



Investing in rural people

Uganda

Transforming rural economies for a better tomorrow



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Over the years, Uganda has made significant progress in reducing poverty. Nonetheless, in densely populated rural areas the incidence is still high, with as much as 30 per cent of the population living below the national rural poverty line.

IFAD is working with the Government of Uganda to increase the income of rural households living in poverty and improve their food security and resilience. These projects create opportunities, increase access to markets, provide training and mentoring, enable participants to develop alternative sources of income, empower women and build rural people's resilience.









The Small and Medium Agribusiness Development Fund (SMADF)

Operating as the Yield Uganda Investment Fund, SMADF brings together public and private investors to provide innovative financial products to small and medium agribusiness companies. Launched in 2017 and managed by Pearl Capital Partners, the fund's investors include the National Social Security Fund of Uganda, Finn Church Aid Investments, the Soros Economic Development Fund and the European Union, whose funds are channelled through IFAD. The Yield Fund completed its first phase of investment in 2023, with over EUR 16 million invested in 15 small and medium-sized enterprises (SMEs), over 2,500 jobs created along various value chains and over 120,000 small-scale farmers linked to markets.

Providing farmers with access to markets

KAMPFEED produces and distributes animal feed for poultry, cows, pigs and rabbits. SMADF provided the company with blended finance, in the form of debt and equity. KAMPFEED constructed a new factory to house the production line, a warehouse and two silos with a capacity of up to 1,750 tons each. KAMPFEED was also able to source more raw materials for feed from the local community and small-scale farmers with whom they have formal agreements.

Groups of small-scale farmers have undertaken training with KAMPFEED. The larger-capacity automated milling equipment KAMPFEED was able to purchase enabled them to increase production from 3 tons per hour to 10 tons per hour, resulting in increased demand for raw ingredients, and bigger profits for farmers. All the brands produced at the factory under the Kamp Group are distributed throughout Uganda.









Accessing markets yields greater income

Richard Simon Kidega is a small-scale farmer and a member of the Kok Can Ki Tic (“work to deal with poverty”) farmers group. He has been working with KAMPFEED since 2020. When KAMPFEED began buying more from farmers, Richard was able to diversify and grow more soya and maize on his farm to meet this demand. With the additional income he now earns, he has been able to send his children to school, purchase a motorcycle that he uses to transport his sacks of grain to the factory, and buy a lawnmower that he uses to cut other people’s grass for additional income. He has also bought a solar panel that provides power for lighting and charges a back-up battery and his phone.

In the future, Richard would like to buy iron sheeting to construct a better roof for his home. He also plans to buy more land so that he can grow more. With the strong market now offered by KAMPFEED, he can sell more and earn a higher income, supporting a better livelihood for himself and his family.

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

PRELNOR aims to increase the sustainable production, productivity and climate resilience of small-scale farmers, in addition to establishing more profitable access to domestic and export markets. To build productivity, the project trained local seed business groups on seed production, producing over 87,000 tons of foundation seed and over 12,000 bags of cassava cuttings. As a result of household mentoring, rural households have improved their food security, household sanitation, asset accumulation and gender equality. They have expanded production and increased their income. Climate finance provided by the Adaptation for Smallholder Agriculture Programme (ASAP) has facilitated access to renewable energy technologies and climate information, promoted community-based natural resource management and helped increase people's climate resilience. The project has built 103 community access roads, 74 bridge spans and two markets, contributing to better market access for farmers.







Restoring hope through mentoring and training

Fred Ouma started having problems with his eyes in 2010 and was diagnosed with glaucoma. After an unsuccessful operation, he went blind. He was living with his wife in the town of Gulu at the time, but when he lost his sight, they moved back to his home village to live with his mother.

Fred felt frustrated and hopeless. He was no longer able to work and had to rely on his wife, Concy, to take care of the garden and earn an income. He worried that she would leave him. Fred closed himself off to the world, his friends disappeared and he even considered ending his life.

No longer able to earn enough to send his children to school, to feed his family, or to purchase or keep animals, the strain took a toll on his marriage. Concy found herself in a situation where, with no experience, she had to work to earn a little money to support the family.

PRELNOR linked Fred with a mentor who trained the family, starting with the hygiene of their living environment. They talked about their food and which crops to plant, and received a selection of seeds, including soybean, maize and beans. With this new beginning, Fred and Concy formed a partnership: he is the head of household but makes decisions with his wife, who in turn takes care of their land and animals.

Fred bought a plough and some bean seeds with a voucher he received from the project. As he did not have any oxen of his own, he made an agreement with one of his neighbours to use their oxen to plough the land he and Concy own. In the first season, the Ouma family planted half a hectare of land and harvested two sacks of beans – they kept one and sold the other. This allowed them to pay the children's school fees and to save some money. The following season, with the use of their neighbour's plough, they were able to plant 1.5 hectares and increase their harvest. With the money they earned, they bought some chickens, cows and a bull, as well as some iron sheets to build themselves a permanent home.

Before he lost his sight, Fred was a beekeeper. Now he has started producing honey again to boost his income. He is also training others in the community to keep bees, and has become well known in the district, where the project has linked him to buyers for his honey.

Concy is proud of how she and Fred have put the mentoring and training to good use. Their home is one of the best in the area, and they enjoy improved sanitation.

Mentoring helps improve lives

Molly Ajok knows what it means to be in a tight spot, having to support her child on her own. At one time, she was unable to earn enough to provide for her child and contribute to her extended family's finances as well.

Things took a positive turn when her community put forward her name to become a household mentor through the IFAD-supported PRELNOR project. The training taught Molly how to prioritize and plan ahead, and enabled her to improve her own life and her family's. Molly became a mentor for others in the community and helped guide them to improve their situation.

For example, Molly shared her experience mentoring Fred Ouma and his family. "What we normally do is visit the household and discuss the changes," she explained. "The households targeted are those living in the very poorest conditions, the people who most need support. We come, talk, discuss and counsel them and help them to see the future."

The work doesn't end once the household plan is in place. Molly and other mentors like her return over time to provide continued guidance. She visits the families, monitors the changes they've made and discusses any issues. "I'm so, so proud," she says of the results achieved with Fred and Concy and their family.





National Oil Palm Project (NOPP)

NOPP's main objective is to support inclusive rural transformation through investments in the oil palm industry that improve rural livelihoods while safeguarding the environment. The project also supports the poorest and most vulnerable people in the target area with alternative income generation opportunities. This includes intensifying agricultural production, such as crops, livestock or fisheries. NOPP also seeks to build technical skills, in particular for women and youth, to enable them to undertake off-farm activities such as hairdressing, building construction and woodworking.









Nurturing successful livelihoods for rural women

Petronira Namugerwa is one of 24 people living with HIV who benefit from the NOPP project. She is a divorced mother of four and lives with her five grandchildren in a house her father gave her. Two of her children moved to the capital, Kampala, to find work. They send money home to help Petronira with expenses for their children. One of her sons is a fisherman. Her fourth child passed away. Petronira is part of a women's cooperative of piggery farmers called Balandiza Kimeze (meaning it is easier to help someone who helps him/herself).

Before becoming a project participant, Petronira had three local-breed pigs, which produced a maximum of five piglets. Through the training provided by the project, she learned about piggery management and the existence of a breed of pigs that is larger and reproduces faster, producing up to eight piglets. She was able to switch to this new breed, which she bought with a loan from the village savings organization.

Rearing the new breed has helped Petronira increase her income. She now earns between US\$26 and US\$200 from selling a pig, depending on its age and size. The income allows her to cover school fees, general health expenses and pay back her loan. She has also been able to start a cassava plantation with the extra income. An additional benefit is that the pigs provide her with natural fertilizer for her banana plantation.

“Let them focus on what they are doing. That is the only way they can develop their business. That is how I’ve done it,” is Petronira’s advice to others. For her future, as she gets older, she wants to have a stable income and sell her pigs so that she can renovate her house.

Multiplying incomes through investments in coastal communities

Rose Nakiganda takes care of her four children on her own while her husband is away fishing. She is one of 20 members of the women's cooperative Bakyara Kwagalana ("women of the same vision"). She has always dealt in dried *mukene* fish (silver fish). However, before becoming an NOPP participant, she used to dry fish on the ground, earning less than US\$1 per kilogram of dried fish sold. Through the project, Rose learned to dry fish on racks and has increased her earnings to about US\$2.30 per kilogram for the higher-quality product. She is now able to pay for her children's school fees and cover other general costs. She has also been able to open a vegetable shop. Rose would eventually like to buy a plot of land where she can build a new home for herself and her children.









Teaching youth a trade for a brighter future

Vast Biira and Frank Sseguya are two young people who live on the island of Kalangala on Lake Victoria. Vast dropped out of school at an early age and Frank was an unemployed youth searching for a job. Then they were selected to join training courses being offered at the Bumangi Community Polytechnic, a local technical institute.






Vast, the fifth of nine siblings, always had a passion for doing different hairstyles. With this in mind, she decided to train as a hairdresser. Upon completing her training, she found a job working in a salon, where she combines her passion and her new skills to earn an income. With the money she makes, Vast is able to support herself and her mother and buy food for her family.

Frank, who lives on his own, has seven brothers and sisters. He studied brick-laying and construction at the institute. Now he works for a local building company. He says, “Even if I have completed the course, I continue to learn as I work.” Frank uses half of his income for himself and sends the rest to his family through mobile transfer. He also bought two pigs as an investment to bring in extra money.

In due course, Frank would like to build a permanent home for his family and to continue studying to earn more qualifications. He has a lot of advice to offer other young people. “Take on opportunities to get more skills. The skills where you use your hands are very good and very helpful, and will give opportunities to earn an income. Don’t be lazy. Get out of your comfort zone. Take on opportunities to learn skills you can use to earn an income.”



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