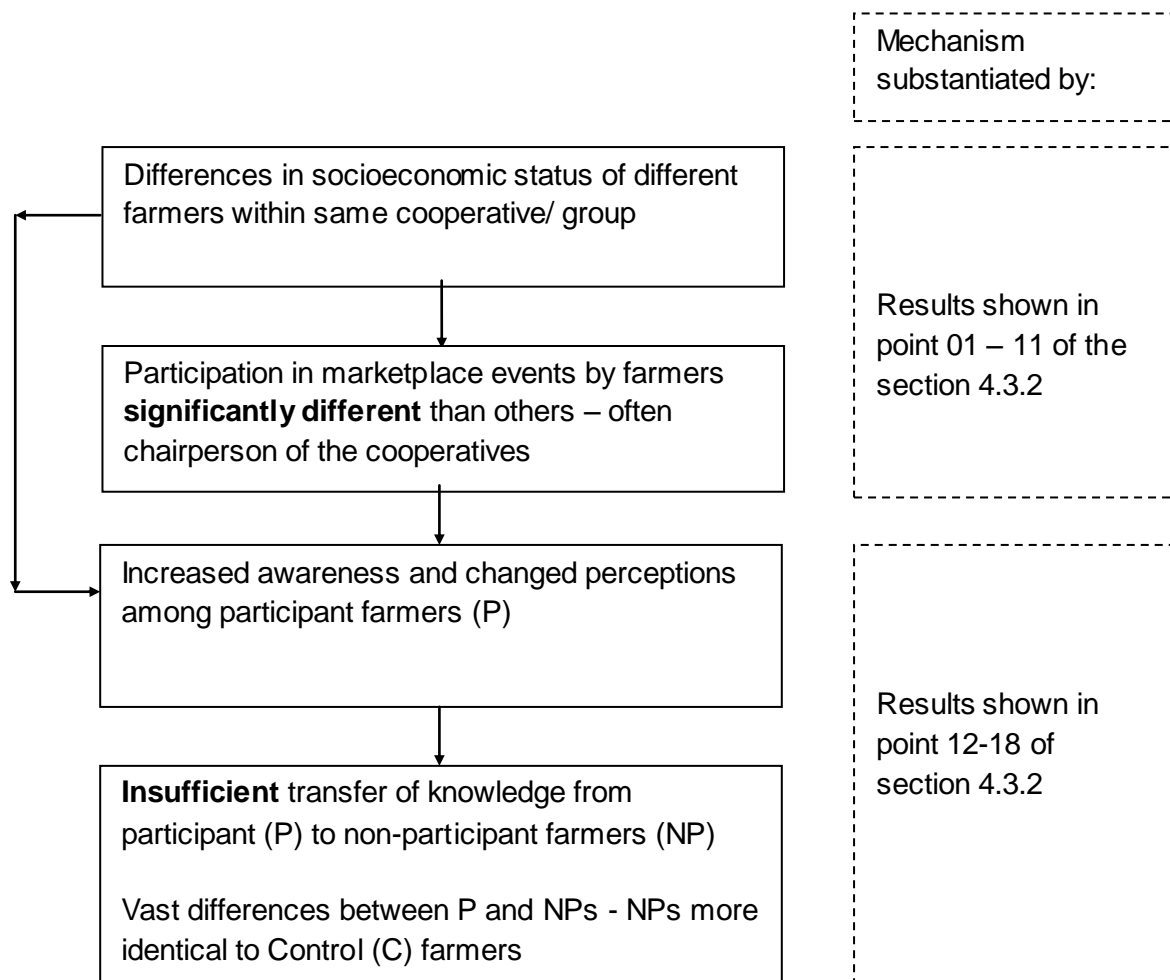


Figure 16 APF's desired impact pathway

Due to high costs of logistics involved, local NGOs which are part of the regional steering committees invite a selected number of cooperatives to send maximum two of their members to attend the event. Most of the times, either the chairperson from these cooperatives nominate himself/herself or select a member who is 'suitable' in terms of education, interest and involvement in the cooperatives' activities. It is then the task of these participants to act as 'change agents', disseminate knowledge to all other members, and initiate loan application procedures for the cooperative.

Actual/ observed mechanism during this research



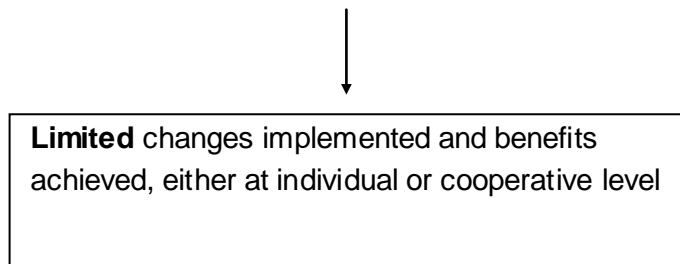


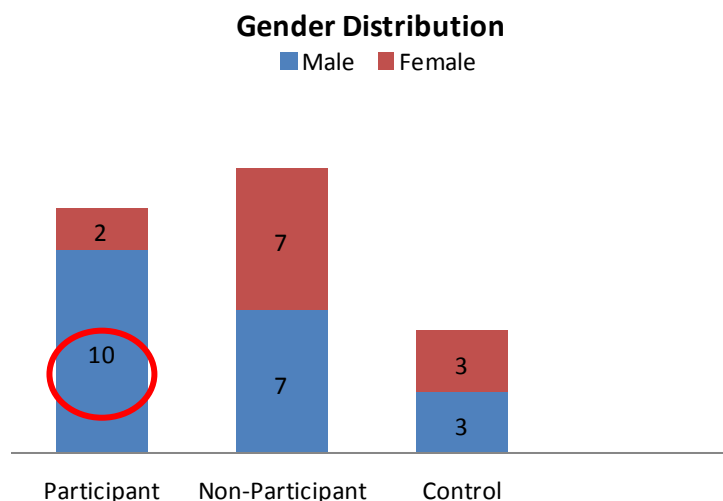
Figure 17 Impact pathway found via this study

The self-selection mechanism of cooperatives is logical but does not seem to guarantee effective transfer of information from participant farmers to all other farmers. Besides other reasons, the difference in social and economic status of the two farmer categories (participants and non-participants) can be an influential detriment limiting dissemination of knowledge.

As a result, there is a significant gap in the awareness levels which ultimately effects how change is initiated and adapted at the producer organisation or cooperative level.

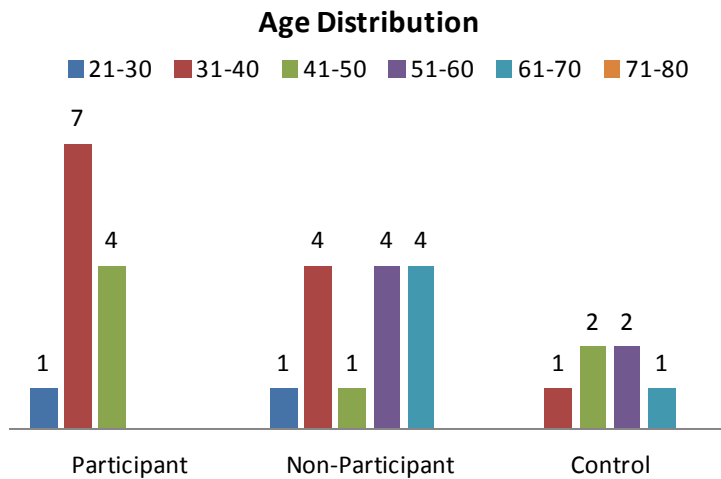
Socioeconomic differences among farmer categories - (Participants versus Non-participants versus Control)

1- Higher ratio of male farmers among participants (83.3% versus 50%)



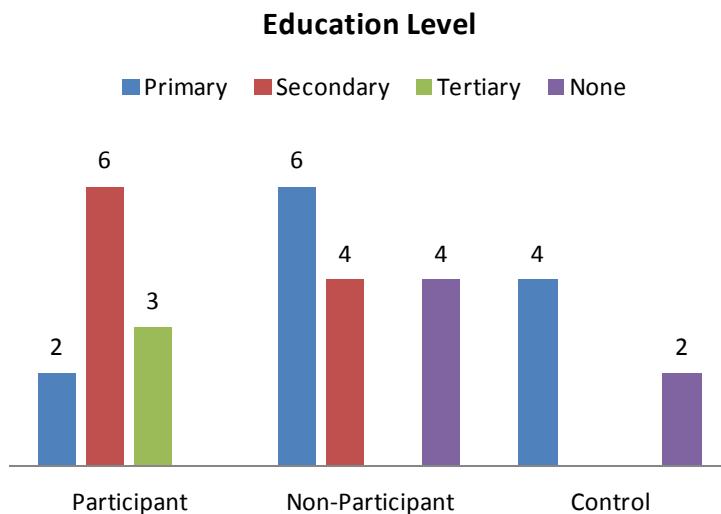
Key observation: Female respondents across all farmers' categories were observed to be more eloquent, communicative and involved in the discussion. They also had a more authoritative aura and were better dressed than their male counterparts.

2- Participant farmers are younger



Key observation: Most of participant farmers in the age group of 31-40 and no one were above 50 years.

3- Participant farmers are more educated

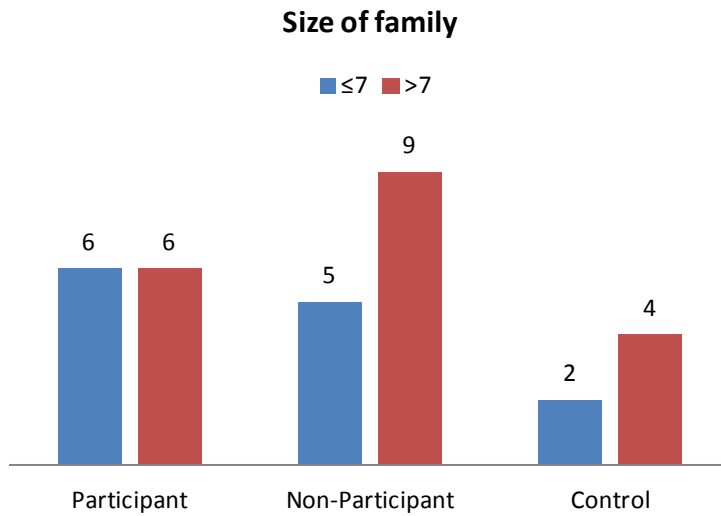


Education system in Uganda

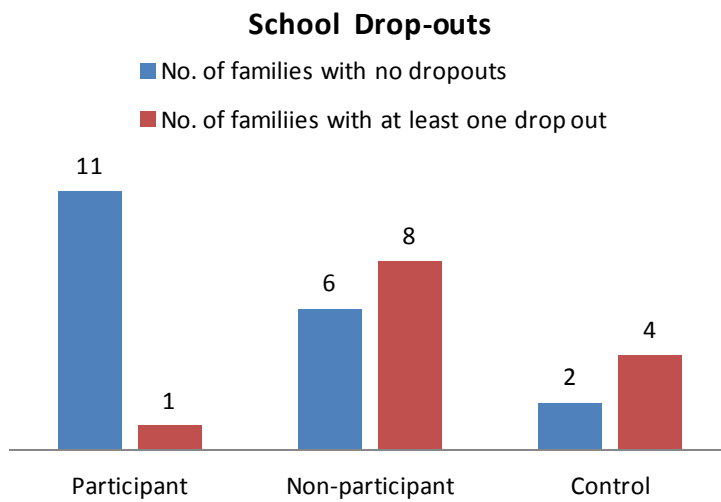
- Primary – 7 years
- Secondary – 6 years
- Post-Secondary – 3 to 5 years

Key observation: In contrary to other categories, all participant farmers have some level of formal education. Further, all participant farmers have decent command over English language while farmers from other categories have poor to no knowledge of it.

4- Participant farmers have smaller families

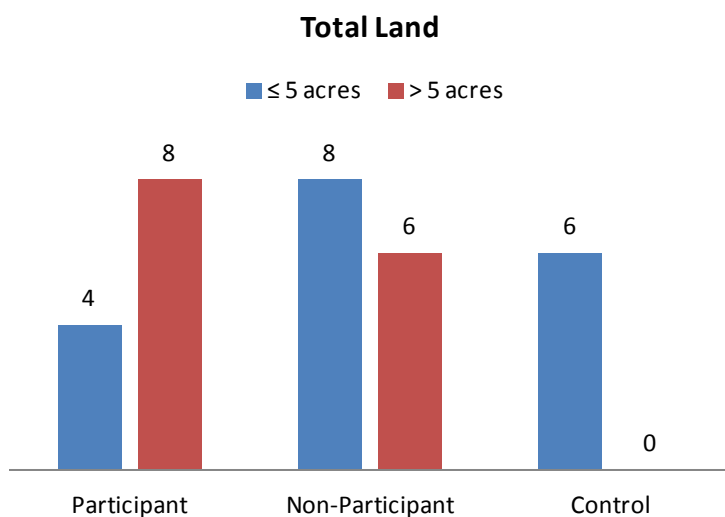


5- Participant farmers have lesser school drop-out ratio



Key observation: 8 percent in participants in comparison to over 50 percent in other categories.

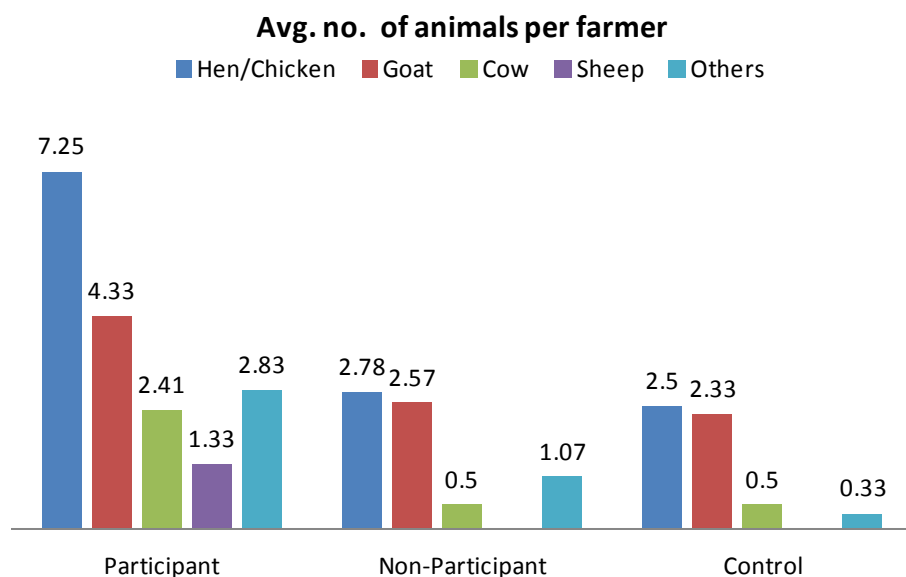
6- Participant farmers own more land (total acreage)



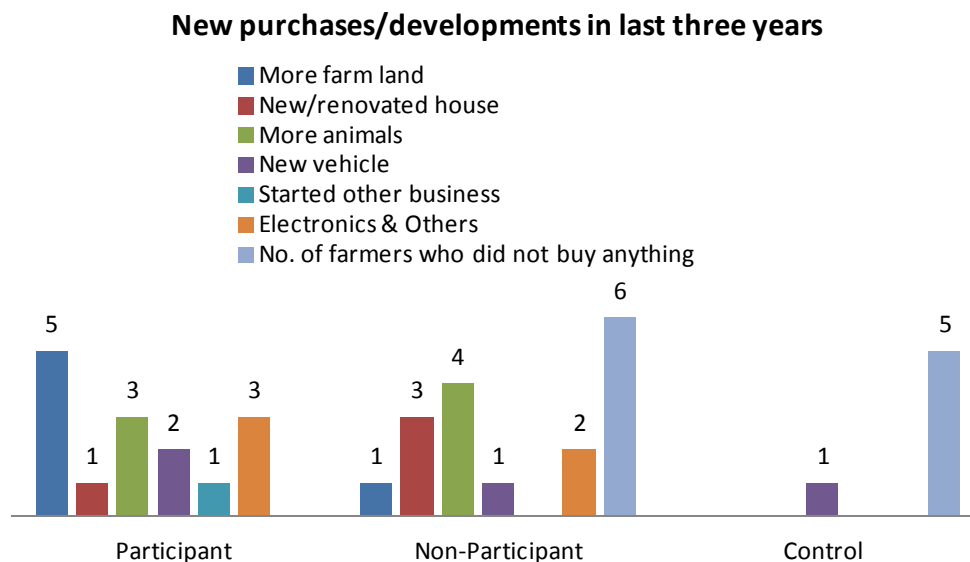
Key observation: Ratio of smallholder farmers in participants is 33 percent in comparison to 57 percent in non-participants and 100 percent in control farmers.

Note: FAO defines smallholders as farmers with not more than 5 acres or 2 hectares of land (FAO, 2007).

7- Participant farmers have more animals



8- Participant farmers do more purchases/investments



Key observation: All participant farmers made some purchases, most of them investing to expand their agricultural land. A big majority of non-participant and control farmers have not purchased anything in last three years.

9- Participant farmers grow wider varieties of crops

Crop	Participant	Non-Participant	Control
Coffee	✓	✓	✓
Maize	✓	✓	✓
Cotton	✓		
Rice	✓		
Ground nut	✓	✓	✓
Cassava	✓	✓	✓
Sorghum	✓	✓	
Millet	✓	✓	
Potato	✓	✓	✓
Irish potato	✓	✓	✓
Chilli	✓		
Avacado	✓		
Beans	✓	✓	✓
Banana	✓	✓	✓
Cocoa	✓		
Eucalyptus	✓		
Mango	✓		
Guava	✓		
Pine apple	✓		

Onion	✓		
Beet root	✓		
Barley	✓		
Wheat	✓		
Pea	✓		
Total no. of crop varieties grown	24	10	08

Key observation: Individual participant farmers grow a wider variety of crops in comparison to other categories.

- 10- Participant farmers are member of/ aware of more associations, NGOs and groups (Besides primary cooperative)

Participants	Non-Participant	Control
CABCS	NAADS	None
NAADS	FURA	
Eco Tourism Rwenzori	Kanyenze Farmers Association	
Kamabare Boundary Management & Resource Use	SIDA SACCO	
Kharangora Modern Pick Coffee Farmers		
Bocu		
Kiima Foods		
BIC Info Center		
Bwera Charity		
SIDA SACCO		
Kambeara Project		
Village Health Team (The Uganda Village Project)		
Corruption Coalition of Uganda		
CARD Uganda		

Total No. of associations, groups and NGOs mentioned		
14	04	00

Key observation: Participant farmers are associated with a greater number of associations, groups and NGOs than other categories.

11- Farmers associated with local NGOs have similar access to on-farm trainings

Participant	
Training organisation	No. of times mentioned
CABCS	04
Nyakatonzi	01
JESE	01
KRC	01
CARD	03
Total organisations	05
No. of farmers who did not answer	05

Control	
Training organisation	No. of times mentioned
NAADS	01
Total no. of organisations	01
Total no. of farmers who did not answer	05

Non - Participant	
Training organisation	No. of times mentioned
CABCS	01
NAADS	03
HOFOKAM	01
KRC	01
African Development Bank	01
SATNET	01
SIDA SACCO	01
District office	01
TADA NGO	01
Total no. of organisations	09
Total no. of farmers who did not answer	06

Key observation: Control farmers are not exposed to trainings and workshop as the other categories.

Difference in awareness level and perception among farmer categories - (Participants versus Non-participants versus Control)

12- Lack of finance is a bigger problem for Non-Participant and Control farmers

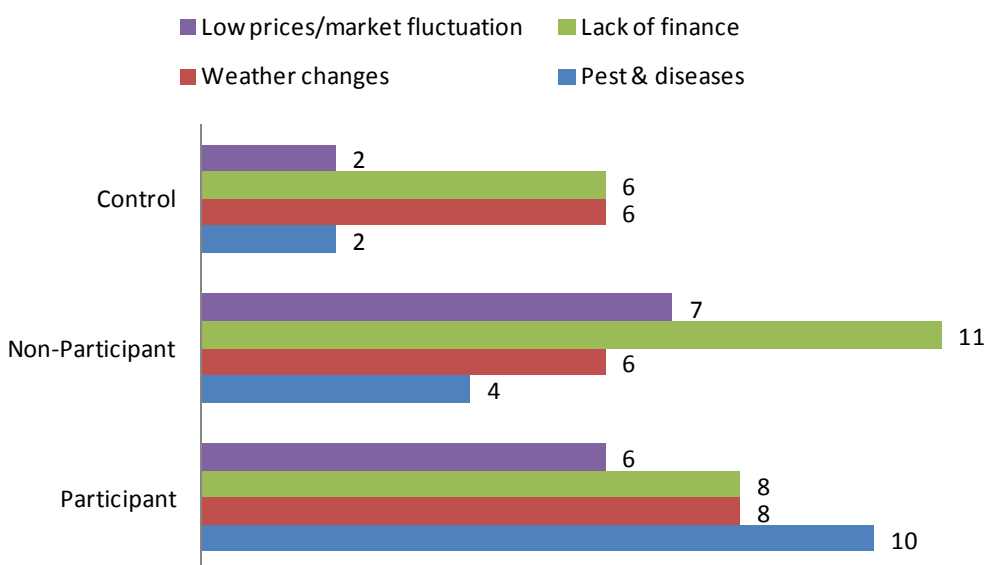
Participant	
Problem	No. of times mentioned
Pest and diseases	10
Severe weather changes (droughts, rainfall)	08
Lack of finance	08
Low prices/fluctuations	06
Lack of accessibility/transportation	05
Lack of inputs (fertilizers, seeds)	04
Lack of handling material/equipment	03
Lack of storage facilities	02
Poor irrigation system	01

Poor drainage system	01
Total no. of issues reported	09

Control	
Problem	No. of times mentioned
Severe weather changes (droughts, rainfall)	06
Lack of finance	06
Pest and diseases	02
Low prices/fluctuations	02
Lack of training	01
Sickness in family	01
Total no. of issues reported	06

Non-Participant	
Problem	No. of times mentioned
Lack of finance	11
Low prices/fluctuations	07
Severe weather changes	06
Pest and diseases	04
Sickness in family	03
Lack of inputs	02
Lack of handling material/equipment	02
Lack of food	02
Old age	02
Lack of accessibility/transportation	01
Lack of unity	01
Total no. of issues reported	11

Five most important problems



Key observation: Irrespective of order, top four problems reported across all categories are:
1- Lack of finance 2- Pest and diseases 3- Low prices/market 4- Weather changes

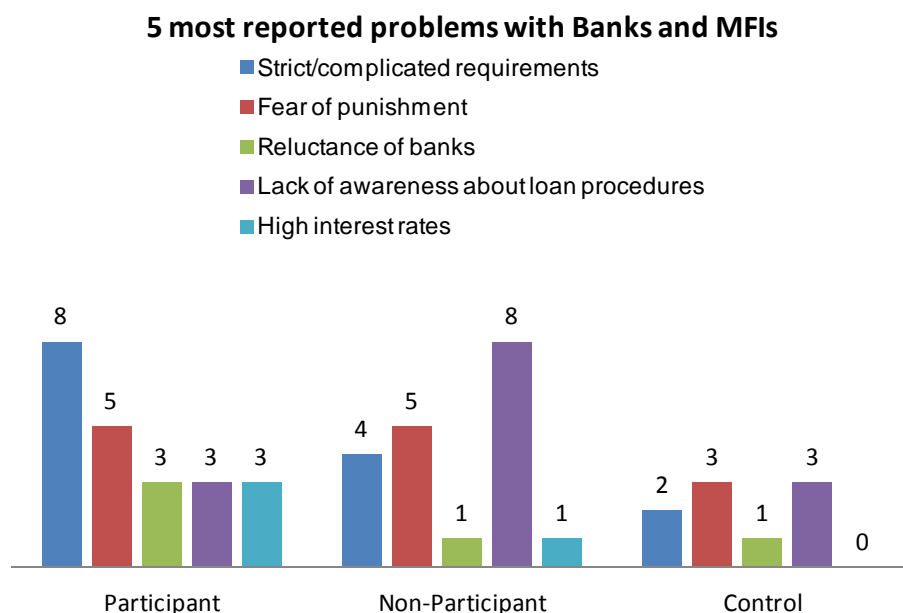
13- Participant farmers are more interested in self-education and growth of business/ income

Participants		
No.	Plan/goal for next 5 years	No. of times mentioned
01	Educate all children/pay school fees	07
02	Buy more land (To expand or grow new crop)	05
03	Buy vehicle for transportation (Motorbike, car)	04
04	Buy new/renovate house	04
05	Educate self	02

Non-Participants		
No.	Plan/goal for next 5 years	No. of times mentioned
01	Educate all children/pay school fees	10
02	Buy new/renovate house	06
03	Buy more animals	05
04	Have enough food	04
05	Start/develop side business	03

Control		
No.	Plan/goal for next 5 years	No. of times mentioned
01	Buy/renovate house	03
02	Have enough food	02
03	Buy more land	02
04	Buy vehicle	01
05	Educate all children/pay school fees	03

14- Different perceptions about banks and MFIs



Key observation: Most participants think that they have sufficient knowledge about bank procedures as lack of awareness was mentioned only 3 times in comparison to 8 times by non-participants. However, a large majority of participants still think that banks/MFIs are strict and their requirements are often complicated. This shows that increased awareness may not have resulted in change of perception as yet.

15- Participant farmers know a great number of financial sources

Participants	
Source	No. of times mentioned
Cooperative/SACCO	12
Centenary Bank	07
Bank of Africa	04
Different banks (no names quoted)	04
HOFOKAM	03
Village groups	03
Post Bank	02
Micro Finance Support Center	01
Government funds	01
Crop Finance Schemes	01
BUCO	01
Sponsor grants	01
CABCS	01
Stanbic Bank	01
BRAC	01
FURA	01
Trust Bank	01
Money lender	01
Total Sources mentioned	18
Participants with knowledge of no sources	00

Non- Participants	
Source	No. of times mentioned
Cooperative/SACCO	10
Different banks (no names quoted)	04
Centenary Bank	03
Village groups	03
CABCS	02
Econgo	02
Money lender	01
Trust Bank	01
BRAC	01
KIDA Microfinance	01
FURA	01
Total Sources mentioned	11
Participants with knowledge of no sources	03

Control	
Source	No. of times mentioned
Cooperative/SACCO	02
Village group	01
Total Sources mentioned	03
Participants with knowledge of no sources	03

Limited impact of agribusiness event on the lives of participant farmers and cooperatives

16- Farmers apply for loan as a group, none interviewed has been successful

Region	Cooperative name	Cooperative applied for a loan after event	No. of participants (P) applied for an individual loan after event
		Yes, No, Plan to	Yes, No, Plan to
Rwenzori	Iruhuura Organic Farmers Association	No	00
	Bubandi Coffee Growers Co. Society	Yes – failed to secure	00
	Nyamughasani Valley Marketing Cooperative	Plan to	00
	Thukole Thuti	No	00
	Kibuya Organic Farmers	No	00
Mbale	Nankokoloi Cooperative	Yes – All together	00
	Goli Goli Farmers Cooperative		00
	Kaguma Cooperative		00
	Nabuli Farmers Cooperative		00

17- No farmer across all categories generates employment outside family

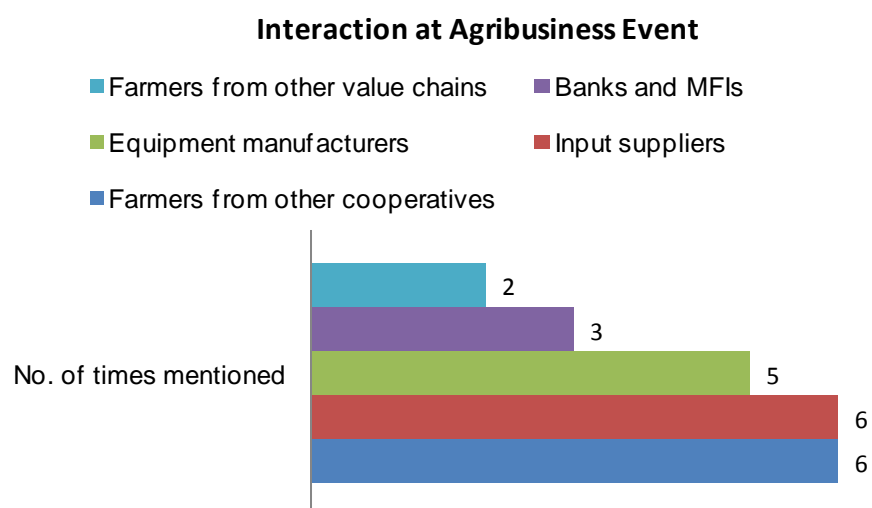
Crop	Farmer Category		
	P	NP	C
Coffee	06	06	03
Maize	06	10	03
Total	12	14	06
No. of employees outside family	00	00	00

Questions specific to agribusiness events (only to Participant farmers)

18- Local NGOs are the most useful way to sensitise farmers

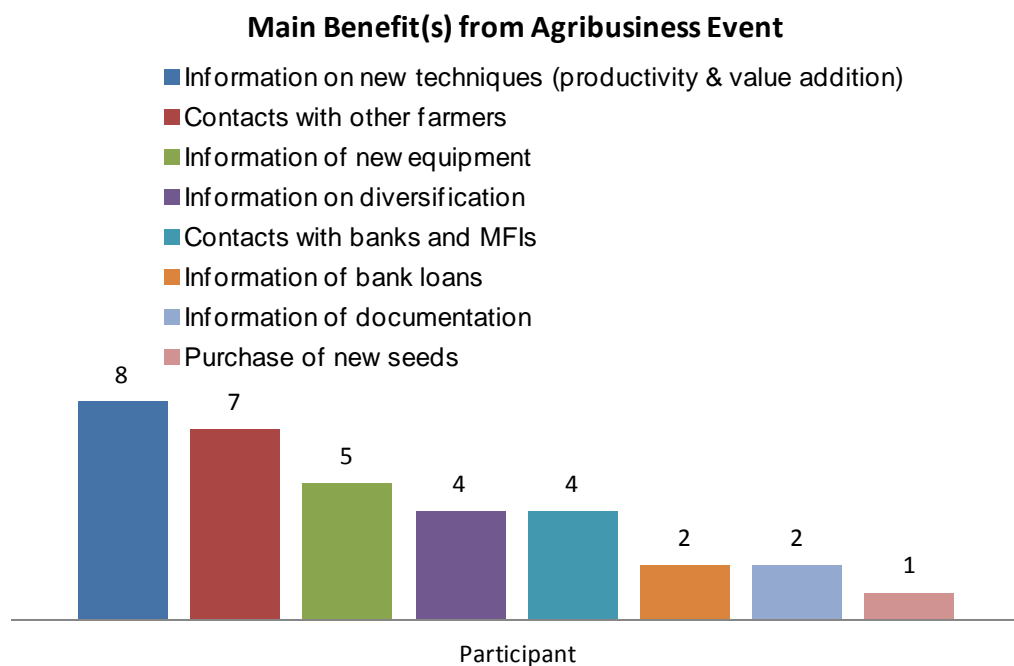
Region	Source	Percentage of total no. of respondents from region
Rwenzori	CABCS	100%
Mbale	CARD Uganda	100%

19- Participants interaction with different exhibitors

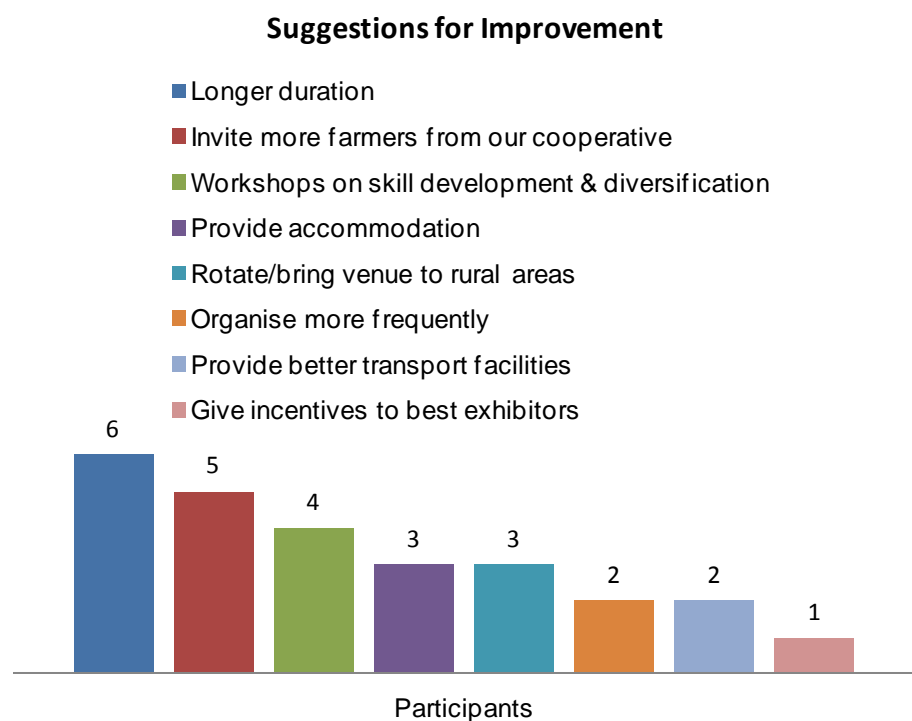


Key observation: Interaction with farmers from similar value chain and input suppliers is the priority of most participants.

20- Participants consider information about increasing productivity and value addition as the most important benefit of agribusiness events



21- Participants suggest for longer durations and more farmer participation in the events



4.4 Concluding Remarks

From the answers mentioned in section 4.2 and 4.3, following key results can be extracted related to how agribusiness marketplace events impact stakeholder organisations and farm entrepreneurs. These results will further be analysed and interpreted in the proceeding chapter, connecting them with various structural elements within APF as identified in section 4.1.

- 1- Marketplace events primarily offer following four primary benefits to **member organisations** who take active part in organising these events (triangulated by information provided APF annual reports 2011 and 2012, and responses from stakeholders) :
 - i- Networking
 - ii- Information sharing
 - iii- Promotion and marketing of products/services
 - iv- Capacity building
- 2- APF's marketplace events have *limited positive impact* on **farm entrepreneurs**, especially those who are marginalised (triangulated from stakeholders and farmers responses). This can be said due to:
 - i- Participant farmers are significantly different than non-participants as they are predominantly male, younger, more educated, have smaller families and bigger land sizes, more animals and diverse crop variety, and are better connected within their communities.
 - ii- Participant farmers also have better awareness level and different perceptions, as they consider pests, diseases and weather bigger problems than finance, plan to increase in knowledge and ways to generate income, and have better knowledge of sources of finance and financial terminologies.
 - iii- Due to these differences, information is not transferred from a specific set of participants (average 1-2 per farmer organisation) to wide groups of non-participants (average 150-200 per farmer organisation), hence *limiting* the impact of APF's marketplace events.

- iv- Limited benefits at farmers' community level can be seen as no farmer, in the selected sample, has yet applied or plan to apply for individual loan, but 6 out of 10 cooperatives have applied or plan to apply. So far, none of the cooperatives selected for this research have been able to successfully secure a loan amount.

Chapter 5: Analysis and Interpretation of Results

Following sequence of the previous chapter, this chapter first defines Agri-ProFocus's position and elaborates on where it fits in the broader spectrum of collaborative or participatory models. Building on this, section 5.2 aims to go one step further to understand which structural and functional elements of APF distinguish it from other multi-stakeholder platforms, and theorizes on how these elements may or may not have a relationship with APF's *positive* impact on farm entrepreneurs. Further this section also explores on how APF, due to its unique features, may comparatively be in a better position to minimize limitations MSPs and other coordination models usually face. Lastly, section 5.3 presents an overall summary of the analysis and enlists a list of suggestions for further research.

5.1 The Agri-ProFocus (APF) model

This section fits Agri-ProFocus in the broader spectrum of collaborative models by identifying some of its key features.

1- Network of multi-stakeholder platforms:

The current literature does not explicitly differentiate between the concepts of multi-stakeholder *platforms* and *networks* as the terms are sometimes used interchangeably. However, platforms are sometimes considered as *more formal* or *institutionalised* with presence of a centralised discussion and decision making arena (Russo and Tencati 2009; Nederlof, Wongtschowski and Lee, 2011). It can also suggest a physical fixed space with structured organisational hierarchy (Warner, 2005).

Primarily based on these notions, APF as a whole cannot be understood a platform as it neither has a single all-inclusive decision making arena nor a set physical structure. Instead, it appears best to consider APF as a network featuring multiple multi-stakeholder platforms with different set of spaces and structures.

2- Social learning on innovation system approach:

APF uses *social learning* as the main method to capitalise perceptual and experiential diversity of different stakeholders and harness interactions for innovative problem solving (Roling, 1992). This is evident from the amenability of governance and operational mechanisms within APF, which are constantly evolving, highly contextual and dependent on relations among the members. According to Sunikka and Boon (2003), social learning implies avoidance of over-designing and formulation rigid ex-ante procedures, which also complements why APF, as cited by respondents, deliberately attempts to function as a loosely controlled but deeply connected network.

To promote farmer entrepreneurship, APF unlike many platforms and networks follows an *Innovation System approach*, through which it not only aims to employ research and technology but develop a *broader system* which fosters *innovation* in its entirety. This system approach involves a complete conceptual shift from the earlier *linear and holistic approaches*, and defines innovation as a complex process requiring technological, organisational and institutional changes, as well as participation of all stakeholders (Hall et al, 2004; Nederlof, Wongtschowski and Lee, 2011).

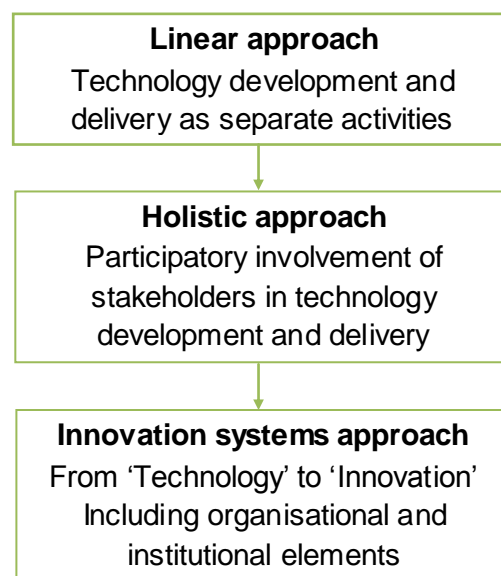


Figure 18 Types of innovation approaches

Multiple features within the APF network, for instance, growth of organisational diversity, on-going development of new thematic groups and products, and evolution of interactive processes indicate that APF identifies and implements innovative system approach to target intricate societal problems.

3- Development and non-research oriented:

On broad basis, all multi-stakeholder platforms and networks targeted towards rural growth can be organised into three types: 1- Learning and research-oriented 2- Development and research-oriented 3- Development and non-research oriented (Nederlof, Wongtschowski and Lee, 2011). While the first type has an immediate objective to learn and document innovation pathways, the

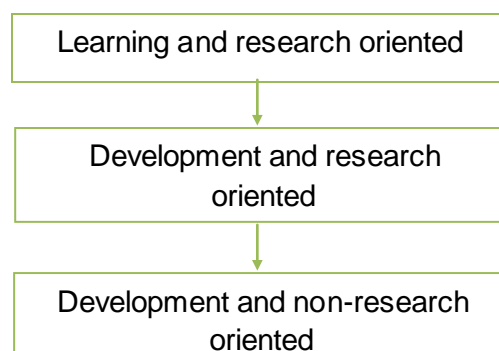


Figure 19 Types of MSPs

other two types are both aimed at *economic development*, with research occupying center stage in the former (E.g FARA).

Of these three, APF can be recognised as a network focused on achieving economic development of farmers but with *limited emphasis on research*. In other words, APF prioritises on the dissemination of knowledge and innovation as evident from its four identified delivery areas:

- 1- Network development and coordination
- 2- Business and partnership brokering
- 3- Innovation communities
- 4- Platforms for debate and learning

One important factor that determines the prominence of learning and research in a platform is whether the platform was initiated and is being funded by the academia or research organisation(s). For instance, an MSP 'Forum for Agricultural Research in Africa (FARA)' was established by four sub-regional organisations (SROs) in Africa and run through respective National Agricultural Research Organisations (NARO). Naturally, FARA's core membership is also exclusive to research organisations and universities (FARA, 2013).

On contrary, APF was founded and still is largely funded by Dutch development agencies and private enterprises, which explains its applied developmental orientation.

4- Hybrid need-driven network model:

APF like other multi-stakeholder networks functions on a *hybrid and need based* (Wongtschowski et al., 2013) model, that simultaneously enables farmers to coordinate within themselves (horizontal relationship), with buyers and output markets (vertical relationship) and with input and services providers (complementary relationships) (Kilelu, 2013; Poulton et al., 2010). These hybrid models are significantly different from other collaborative models driven either by corporate buyers and retailers, producers or other intermediaries (Guidi, 2011), as they engage multiple networks of



Figure 20 Models of service provision to farmers

producers, intermediaries, buyers and facilitators.

5- Multi-level systemic brokers

APF is a network spread across international, national, theme-focal (innovation communities) and regional levels, connected via central support office. Every level has a number of key players, definitive strategic priorities, operational procedures, and varying degree of formalisation (Nederlof, Wongtschowski and Lee, 2011). For instance, structures and procedures in the Netherlands are more formal when compared to regional committees.

Coupled with this, APF can also be identified as a *systemic broker* (Kilelu, 2013; Klerkx et al., 2009), as it facilitates interactions and coordinates interventions for long-term agri-food sector changes. It articulates demands and options for changes at the system or policy level while brokers networks at sector level to strengthen innovation processes. Unlike other types such as technology brokers, enterprise development support and pro-poor input access intermediaries, systemic brokers aim to drive holistic changes (technological, organisational and institutional), a notion built on systems approach as mentioned above.

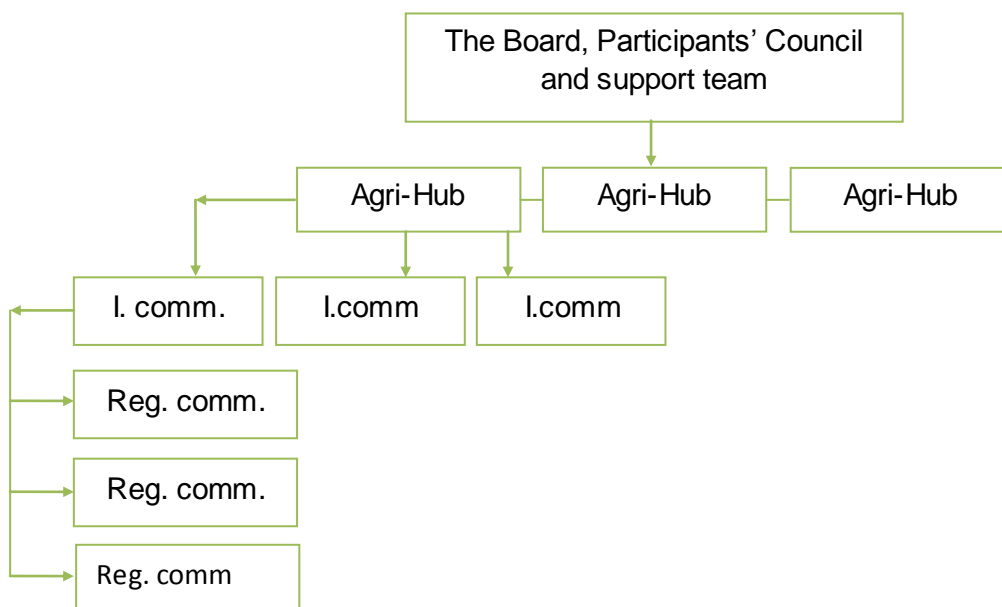


Figure 21 Multi-level structure of APF

6- APF support office and Agri-Hub coordination as brokers:

Specialised brokers can be defined as “*an individual or organisation acting as a member of a network of actors, focused neither on the organisation nor the implementation of innovations, but on facilitating and enabling other organisations to innovate*” (Winch and Courtney, 2007). In context of an MSP, brokers can be identified as *process facilitators* (Lundy and Gottret, 2005) with functions such as strategic networking, conflict resolution, advocacy, technical backstopping, capacity building and administrative process management (Nederlof, Wongtschowski and Lee, 2011). Instead of a sole responsibility, brokerage can also be delegated as an ‘add-on’ task to member organisation(s). But in both cases, neutrality, contextual knowledge and reliability are common traits required for an effective broker.

In the specific case of APF, the *support team* based in the Netherlands and the *Agri-Hub team* in Uganda, collectively known as the *APF Core Group* can be considered as brokers, process facilitators as well as network coordinators. This is because presently they seem not only to connect all levels within the network, but also issue instructions and influence decision-making on key issues, for instance, organisation of marketplace events.

With gradual increase in local capacities and maturation of decentralised Agri-Hub processes, APF must identify its core group as an independent voice for the entire network.

7- Innovation communities as group of champions

In context of MSPs, *champions* or *innovators* (Rogers, 1985) can be understood as members within the platform who are highly motivated and have thorough understanding of complex national policies, demographical, institutional and regulatory structures (Adekunle et al., 2012). These members work complementarily with brokers in managing day to day operations, encourage other peers to participate, and stimulate farmer organisations through trainings and workshops.

Organisations that volunteer to lead and participate in different innovation communities such as SNV, GIZ, and The Hunger Project can be seen as champions within APF. Further, the priorities and resources of these champions are brought together to create synergy via respective Agri-Hub Steering/Advisory Committees.

5.2 Distinguishing features of the Agri-ProFocus model

In light of empirical results related to Agri-ProFocus and limited literature available on other multi-stakeholder platforms, this section discusses few of the key features that make APF different, and subsequently theorizes how these features may or may not have a relationship with the impact it has on farm entrepreneurs.

1- Multi-level structure:

One of the most distinctive features of APF that makes it different from other MSPs such as FARA, is how it is spread on several levels, as shown via the results of this research. These levels include:

International levels:

- i- Dutch partnership and the board– NGOs, private organisations, and knowledge institutes look after overarching funding, strategy and operations.
- ii- Support office– Team provides central administrative and coordination services, both to Dutch partners as well as respective national teams.
- iii- The Core Group – A joint learning platform of network facilitators and national coordination teams.

National levels:

- iv- Agri-hub coordination team – Oversees strategic, financial and operational issues of the agri-hub.
- v- Advisory/steering committee – Serves as a think-tank and advises national coordination team on evolving issue such as budgets and finalisation of annual plans.
- vi- Innovation communities – Group of international and regional stakeholders focused to organise theme-specific activities, such as for access to market information, access to finance, and food security.

Regional level:

- vii- Regional steering committees – Local NGOs, private organisations and universities who periodically collaborate to organise marketplace events in their own regions.

Within these seven levels, at least *four different multi-stakeholder platforms* can be identified (i, v, vi, vii), where more than two types of stakeholders interact, share resources and make mutual decisions. In addition to this, two facts are considerable importance here:

- 1- None of two levels have overlapping agendas or responsibilities, as each has its own specific functions, internal arrangements, formal and informal discussion forums, and modus operandi. Additionally, they are empowered to take a number of decisions and distribute responsibilities within their respective members.
- 2- These levels, even though having charge to steer their own issues, are dependent on resources (advisory, financial or operational) and approval of level(s) adjacent to them in the network. For instance, though regional steering committees can divide organisational responsibilities pertaining to marketplace events among themselves, they are in dependent on funds and competence of the national players. Similarly, Agri-Hub coordination teams are supervised by both steering committee and support office, which in turn rely on decisions made by the board and the council. This loose yet strongly coordinated network inculcates *interdependencies*, where every stakeholder within the network, regardless of the level, enjoys its right to voice opinions, but at the same time, is first individually answerable to other members of its platform (horizontal interdependence), and then as a collective platform is dependent on other levels (vertical interdependence).

These multiple levels within APF's network and chain of interdependencies may have following advantages to offer:

- a- Increased accountability to ensure every member and/or level is achieving its planned targets.
- b- Prevention deficiencies due only bottom up or top down platforms (see section 2.1)
- c- Development of capacities of local organisations, who can feed on comments and resources of other international partners.
- d- Involvement and ownership of initiatives at all levels.

2- Types and Number of Activities

The type of activities that APF organises, and their frequency, also distinguishes it from other MSPs. Though other platforms also work within identical delivery areas, for instance FARA also works for improvement in smallholders' quality of life, APF seems to aptly put the breadth of its network to organise innovative activities at a more frequent pace.

Alongside other activities, APF seems to put a markedly extra emphasis on encouraging *face-to-face and on-site stakeholder interactions* via marketplace events, fairs, and discussions. This makes it evident that the focus of APF is more inclined development and finding ways to deliver research solutions to farm entrepreneurs. Specifically at the Agri-Hub level, these events occupy the central spot as innovation communities use them not only to reach out to a large number of farmers, but also to connect farmers with various stakeholders such as banks, microfinance institutions and other service providers. Therefore, instead of leaving farmers at the receiving end of innovations, these events provide them an opportunity to interact with officials and businesspersons whom they would have been able to meet otherwise.

APF's focus on these face-to-face interactions is well reflected from the fact that 133 such events across 11 countries were organized in 2013, compared to 119 in 2012. (APF, 2014). In 2013, these events attracted more than 128,000 participants, a 75 percent increase from 2012, clearing hinting popularity of such forums. More specifically, 24 events including agribusiness marketplaces, symposiums, and stakeholder meetings were organised by the Agri-Hub Uganda (AHU, 2014) while 17 financial fairs across 8 other countries were also organised. Smallholder orientation of these events is evident as 80 percent of participants of these events are farmers.

These face-to-face interactions may be responsible to yield following benefits:

- Increased opportunity of networking and social learning
- Possibility for private enterprises and banks to promote/market their products/services, hence boosting their participation.
- Development of capacity of local organisations as they are actively involved in organising these events.

3- Online platforms

Unlike other MSPs that only have websites with limited possibility for stakeholders to interact, APF additionally uses online country specific platforms to promote information dissemination

and business brokering. These platforms serve as virtual marketplaces to explore business prospects, as well as portals to share specific sectors news and publications. Further, an accessible members' directory, which members can filter as per organisational type, sub-sector and/or region, opens a whole new avenue for smallholder growth.

In 2014, APF is planning to build a single platform or interface by integrating its website and all online platforms. This is further aimed to enhance *cross-country fertilisation of ideas and businesses* (APF, 2014).

The platforms may be instrumental in:

- Providing in addition to physical interaction, a virtual platform for networking, product marketing, information exchange and capacity building.

4- Involvement of private sector:

Even though it was founded mostly by development agencies, APF today boasts a healthy participation of private sector organisations at all levels such as large corporate firms, trading enterprises and banks. Unlike other MSPs, where participation and activity is largely limited to NGOs, public agencies, academia and/or producer organisations (For example FARA), APF has consistently seen growth also in private firms involvement every year. On all Agri-Hubs online platforms, 32 percent of total members are associated with private enterprises while in Uganda, this ratio is high up to 43 percent (AHU, 2014).

Half of this growth can be attributed to APF's vision, such as to include at least one private partner in participants' council every year, while the other half can be due to the kind of interactive platforms (events, fairs etc) APF offers.

5- Decentralisation via Agri-Hubs:

Though other MSPs also have country and/or regional offices, the Country Focus Approach initiated by APF goes one step further in decentralising power as well as responsibilities among local players. For instance, regional MSP offices sometimes have a sole task of implementing the plans laid out by the head office and/or a selected group of stakeholders. In contrary, Agri-Hubs under APF have the authority to select their own thematic focuses based on member suggestions, approve memberships, plan annual budgets and activities, make decisions on regional committees, and perform internal M&E. Therefore as independent entities, each of these Agri-Hubs also publishes strategic plans and annual reports, indicating total activities,

memberships and issues in hand. Further, the presence of host organisations (such as SNV, Oxfam etc) for every Agri-Hub may yield benefits in terms of accountability and availability of resources for local players.

6- Independent and visible broker:

As discussed in section 5.1, an independent broker is necessary to facilitate stakeholders' interaction. APF's support team and Agri-Hub coordination teams serve a clear and visible role of network brokers. By principle, they are not part of any particular project or initiative but have a well defined position of a facilitator and a linchpin between international and local stakeholders. Some MSPs such as FARA do have a visible presence of an independent broker (FARA secretariat) but this feature may be absent in other MSPs.

5.3 APF's structure and potential issues

This section presents a *set of limiting factors* found during this research that may be hampering APF's impact on farm entrepreneurs, and discusses first insights on how some of the aforementioned distinctive elements within its structure may enable APF to effectively eliminate or reduce these factors to enhance its overall impact. The basic premise of this section is that though the challenges faced by APF are similar to that encountered by other MSPs aiming to help farm entrepreneurs, it is due to its unique features that APF may be in a better position to tackle and solve these challenges. The output of this section is a set of theoretical propositions that should be further researched and validated to generate practical recommendations for APF.

1- Exclusion of farmers based on intra-group differences

A range of differences among farmers belonging to a similar producer organisation, such as age, education level, land size and owned livestock were observed during this research. It does not come up as a surprise that farmers who are in their prime age (Kautonen, 2008) and financially better-off tend to be more entrepreneurial (Giuseppe, 2012), and enjoy greater authority over what and how decisions are made within the group (Bowles and Gintis, 1993). These same farmers were found to have smaller households, were more educated, well connected, and have better command over the English language, all of which makes them naturally suitable to participate in marketplace events.

The problem lies in the fact that every producer organisation has a limited number of such farmers, as remaining majority are in their third age (over 50 years), chronically poor, less

educated, less connected and with no language skills (Thorp et al., 2003). This evidently leads toward social exclusion and intra-group inequality as non-participant farmers receive no skills or knowledge from participants of the marketplace events. Further, previous studies also suggest a significant correlation between farmers' socioeconomic status (income, land acreage and household size) and their ability to repay loans (Njoku and Odii, 1991; Arene, 1992; Okorji and Mejeha, 1993). This signifies that credit-worthiness (Onyenucheya and Ukoha, 2007) of these poor farmers is lower while the likelihood of loan defaulting is higher; a threat also to their producer organisations if applied for loan as a group.

Social inclusion in terms of who gets to participate in the marketplace and gain access to firsthand information can be an important determinant of how knowledge gets disseminated within producer organisations. Farmers who are better-off can often be alienated from the needs of their other group members, giving birth of issues such as uneven funds distribution and power imbalance (Thorp et al., 2003). In this context, marketplace events may to an extent aggravate this social divide as those affluent farmers who already know more become further aware, while those who are truly smallholder (Chamberlin, 2008) continue being marginalised and oblivious.

Therefore, to address this issue, APF has to make certain that greater outreach of financial information is achieved either by a) Inviting more farmers to marketplace events and/or b) Ensuring transfer of information from participants to non-participants. Using its following structural elements, APF may able to do this:

- International and local partners who may share logistical costs of inviting more participants per farmer organisation to events organised in urban centers.
- Local steering committees who may devise checks to hold participants accountable for transfer of information to others or incentivise their efforts.
- Online platforms to disseminate theme, sub-sector and/or region specific information to all visitors, hence reducing knowledge disparities.

Proposition 1 – Ascertaining transfer of information from participants to non-participants within similar farmer organizations may lead to greater outreach of APF's marketplace events.

2- Underrepresentation of women

The results of this research and APF's internal event evaluation (Mbale, 2013) indicate that majority of farmers who attended the marketplace events were male (m/f ratio of 3:1). This is also stated in APF's annual report (2013) according to which male female participation across all marketplace events organised in 2013 was 64 and 36 percent respectively. These statistics clearly seem in agreement with existing literature that suggests significant marginalization of women farmers in Africa and elsewhere, and how lesser growth and learning opportunities are available to women (Seguino and Were, 2013). For instance, women entrepreneurs in comparison to their male counterparts suffer greater difficulty in accessing financial capital (Verheul and Thurik, 2006; Minniti, 2008; Greene and Hart, 2004), inputs (World Bank, 1994), and are sometimes subjected to gender stereotypes by bank officers (Buttner and Rosen, 1988). Further, they also lack access to formal education and networks (Mordi, Chima, et al., 2010) due to various socio-cultural elements like customs, beliefs and family systems.

Ensuring greater participation of women in marketplace events makes sense in terms of their entrepreneurial and leadership abilities, as well as their increasingly dominant role in the African households. World Bank (1994) suggests that women farmers generate more than three quarters of Africa's agricultural output and substantial research has been done on how increased inclusion of women farmers can boost dissemination of knowledge and growth in agricultural productivity. A few studies also indicate that though less educated, African women in general are as much or even more confident, resourceful, and enterprising, all of which also complement the observations made during this research (Mordi, Chima, et al., 2010). Lastly, studies have also shown that women are more interactive and encouraging as leaders with no proclivity for conventional command and control structures (Rosener, 1990).

From APF's standpoint, inviting more women participants to attend marketplace events might be challenging as most of them lack command over English language and are relatively unexposed to the outside world. However, APF may employ its decentralised Agri-Hubs and close ties with local organisations to pre-select and/or prepare a specific number of woman farmers for every event. Since local organisations tend to have a closer understanding of local customs and some of their field staff may be connected to these farmers at a personal level, they can play a significant role in changing mindsets and bringing more women to marketplace events. On the other side, APF can also use the expertise of its international members such as The Hunger Project, SNV and Wageningen UR to design context-specific training and workshop modules to further augment already existing 'gender in value chains' trajectory.

Proposition 2 – Increase women participation may boost transfer of knowledge among farmer communities and may result in greater outreach of APF's marketplace events, particularly to peripheral farmers.

3- Fear of farmers towards banks and MFIs

Corroborating the findings of several past studies (Obeng, 2008; IFC, 2008), most of the farmers (across the three categories) interviewed during this research stated that they are still afraid and feel hesitant to borrow money from banks and micro-finance institutions (MFIs). The reasons cited for this fear include perception of higher interest rates, complicated requirements, fear of arrest or land confiscation and/or unawareness of application procedures.

This hesitation of farmers signifies that either sufficient awareness has not yet been created to change general perception among farmers and/or there exist some bad examples of farm-bank interactions that prevent development of trust.

APF may use a number of its unique features to curb this fear, develop trust and encourage farmers to approach formal institutions for loans:

- i- Use its Access to Finance innovation community platform to connect local NGOs with banks and MFIs. On one side, this interaction may help banks to recognise precise concerns of farm entrepreneurs and develop more suited products, while on the other hand, may also assist local NGOs to better understand available loan options as well genuine limitations of banks (need for security/collateral etc) and convey it to farmer organisations. Lastly, both these stakeholders may also come together to jointly translate bank forms and develop training programs to impart financial literacy.
- ii- Utilise resources and outreach available across its multi-level multi-stakeholder network to develop: a) Pre-event sensitisation programs to prepare farmers' mindsets, and b) Post event evaluation and follow-up mechanism to ensure deals are materialised. Local NGOs in this regard may play an instrumental role in assisting farmers through loan application procedures as well as ensuring their timely repayments back to banks.
- iii- Entrust local Agri-Hub coordination team the responsibility to ensure that only complete and accurate information is transferred to farmers, and monitor initiatives so that farmers are not exploited.

- iv- Encourage banks and MFIs to use online platforms and financial yearbook to be more visible and share information about their products and application procedures.

Proposition 3 – Decreased fear among farmers may result in greater number of successful number of farm-bank deals, and greater impact of marketplace events.

4- Banks wary of smallholder farmers

On the flip side of farmers' fear, numerous researches identify that banks and other formal financial institutions are also often unwilling to entertain smallholder farmer entrepreneurs and consider them un-creditworthy (Atieno, 2009). This can be a direct result of their apprehension that farmer will fail to repay on time or at all (ISF, 2013), preference for 'less risky – more predictable' sectors, larger more commercial enterprises (Aku, 1986), and/or unawareness of sector specifics and farmers' needs (IFC, 2008). Further, they ask for security or collateral in form of assets such as land titles and livestock which smallholder farmers are unable to pledge (Feder et al., 1988; Feder and Nishio, 1999; Addotei, 2012).

Though most of the farmers across all three categories interviewed during this research agreed on un-approachability of banks and MFIs, the representatives of these institutions regarded this as a mere misperception. This illustrates that both farmers and financial institutions must learn about each others' requirements as well as limitations, and strive to mutually agree on common set of requirements. Again, APF may:

- i- Liaise with banks and MFIs to be more flexible in terms of their collateral and repayment requirements. Availability of both local and international resource pools may help in identifying suitable benchmarks and applicable best practices.
- ii- Assist banks and MFIs to use expertise of local partners to train their field officers on how to adapt to smallholders' needs and requirements.
- iii- Employ accessibility of local partners to smoothen and speed up loan repayments from farmers. This may also include encouraging farmers to apply group loans.
- iv- Delegate local partners to train farmer organisations on book keeping and other components of financial management.

- v- Communicate with local public authorities on fiscal policy issues and their influence on banking norms and systems.

Proposition 4 – Increased adoption of pro-smallholder approach by banks and MFIs may result in a greater number of successful farm-bank deals and greater overall impact of APF's marketplace events.

5- Need to strengthen local players

A majority of Agri-Hub member organisations responded that regional steering committees primarily comprising of local organisations must be given more independence and authority to make important decisions. According to them, this coupled with transparency in communication channels is vital to ensure effective planning and execution of marketplace events which could lead to better stakeholder participation, variety in exhibitors and increased government support.

However, on the other side, there was also an argument that local players need to assume more responsibility and synchronise their activities with procedures laid down by the Agri-Hub. This difference of opinion is a typical feature of multi-stakeholder platforms and researchers demonstrate that developing consensus on objectives, balanced decision-making mechanisms, and clear and transparent communication channels are few of the most critical determinants of an MSP's success (Edmunds and Wollenberg, 2002; Truex and Soreide, 2002; Faysse, 2006).

Already a part of APF's long term strategy (Strategic Plan 2013-16), giving more independence to local players while creating interdependencies is imperative to i) increase ownership and motivation to participate ii) reduce procedural time periods (for e.g. approval and release of budgets) and iii) develop self-sustaining regional platforms. APF may:

- i- Use resources spread over multiple levels to develop written standardised procedures that could help in delegation of authorities but implement required checks for quality assurance. A good example of this can be a procedure for evaluation of vendors/suppliers.

Proposition 5 – More autonomous regional steering committees may result in more effective organisation of events and greater impact.

Propositions on changes that *may* enhance impact of marketplace events on farmer entrepreneurs

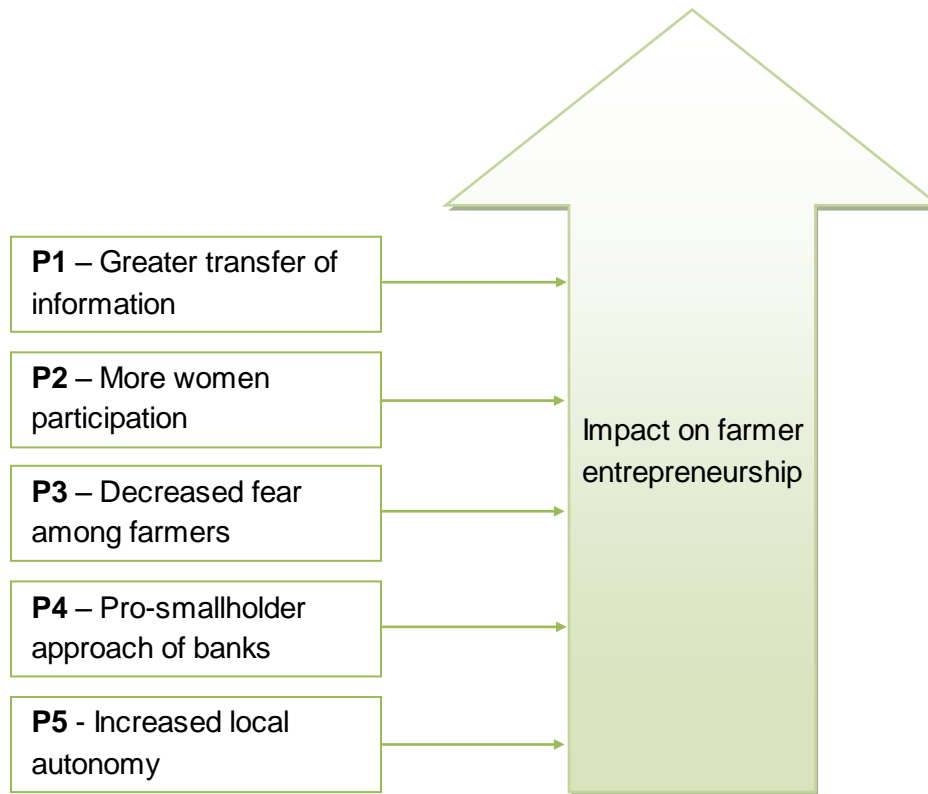


Figure 22 List of propositions for further research

Chapter 6: Conclusion and Discussion

The first section of this final chapter presents the final conclusions on the research questions, followed by a discussion on practical implications, relevance and limitations of this research in section 6.2.

6.1 Conclusion

This section is aimed to answer the central research question, which is formulated as follows:

“How and to what extent does Agri-ProFocus impact the growth of farmer entrepreneurs in Uganda?”

The conclusions are organised to systematically present answers of all four sub-research questions in sections 6.1.1, 6.1.2, 6.1.3 and 6.1.4. Lastly, the sub-section 6.1.5 provides a concise answer to the main question.

6.1.1 Theory related to multi-stakeholder platforms (MSPs) and their relationship with farmer entrepreneurship in Uganda

Derived from a preliminary literature study, the answer to following sub-question 1 can be found in the *chapter 2 ‘Preliminary literature study’* of this report:

What theory and literature is of use to develop contextual understanding of multi-stakeholder platforms (MSPs) and their relationship with agri-food entrepreneurship in Uganda?

- a) How do agri-food operate in Uganda, what is industry structure, policies, regulations and key challenges impending growth of entrepreneurial start-ups?
- b) What are the main mechanisms for the growth of agri-food entrepreneurship in Uganda?
- c) What are MSPs, their dynamics and characteristics, and how are they different from other forms of coordination models such as producer organizations, agricultural cooperatives, buyer and NGO led networks?

6.1.2 Descriptive analysis of Agri-ProFocus (APF)

The detailed answer to following sub-question 2 can be found in *Chapter 4 ‘Results’*, section 4.1 of this report:

“What are the key network structures, governance mechanisms, and operational procedures within Agri-ProFocus (APF)?”

6.1.3 Methodology to evaluate impact

Using comparative farmer categories, this research has used grounded approach to formulate a set of testable propositions. Further details related to the following sub-question can be found in *Chapter 3 ‘Methodology’*:

“How the impact of Agri-ProFocus’s marketplace events on farmer entrepreneurs in Uganda can be evaluated?”

6.1.4 Correlating APF features and impact

The interpretation of the results performed in *Chapter 5 ‘Analysis and Interpretation’* answered following sub-question in form of propositions for further research:

“How the distinctive characteristics of Agri-ProFocus can be correlated to varying impact levels of the marketplace events?”

6.1.5 Final conclusion – impact of Agri-ProFocus on Ugandan farmer entrepreneurs

Drawing from the answers of four sub-questions, this research concludes that there are evidences that:

- Agribusiness marketplace events organised by Agri-ProFocus yield *positive but limited* benefits for participating stakeholders as well as farmer entrepreneurs. For stakeholder organisations, these benefits include *information sharing, networking, marketing of products/services, and capacity building*, while for farmer the benefit is primarily an increase in awareness on bank procedures and available loan options.
- However it cannot be said with certainty whether better awareness of banks procedures, and relatively higher entrepreneurial spirit among participant farmers is because of these events or their significantly better socioeconomic background.

- Other challenges such as lack of involvement of female farmers, persistent fear and misconceptions among farmers, and inaccessibility of financial institutions cap the potential impact of marketplace events.
- Lastly, Agri-ProFocus may use its distinctive characteristics such as multi level structure, decentralised country focus approach, online platforms, number and types of activities organised, greater involvement of private sector, and presence of well defined network brokers to solve abovementioned issues and in turn enhance its impact of farm entrepreneurs.

6.2 Discussion

This section discusses the difficulties and limitations related to this study, as well as puts forth practical implications and recommendations for further research.

6.2.1 Difficulties:

Following is the list of academic and practical difficulties that were encountered during the course of this research that may have resulted in several limitations. Future researchers must consider finding a way around these issues to reassure validity of results:

- 1- Insufficient literature is currently available on the dynamics within multi-stakeholder platforms, and their relationship with entrepreneurship development.
- 2- Most of the non-participant and control farmers were found to be completely unaware of the English language. To add to this, multiple translators were required to translate different local languages such as Rutooro and Lukhonzio. Steps were taken to minimise self-interpretation from translators but this issue may also have affected the end results.
- 3- Most of the farmer villages and farmers' organisations were located in remote, often mountainous areas with poor commutation infrastructure. This at times resulted more than 200kms in distance and over five hours of travel time every day.
- 4- It was initially difficult to get in and schedule appointments with the required stakeholders and farmer organisations.
- 5- Limited availability of time and financial resources may have restricted the scope of this research and consequently affect its generalisability.

6.2.2 Limitations

As a result of the aforementioned difficulties, this paragraph discusses how limitations of this research may have influenced the rigor (Gibbert and Ruigrok, 2010) of this project:

- 1- The first limitation relates to the trade-off between resources available for and the validity of this research. A time period of three weeks dedicated for data collection in Uganda was relatively short and accordingly restricted scope of the research strategy. A narrow focus on a particular set of farmer organisations associated with only two local NGOs, may have limited the external validity or generalisability of the research conclusions.
- 2- As this research was focused only on the impact of financial services delivered through marketplace events, the internal validity of the conclusions may be low due to spill over effects of other concurrent innovation communities such as access to market information.
- 3- The internal validity of this research may be low due to the retrospective nature of data collection. Farmers may not be able to retrieve information correctly and fully, resulting in aberrations in collected information.
- 4- This research would have had higher internal validity if there were already literature available on multi-stakeholder platforms and their impact on entrepreneurship. This would have helped to understand the correlations between these two domains in a better way, resulting also in more comprehensive research methods and instrument.
- 5- The research would have had higher internal validity if farmers were more open, prepared, educated and with some command of the English language. The involvement of multiple translators may have negatively influenced independence of opinions and brought in their own biasness towards the research themes.

6.2.3 Recommendations for further research:

This research gives first extensive elaboration of the multi-stakeholder platforms and how their internal arrangements and processes can be developed to achieve the objective of fostering farmer entrepreneurship. It offers a stage to initiate a number of new researches in the interconnected domains of agricultural development, entrepreneurship mechanisms and multi-stakeholder platforms; an avenue that has not been sufficiently explored as yet in the scientific literature.

In particular, following are some of the possibilities for further research:

1. In-depth quantitative studies can be conducted to validate the testable propositions formulated from this research. A larger sample size inclusive of all possible categories will be essential to for this purpose.
2. Agri-ProFocus or other researchers can internally evaluate the set of suggestions proposed by various stakeholders to check their effectiveness in solving existing and recurrent issues.
3. Agri-ProFocus or other researchers can also expand the scope of this research to a different and/or greater number of i) agri-hubs ii) innovation communities and/or iii) their combinations. This can be of value to compare performances of agri-hubs against similar agendas and identify best practices.
4. Network structures and mechanisms within other MSPs such as FARA and AGRA can be described using a similar research design. This can lead to cross-platform analyses that can help these platforms to learn from each other and benchmark practices.

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Appendices

Appendix A – List of interview questions

Personal/informational		
Question	Purpose	Method to elicit information
1. Name	Information to identify similarities and dissimilarities among respondents.	Open questions
2. Gender		
3. Age		
4. Type of business/crop associated with		
5. Education level		
6. Size of family		
7. Education/school going ratio in children		
8. Number of years since active working/ What generation entrepreneur?	To see if the business has been continued from generations or is first generation entrepreneurial venture.	
9. Have you ever attended any fairs/events organized by any other organization?	To see who else may have influence on the farmers' behavior, knowledge and his/her growth.	

Tangible indicators/ quantitative questions		
Question	Purpose	Method to elicit information
10. Have you recently taken money from any sources – which – what ratio (Cooperative, SACCO, bank, MFI etc)	To understand the breakup of how farmers arrange capital.	Open question Probing through choices such as personal savings, family, friends, group lending, money lenders, SACCO, banks and MFIs.
11. How did you get to know about this source of finance?	To check if it was participation in marketplace event that made farmers more aware of options	Open question
12. How long did it take to get this loan?	To see if participant farmers were able to secure deals in lesser time than other categories. This may have happened due to: <ul style="list-style-type: none"> - Increased farmer-bank interaction - Dissolution of misperceptions. 	Open question with numeric answer.
13. Conditions of getting loans What interest rates/collateral did you pay? What was the repayment period?	To see if the better interaction with banks leads to better/more affordable offers.	Open question with numeric answer.
14. How much land do you own?	To check economic status and land purchasing trends among farmers for patterns. To measure if ease/accessibility to finance has led farmers buy more land.	Open question with numeric answer.

Tangible indicators/ quantitative questions		
Question	Purpose	Method to elicit information
<p>15. What is your total yield of coffee/maize per acre per season?</p> <p>Has it changed (increased or decreased) in last three years?</p>	<p>To measure if loans via marketplace event (ease, availability of different sources or better financial products) has enabled farmers to enhance productivity (better equipments, inputs etc.)</p> <p>To understand farmers' perspective on what they think might have caused this growth and if and how they think APF has contributed.</p> <p>To identify productivity patterns among farmers' categories.</p>	<p>Open questions with numeric answer.</p> <p>Data may be available directly from the farmer or the NGO/farmer group he/she is connected with.</p> <p>Farmers may have their own way to assess how much they produce.</p>
<p>16. For how much do you sell per kg of your coffee/maize produce?</p> <p>Has it changed (increased or decreased) in last three years?</p>	<p>To see growth trajectory of farmers in terms on their income per season.</p> <p>To identify inter-group and inter-regional differences of selling prices and reasons.</p>	<p>Open question with numeric answer.</p>
<p>17. Total number and types of animals owned</p>	<p>To identify economic differences among farmer categories.</p>	<p>Open question with numeric answer.</p>
<p>18. Have you bought any new assets such as livestock, house, vehicle, equipments in last three years?</p>	<p>To evaluate economic differences among farmer categories.</p>	<p>Open question.</p> <p>Specific categories of assets were asked.</p>

Intangible or behavioral indicators/ qualitative indicators

Tangible indicators/ quantitative questions		
Question	Purpose	Method to elicit information
19. Have you started any new business and/ or growing new crop in last three years? (Diversification of income source)	<p>To see if higher income and economic stability has allowed farmers to tap new opportunities (take risks) and diversify - one of the key entrepreneurial traits.</p> <p>On the flip side, farmers can also be 'forced' to start other businesses – Therefore, getting farmers' perspective on 'why' was deemed important.</p>	<p>Open question.</p> <p>Specific probing questions can be asked to more about the reason.</p>
20. No. of employees hired from outside of family	Important indicator to see if farm businesses are creating more jobs and whether there are differences among farmer categories.	Open question with numeric answer.
21. School drop-out ratio among children	This can be co-related with income levels and productivity to see if they show similar trends. For instance, if farmers attending marketplace events have better productivity and income and whether it translates into ability to send their children to school.	Open question with numeric answer.

Question	Motive	Method to collect information
<p>22. How many and which sources of finance do you know about?</p> <p>When did you get to know about them?</p>	To check if participant farmers know more about the financial sources than others – This can be one direct result of increased exposure interaction with financial institutions during fairs.	Open question with descriptive answer.
<p>23. How easy was it for you to get loan/financial assistance? (if applicable)</p>	Coupled with the question of 'how long', this can be used to check inter-category perceptual differences.	Open question with descriptive answer.
<p>24. What are most important problems you face when dealing with banks and or other financial institutions?</p>	<p>To understand how farmers from different categories perceive banks and MFIs</p> <p>– can be insightful to develop more targeted interventions.</p>	Open question with descriptive answer.
<p>25. What are the most important problems that you currently face in running your business?</p>	To check if there is any difference in perception. For instance, a farmer who has gotten loan at relative ease may not identify financial constraints as a top priority.	Open question with descriptive answer.
<p>26. What are your plans for the next five years?</p>	<p>To reveal how different groups of farmers may have different outlook of the future (based on their current situation and satisfaction/optimism level).</p> <p>It may be said that being part of APF events can boost entrepreneurial behavior and potential which is characterized by traits such as need for achievement, locus of control, innovativeness and risk affinity (found through my literature</p>	Open question with descriptive answer.

	<p>study as well).</p> <p>This is clearly linked with personality/psychological traits of individuals but is also influenced by external/situational challenges which dampen entrepreneurial spirit</p>	
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Opinions of participants on marketplace events – only for participant farmers		
Question	Purpose	Method to elicit information
27. How did you come to know about this event?	To understand how do participant farmers get to know about marketplace event?	Open question with descriptive answer.
28. Who did you meet at that event?	To evaluate effectiveness of marketplace events in promoting new linkages and facilitating farmers.	
29. What is your opinion about this event?		
30. What do you want more from these events? How can be improved to make it more helpful to me?	To identify farmers' perspective on how vents can be improved.	

Questions to Agri-Hub Uganda member organisations

Keeping the main purpose in perspective, following five questions were asked from all member organisations interviewed:

1. Tell me about your organization, when was it established and why?

Depending on their response, more probing questions to understand their organizational structure, outreach and business model

2. Who products/services do you offer to farmers?

More probing questions to understand their products and what they in-turn take from farmers

3. How did you get to know about APF? What was your prime motivation to join the network?

4. How do you contribute to the events organized by APF?

More questions to understand their role in local steering committees, how they are involved in organizing, decision making and dissemination of information

5. What in your opinion needs to be improved to make agribusiness events more effective in helping farm entrepreneurs?

Further discussion on what can and cannot be done

Appendix B – List of stakeholders interviewed

Region	Name of Organization	Type	Background/ History	Objectives, Products/Services for Farmers
	Deutsche Gesellschaft für Internationale	International NGO	German federal enterprises, supporting government in achieving objectives of international cooperation and development.	Several development programs under the themes including but not limited to: <ul style="list-style-type: none">- Economic development- Governance and democracy- Food security- Health and basic education- Resource conservation and climate change mitigation

Rwenzori	<p>Zusammenarbeit (GIZ)</p> <p>www.giz.de/en</p>		<p>Besides in Germany, 90 other offices around the globe.</p>	<p>Provide management and logistical services to partners.</p> <p>Serve as an intermediary facilitating entry points for private sector and the civil society.</p>
	<p>Community Agribusiness Capacity Services (CABCS)</p> <p>www.cabcs.org</p>	Local NGO	<p>NGO registered as a private limited company without share capital and not for profit.</p> <p>Started in 2007 from SATNET that is a network of 32 training and capacity building organisations in the Ruwenzori region.</p>	<p>Improve agribusiness capacities of small-scale farmers through trainings and consultancy services.</p> <p>Trainings and consultancy on: Market linkages, finance, record keeping, business planning, market intelligence, post harvest handling, value addition and compliance standards.</p> <p>Offer limited finance to cooperatives through Revolving Finance Scheme (RCF).</p>
	<p>FORMA Co-operative Union</p> <p>www.forma-ug.org</p>	Cooperative Union	<p>Umbrella of 18 SACCOs and 6 producer cooperatives of the Rwenzori region.</p> <p>Started as a company in 2006 but became union in 2012.</p> <p>Owned, controlled and managed by more than</p>	<p>Financial services: Fixed deposits, flexible savings to SACCOs, group saving options to primary cooperatives, different types of loans for buying assets, agriculture, crop finance and education.</p> <p>Non-financial services: Technical assistance and trainings on topics such as internal audits, record keeping, cost cutting and credit management.</p>

Rwenzori			6000 members.	
	<p>Rwenzori Information Centres Network (RICNET)</p> <p>www.rictnet.co.ug</p>	Local NGO	<p>Community owned information sharing network, started in 2006 and registered both as a community based organisation (CBO) and a company.</p> <p>Primarily focused on Rwenzori region but data centres in other parts of Uganda as well such as Teso, Acholi, Buganda and West Nile regions.</p> <p>Currently comprised of eight Country Information Centres, and 35 Rural Information Centres in the Rwenzori region.</p>	<p>Including but not limited to:</p> <p>Information to farmers' marketing associations on commodity prices and possible buyers.</p> <p>Offer ICT tools, equipment, skills and technical advice to farmer groups for information sharing.</p> <p>Information, Education and Communication (IEC) material for the use of farmer groups</p> <p>Mobilising and mentoring of farmer groups to initiate information centers.</p>
Rwenzori	HOFOKAM	Microfinance Institution	<p>Acronym of Hoima (HO), Fort Portal (FO), Kasese (KA) and Microfinance (M).</p> <p>Company established in 2003 as a result of the merger between three separate programs run by Catholic Relief Services</p>	<p>Financial products for both individuals and groups:</p> <ul style="list-style-type: none"> - Agriculture loan - Scheme for school fees - Commercial loans for individuals - Solidarity or group lending - Home improvement scheme - Salary loan

			(CRF). Presently has 8 branches across different regions in Uganda.	
	Kabarole Research and Resource Centre (KRC) www.krcuganda.org	Local NGO	Research and development organisation started in 1996. Works in all seven regions of Rwenzori with 23 marketing associations, 9 microfinance associations (SACCOs) and 14 information centres.	Main activities include: Dissemination of information (including mobile messaging service and call centre to provide market information). Research advocacy and development. Farmer enterprise development including micro business development grants.
Mbale	The Hunger Project- Uganda (THP) www.thp.org/uganda	International NGO	Started in 1999 with an aim to eliminate hunger and poverty. Currently working with 11 clusters of villages (epicentres) in districts of Iganga, Kiboga, Kiruhura, Mbarara, Mbale, Mpigi, Butambala, Wakiso and Kyankwanzi.	Programs on: <ul style="list-style-type: none"> - Microfinance - Health care provision - HIV/AIDS and gender equality - Adult literacy

Mbale	CARD Uganda	Local NGO	<p>Started in 2006, works both as a company as well as a community based organisation (CBO).</p> <p>Currently operating in 19 districts of eastern and northern Uganda.</p>	<p>Agribusiness and value chain development services to farmers.</p> <p>Design and delivery of training products.</p> <p>Formation of collective marketing committees.</p>
	SNV Uganda www.snvworld.org/uganda	International NGO	<p>Started operations in Uganda in 1989.</p> <p>Currently working in 108 districts across Uganda.</p>	<p>Objectives include: increasing income of smallholder farmers, improve food security and enhance environmental sustainability of agricultural production.</p>
	National Agricultural Advisory Services (NAADS) www.naads.or.ug	Public Institution	<p>Established in 2001, semi-autonomous agency within Ministry of Agriculture, Animal Husbandry and Fisheries (MAAIF).</p>	<p>Mission to improve farmers' access to market, information and technology.</p> <p>Three ways to help farmers:</p> <ul style="list-style-type: none"> - Farmer institutional development through strengthening farmer groups - Advisory services such as vet and agricultural assistance staff - Promotion of technological development such as foundation seeds to increase yield.

Mbale				
	Centenary Bank www.centenarybank.co.ug	Bank	Started in 1983 as an initiative of the Uganda National Lay Apostolate, registered as a full service commercial bank in 1993. One of the leading rural development banks with 62 branches across Uganda, serving over 13, 00,000 customers.	Mission to provide appropriate financial services to all people in Uganda, particularly, rural areas. Numerous credit and deposit products for both individuals and groups, such as loans, fixed deposit and savings account.
	Post Bank Uganda www.postbank.co.ug	Bank	Fully government owned bank, incorporated in 1998 to take over the former Post Office Savings Bank existing since 1926. Operations in 31 branches and 13 Mobile Banking Locations.	Mission to empower customers by providing financial services in a sustainable manner. Numerous credit and deposit products for both individuals and groups, such as loans, fixed deposit and savings account.
	Bank of Africa www.boauganda.com	Bank	Member of the Bank of Africa Group, existing since 1982. Registered limited liability company, with a network of 34 branches across	To contribute to development of all stakeholders and promote growth and stability of national economies. Numerous credit and deposit products for both individuals and groups, such as loans, fixed deposit and savings account.

			Uganda.	
	<p>Makerere University – College of Agricultural and Environmental Sciences</p> <p>www.caes.mak.ac.ug</p>	Knowledge Institute	<p>One of the eight colleges of the Makerere University</p> <p>Comprises of three schools and eight departments including the Department of Extension and Innovation Studies.</p>	<p>Establishment of farm field schools to engage communities in agricultural research and development activities.</p> <p>B.Sc., M.Sc. and PhD programs in agricultural, rural innovation and extension studies.</p>

Appendix C – Inception of Agri-Hub Uganda

Following are the details of important events which led to creation of Agri-Hub Uganda. Generally, a similar sequence of events has been followed to establish all 13 Agri Hubs since 2009 and members are expected to produce similar set of formal documents.

Receipt of request by member organisations

In early part of 2009, Agri-ProFocus support office received requests from Dutch partners such as SNV, Oxfam, Cordaid, HIVOS and others to start a trajectory and explore interest of other members on intensifying collaboration in Uganda. SNV Uganda volunteered to be the host or lead organisation for this process (APF Annual Report, 2009).

The decision to take this inception process to the next level was taken after assessment of whether there is critical mass of APF partners and local organisations that is interested in establishing a collaborative hub, and is also willing to contribute financial and through other resources. Essentially, the **Country Coalition Triangle** responsible to oversee the whole process constituted of APF Country Lead (SNV in case of Uganda), APF support team in Arnhem, Wageningen UR and Royal Tropical Institute (KIT).

Development of Terms of Reference (ToR)

Once agreed by all initial coalition members, Terms of Reference were formally documented to sort out procedures, responsibilities and timelines related to the organisation of multi-stakeholder workshop (MSW) in November 2009 (Agri-Hub Uganda ToR, 2009). More specifically, this ToR provided details on:

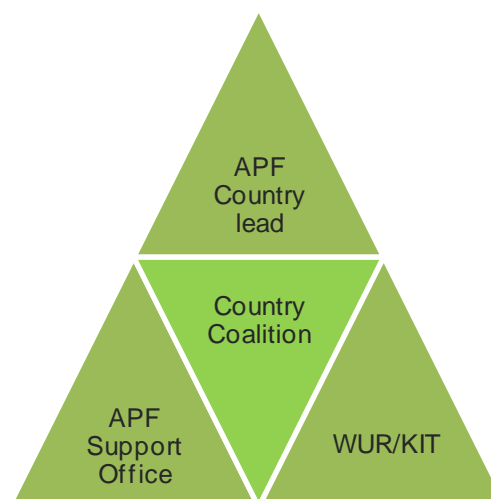


Figure 23 - APF Country Coalition Triangle

I- Desired outputs/what is to be carried out before the workshop:

- a- With input from all members, develop an **Affiliation matrix** to provide an overview of who is doing what within the APF network with respect to promotion of farmer entrepreneurship in Uganda. SNV was given the task to do first analysis and present findings during APF members meeting.

- b- Create an **online platform** to promote exchange of ideas and documents between local stakeholders and APF members prior to the workshop. Membership to this platform was initially by invitation only.
 - c- Draft a **synthesis paper** to describe country specific issues and trends to position APF within the wider scenarios and disseminate similar contextual knowledge among all workshop participants. – SNV Uganda was given the responsibility to guide the overall process along with a consultant and input from other members.
- II- Division of roles and responsibilities between workshop preparation team (SNV, APF support office and WUR) and other APF members.
- III- Allocation of time and budget for various tasks

Preparatory visit of APF support team and SNV to Uganda

By the end of June 2009, SNV and APF support office personnel visited Kampala to interact with various Dutch and local organisations. The aim was to assess market opportunities and challenges, learn from local perspectives, and share ideas on how to take the country focus process forward. (Agri-Hub Uganda ToR, 2009).

Meeting of Agri-ProFocus members in Arnhem

A Country Focus Uganda meeting was organised on July 16, 2009 at the Arnhem office with participation from Dutch members such as Agriterra, Oxfam Novib, Oikocredit, SNV, WUR and Cordaid. The objective of this meeting was to bring further clarity on country focus process for Uganda, discuss field experiences and online feedback, and mutually agree on next steps required to organise the multi-stakeholder workshop (MSW).

Several key strategic and operational topics were discussed during this meeting including:

- I- Findings of Affiliation Matrix to reveal member traits such as common focus areas, organisation types, key partners and clients, geographical coverage, types of products and target groups.
- II- Criteria to choose and focus on value chains and commodities.
- III- Participation in multi-stakeholder workshop - Who should be invited and what should be the procedure.

- IV- Preparation of workshop agenda using inputs from different stakeholders through online platform
- V- Workshop dates, budget and contributions of individual members.

Multi-Stakeholder Workshop

The APF multi-stakeholder workshop organised from 18th to 20th November 2009 in Entebbe marked the official launch of the country focus process in Uganda (Geene, Snelder and Schie, 2009). 65 participants from different member organisations attended the workshop including 10 Dutch partners, APF support office and Dutch Ministry for Development Cooperation.

Co-facilitated by WUR-CDI and Makerere University, this three day workshop produced following major outputs:

1. Agreement of participants to focus on **5 priority intervention areas or themes**: Financial services, market information, farmers' organisations, farming systems/services, policy level engagement.
2. Formation of 5 theme-specific **action groups/innovation communities** with selection of lead organisation and team members– Each group consisted of various Ugandan and international organisation with at least one Dutch member.
3. Development of detailed **action plans** with identification of long and short term targets by each action group.

Completion of country programme/joint strategy agreement 2010 – 2012

After the coordination meeting in Kampala (March 2010) and debriefing meeting in The Hague (April 2010), an agreement (Agri-Hub Uganda Strategy Agreement, 2010) was signed by all members of the coordination team for Uganda (SNV, Oxfam Novib, HIVOS, Cordaid, Solidaridad, Agriterro and WUR-CDI).