

NATIONAL ALLIANCE OF AGRICULTURAL CO-OPERATIVES IN UGANDA LTD.



Enabling Agricultural Value-Chains

ANNUAL REPORT 2020



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Enabling Agricultural Value-Chains

MESSAGE FROM THE CHAIRPERSON

Mr. Emmy Geoffrey Sayekwo



I would like to take this opportunity to welcome you to our 1st Annual General Meeting (AGM) ever since you entrusted us as a Board to lead this organization. I would also like to thank the Almighty God for keeping all of us safe from the Covid-19 pandemic, a virus that has turned the entire world upside down. You will note that we are supposed to be having our 1st AGM physically but could not because of this deadly virus which has pushed us into adopting to a virtual meeting which is the new normal world over. We too must learn to live with this virus. There are indeed some positives that the virus has brought and we need to take advantage of the same as we try to find solutions to the challenges. As a board, we have been holding virtual meetings and I want to thank the management team for organizing this.

The previous Commissioner for Cooperative Development (CCD) retired. Am happy to let you know that we now have Mr. Bob Bariyo Barigye in office as our new CCD, with whom we have already structured a good working relationship.

The legalities involving the formation of NAAC are now complete. As a lawyer and as a person you entrusted me with leadership, I want to take this opportunity to let you know that we are a legally registered institution in Uganda and we followed through all the requirements of registering. We got a temporary registration certificate in December 2019 and later got a permanent registration in June 2020 from the Office of the Registrar of Cooperative Societies under the Ministry of Trade Industry and Cooperatives.

On this note, I would like to implore you to remain focused and steadfast, as a new organization, we are bound to face some challenges especially at the onset. We have a Secretariat that is operating on very meagre resources, the office premises need more furnishing and several of our staff are giving in a lot of their time and energy with very minimal remuneration. The least we can do is to remain focused and work with them to see how to navigate through this situation and deliver our mandate, as the future looks very bright for us.

I would like to commend the good job done by our management team as you will read from the management report. The amount of work done during this short period as well is unimaginable. Today we have already gotten some work running with DAI, a USAID funded project called the "Inclusive Agricultural Markets System". There are a couple of other proposals that have been accepted and the management team is now going through the negotiations phase and many more fundraising proposals continue to be developed by the Secretariat.

As an organization, we need to have strong policies that guide the operations of the Secretariat. Completed copies of the organizational Human Resource and Finance & Administration policies are already in place. These are the policies that are supposed to guide the Secretariat on how they should do the Secretariat's business. Thanks to Management.

I hereby once again encourage you to adhere to the SOPs in order to keep ourselves and loved ones safe.

FOR GOD AND MY COUNTRY

Introduction

The National Alliance of Agricultural Co-operatives in Uganda (NAAC) is an umbrella organization of agricultural Co-operatives in Uganda. NAAC was founded in January 2018, as a loose network of agricultural co-operatives to fill an identified gap in access to support services by agricultural co-operatives. It was formally registered as a national union of agricultural cooperatives in 2019, and is regulated by the Registrar of Co-operatives Societies under the Co-operative Societies Act CAP 112 of 1991 (as amended) and Co-operative Societies Regulations, 1992.

The formation of NAAC was motivated by the growing importance of the agricultural sector in transforming the economic wellbeing of small holder farmers, communities and increasing contribution to national development as evidenced by its consistent contribution of almost 25% to the national GDP. Yet there was clearly no national level organization to effectively represent agricultural co-operatives, provide customized support services, to better amplify their voice, coordinate support services for co-operative growth and prosperity of their individual members, lobby government for favorable policies and network better with local and international actors from both the agriculture and co-operative sector despite the fact that they constitute the majority of cooperatives,

NAAC Membership

NAAC is a member-founded, member-owned, member-controlled and a member-benefiting organization. The ordinary members of NAAC are secondary and tertiary agricultural co-operatives, although due to the nature of actors in the agricultural sector, primary agricultural co-operatives active in

value-chains with no established secondary or tertiary level co-operatives can join as associate members. For example, co-operatives in rice, oil-palm, horticulture, mechanization and other newly developed value-chains.

As at December 2020, NAAC's direct membership comprised of 32 cooperatives (8 Unions and 24 Area Co-operative Enterprises) spread all over Uganda.

NAAC's Governance

The supreme governing body in NAAC is the Annual General Meeting (AGM). It elects and delegates some of its powers and responsibilities to a 7-member Board of Directors (BOD) which serves for a term of two years. The BOD appoints a management team (headed by a Chief Executive Officer - CEO), which is responsible for the daily operations of NAAC and provision of technical advice to the Alliance.

Unlike other co-operative organizations in Uganda, NAAC also has proposed an Advisory Board (AB) consisting of individuals of impeccable character and expertise in the agricultural and co-operative sectors. The AB will oversee the leadership and technical progress of NAAC and their input is expected to shape the image and relevance of NAAC to its members, partners and country as a whole. Constitution of the AB is expected to be completed by end of 2021.

Board of Directors

His Worship Emmy Geoffrey Sayekwo (Chairman)
Ms. Constance Bangirana Kabaranzi (Vice Chair)
Mr. Issa Y. Kamongez (Treasurer)
Mr. Charles Kiima Thembo (Secretary)
Mr. Grace Lubowa Kyaterekera (Member)
Mr. Charles Okello (Member)
Mr. Douson Mwijuka Karibahena (Member)

Who we are

Mission

To provide sustainable high quality holistic agricultural and co-operative support services to members and partners.

Vision

Smallholder farmers to be equal value-chain actors, deriving fair incomes for household sustenance and decent livelihoods

End-state Vision



Our core intervention areas



Policy Lobby and Advocacy

We play a representation role by engaging policy decision makers, development partners, civil society organizations and private sector actors to provide an enabling environment for the business of our members



Agribusiness & Market Systems Development

We facilitate access to resources and technical assistance to members so as to build their readiness to participate in agricultural markets as equal actors. We also support cooperatives to develop innovative business models in partnership with other actors



Research and Innovation

Due to the current global trends and demand for data and research in innovations, the NAAC provides a link between the researchers and the farmers to provide both forward & backward linkages between the scientists and consumers of the science.



Inclusive Greening of the cooperative movement

The NAAC recognizes the immense challenges of climate change and inclusivity that are limiting sector development and is partnering with other actors to improve the status quo.



Partnerships and Collaborations

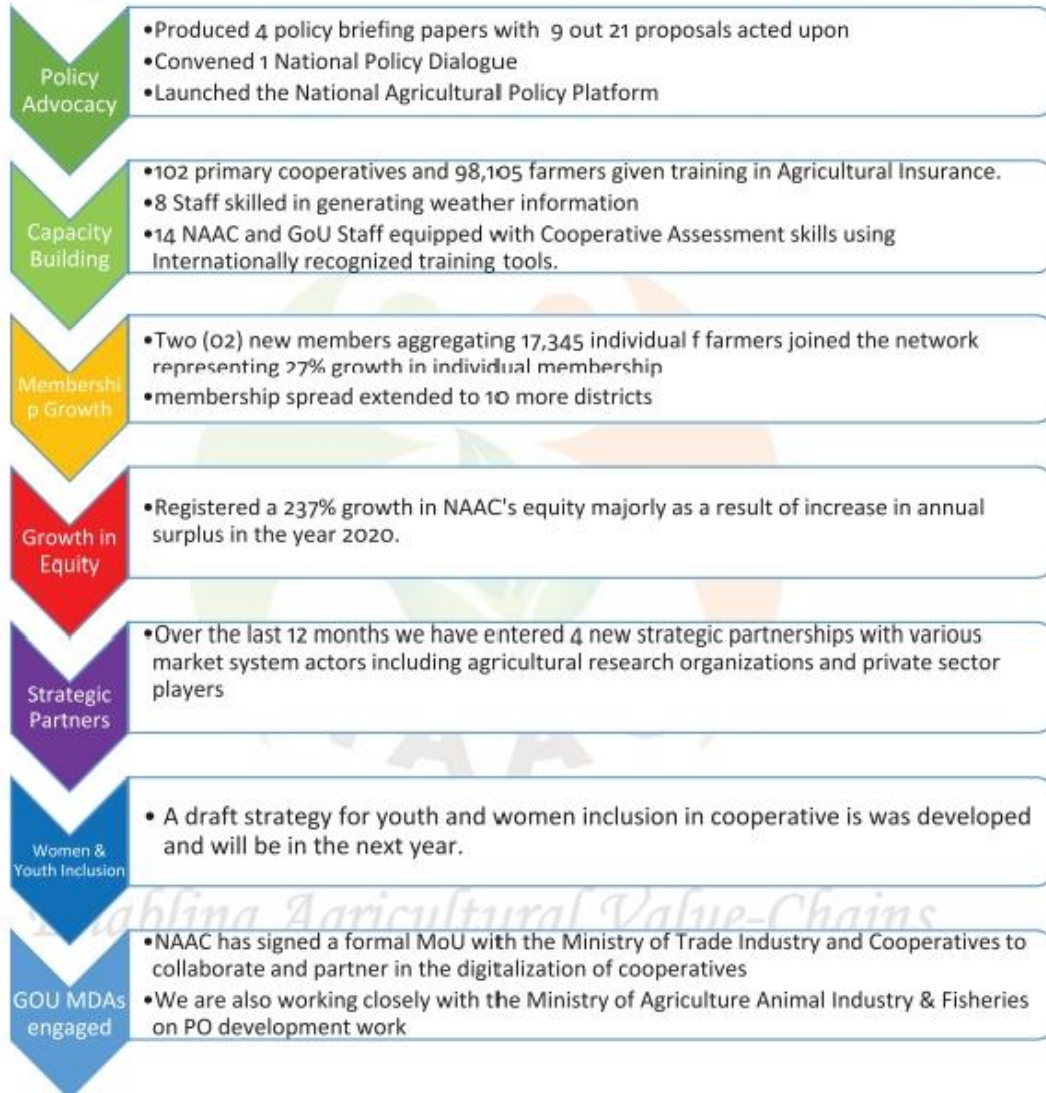
NAAC believes in the power of synergies for all market system actors to harness their potential and achieve their respective objectives. NAAC therefore fosters collaboration amongst partners to support agricultural cooperatives' development and prosperity.



Demand Driven Member Services and Cooperative promotion

Due to evolving member needs and demands, the NAAC has positioned herself to regularly connect with her members to provide tailored demand driven support services as well as promote the cooperative business model whenever an opportunity arises

Our 2020 at a Glance



NAAC 2020 Accomplishments

NAAC conducts study on resilience of Agribusinesses in light of Covid 19

In March 2020, Uganda rolled out a series of restrictions and mitigation control measures that aimed to curb the spread of a new virus that was rapidly spreading around the world, named COVID-19. We studied the Impact of Covid-19 on Uganda's Agricultural Market System and Coping Mechanisms for Resilience. Supported by the USAID Feed the Future Uganda Inclusive Agricultural Markets (FtF IAM) Activity, NAAC applied a systematic lens to understand the impact of COVID-19 related shocks and stressors to the Ugandan agricultural market system and to identify and measure resilience strategies adopted by market actors to minimize the effects of COVID-19 related shocks and stressors. The study focused on 2 objectives including; i) Establish the effect of the COVID-19 pandemic and related control measures introduced by market actors to ensure market resilience for selected agricultural enterprises and ii) To provide conclusions and recommendations on interventions that could strengthen functionality and inclusiveness of markets given the disruptions caused by the COVID-19 pandemic. Using a sample size of 886 farmers and 470 other market system actors, the analysis of the data revealed that the negative impacts on the ag-market system will continue to affect the farmers even when restrictions are eased. The supply and demand in the agricultural markets in Uganda will require some time to fully recover. We also found that the agricultural market system weak on diversification of production, storage, and distribution networks and didn't have adequate strategic redundancy which makes the system less resilient in the face of shocks

and stresses. Additionally, the concentration of power around a single identity group of well-resourced traders and actors entrusted with regulation and licensing created an environment. For a detailed report visit our website www.naacug.org

NAAC launches National policy platform on Agriculture

As a sector, there are various conversations on sector policies, laws & regulations, budgetary allocations, investment priorities among others that take place in a rather undefined and adhoc manner. The nature of these discussions is usually determined by a select number of sector players and there is no defined mechanism for ensuring consensus among sector players. Therefore NAAC as a key private sector player identified a need for a national agriculture policy platform to be set up to facilitate generation, analysis, and proposition of policies to build a resilient agricultural market system. The platform was launched with an overall objective of generating and proposing policy propositions and engaging with Government of Uganda to develop and implement resilient Agric-market systems whose actors have the ability 'to mitigate, adapt to, and recover from shocks and stresses in a manner that reduces chronic vulnerability and facilitates inclusive growth. The NAPP specifically aims at;

- a) Acting as the rallying point of contact within the agriculture sector on policy analysis and advocacy;
- b) Providing internal coordination among existing agriculture sector players for policy advocacy with higher echelons of government;

- c) Playing the role of external stakeholder management, providing interface directly with key stakeholder representatives across development partners and sector associations; and
- d) Providing a platform for usually excluded sector players like farmers to present their issues and seek for solutions through direct engagement with decision makers.

The platform is currently undergoing formalization and operational structures and systems and to date the 4 policy briefs have been published. For more information visit our website www.naacug.org

NAAC supports GoU to develop data driven decision making tools

NAAC is part of the consortium implementing a pilot project “A Systemic Approach to Economic Growth” funded by the Agribusiness Market Ecosystem Alliance (AMEA) through the Tool improvement facility. The purpose of the project is to support MTIC to develop capacity to make data-driven decisions in development and supervision of co-operatives. The pilot includes development of a rapid assessment tool which is expected to make scoping of new FOs to include under new programs under development easier. Through the project, MTIC will adopt the use of global tools for co-operative capacity assessment, establishment of a Business Intelligence Report, to be used in guiding MTIC to track the performance of agricultural co-operatives for guided decision making on capacity building needs as well as linkage to partners for support in several areas. Through this pilot project, NAAC has exhibited the importance of supporting GoU to strengthen its systems for the purpose of supporting effective supervision of agricultural cooperatives to improve their performance and hence attain the

required capability to become better agrifood market ecosystem actors.

A robust and effective Weather information platforms breathes life to NAAC members

Precise weather prediction is a very vital component of commercial farming, and yet it one of the challenges faced by most farmers in Uganda. Members’ access to accurate weather information has therefore been prioritized as an area for urgent support under NAAC’s member services. NAAC has therefore partners with a US-based technology firm, aWhere, with an overall goal to achieve efficient and timely access to accurate weather information by members. The firm has supported NAAC to establish a system required to access, collate and disseminate weather information to members in a timely manner. The ultimate target is to provide farm-level micro-weather information but due to the difficulties in getting geo-coordinates, the data currently being provided is at sub-county level, and within a radius of a maximum of 9km. NAAC has laid out plans to support its members to capture farm coordinates through a members profiling exercise to be launched soon.

NAAC promoting subsidized Agricultural Insurance among farmers

Many agricultural co-operative members have continued to struggle with accessing credit for production due to the perceived risk around the sector as a result of its reliance on nature. Financial Institutions (FIs) are quite aware of the risk faced by farmers in the face of delayed rains, floods or extended hot spells, which lead to crop failure. In order to contribute to de-risking efforts in place, NAAC signed a partnership MoU with the Agricultural Insurance Consortium (AIC) to provide a platform for wide dissemination of awareness of the government supported agricultural insurance scheme amongst smallholder farmers. AIC trained NAAC staff in the calculation of premium to pay and

compensations for various crops and land acreage, after which NAAC mobilized co-operative leaders for similar trainings. The initiative has been met with enthusiasm in the areas where training has been conducted and plans are underway to facilitate NAAC members

to mobilise their farmer members to join the insurance scheme. NAAC will play the role of agent with all commissions earned being invested back into farmer mobilization and capacity development at the co-operative level

NAAC plans for 2021

In addition to ongoing initiatives, the NAAC intends to invest in the following interventions

1. To supporting GOU to digitize the cooperative department under the Ministry of Trade Industry and Cooperatives.
2. Strengthening Parliamentary advocacy and engagement work.
3. Developing a members service charter.
4. Popularising new and existing government policy and guidelines on cooperatives and Agriculture.
5. Formalizing a NAAC business arm/Trading company
6. Strengthening Youth and Women inclusion at the competitive levels of the agricultural value chains.
7. Strengthening Collaboration and Networking between and among actors in the agricultural market system.
8. Establishing a Cooperative Leaders Academy to strengthen governance and leadership.
9. Increased Member Mobilization
10. More strategic partnerships and collaborations.

Enabling Agricultural Value-Chains

Our Current Partners and Collaborators



USAID
FROM THE AMERICAN PEOPLE



Ministry of Trade,
Industry and Cooperatives



aWhere



SCOPE *insight*

IITA

Transforming African Agriculture



rikolto



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