



AFARD ANNUAL REPORT, 2016

"Building Inclusive and Resilient Livelihoods".

March 31, 2017

AFARD Annual Report, 2016

“Building Inclusive and Resilient Livelihoods”

February 21, 2016

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Acronyms

AFARD	Agency for Accelerated Regional Development
AIDS	Acquired Immunodeficiency Syndrome
BCCE	....	Behavior Change Communication and Education
BO	....	Beneficiary Organization
BTVET	....	Business, Technical and Vocational Education and Training
CDP	....	Community Development Project
CSF	....	Civil Society Funds
EU	....	European Union in Uganda
FO	....	Field Officer
GAAP	....	Good Agricultural and Agribusiness Practice
HCT	....	HIV Counseling and Testing
HIV	....	Human Immunodeficiency Virus
IGA	....	Income Generating Activities
LLG	....	Lower Local Government
M+E	....	Monitoring and Evaluation
MRAL	....	Monitoring, Reporting, Accounting and Learning
MT	....	Metric Tons
ODF	....	Open Defecation Free
PLWA	....	Persons Living with HIV/AIDS
PWD	....	Person with Disability
SHA	....	Self Help Africa
SHG	....	Self Help Group
SNV	....	Netherlands Development Organization
UGX	....	Uganda Shillings
VSLA	....	Village Savings and Loans Association
YES	....	Youth Employability through Enterprise and Skills Development
YMF	....	Young Model Farmer

Foreword

Welcome to our Annual Report 2016! The report presents the achievements made in the second year of our 5-year Strategic Plan (2015-2019) towards the strategic goal of, “contributing to the socioeconomic transformation of 150,000 vulnerable and marginalized people [children, youth, women and the elderly] for inclusive and resilient livelihoods.”

It is evident that in 2016 AFARD outreach served 6 out of 8 districts in West Nile region and 35,121 households with 212,061 households. Our economic empowerment generated UGX 10.7 billion and the sustainability strategies accumulated at UGX 708.5 million. Meanwhile our impacts were:

- 83% of targeted households ate three-decent meals daily (and 91% vitamin A rich foods);
- 11% of targeted households exited out of \$1.90 poverty line;
- 28,314 youth joined formal/self employments;
- 92% of targeted households used safe sanitation and hygiene practices;
- 5 community groups accessed local governments project funds;
- Each Self Help groups saved an average of UGX 2.1 million; and
- AFARD locally financed 6% of its annual budget.

These positive results demonstrate our commitment to result-oriented management, financial stewardship and accountability to our partners in the development of West Nile region and our contributions to Sustainable Development Goals (in a “Think Global, Act Local” fashion).

The Board of Directors of AFARD is therefore grateful for and recommits towards the effective partnership for development built over the years with the European Union, Kinder Not Hilfe, Self Help Africa, Danida, SNV and local governments. The prayer of a female member of Mer Ber CLA during the Annual Project Visit by KNH Germany on January 21, 2017 better sums our appreciation. She said:

Dear God, we thank you for the love you have bestowed upon us. We are grateful that you sent to us KNH that didn't even know us before to support our deplorable conditions of life through AFARD. Poor as we were there was no hope of a better life. But through Erussi-Ndhew CDP we are able to identify our constraints and opportunities for a better living. Now we can speak boldly. We have some little money to meet our basic needs and those of our children. With further support we are hopeful to increase on our money and ably build a foundation of good life for our grand children's future. We feel dignified. Please, build this friendship and grant KNH, AFARD and us too long and prosperous life, amen.



.....
Rt. Rev. Dr. Ocan Sabino Odoki
Chair, Board of Directors



.....
Dr. Alfred Lakwo
Executive Director

A Snapshot of 2016


The year 2016 was our second year of implementation of the 5-year Strategic Plan (2015-19). Overall, AFARD spent UGX 3.6 billion with highly impressive growth in outreach, impact and financial benefits. A firm foundation for sustainability was also set as can be seen below.

01

Outreach



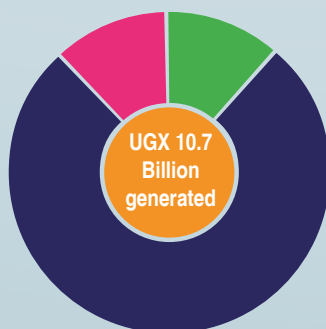
- **6** West Nile Districts: Nebbi, Zombo, Arua, Maracha, Yumbe, and Moyo.
- **40** Lower local governments: **4** Urban authorities (Nebbi, Pakwach, Yumbe, and Moyo) and 36 Sub counties.
- **747** Self Help Groups [**197** Youth only; 136 Women only; and 414 mixed membership groups].
- **35,121** Directly targeted households.
- **212,061** Household population



**Total Budget
3.6 Bil**

A total revenue and wages amounting to

UGX 10,704,617,497 was generated by the agribusinesses and microenterprises that we supported as below.



Revenue from agribusinesses UGX

1,564,400,025

Revenue from Microenterprises UGX

7,557,671,920

Wages paid to employees UGX

1,582,545,552

02

Financial Benefits

Shs

Shs

Shs

04

Sustainability



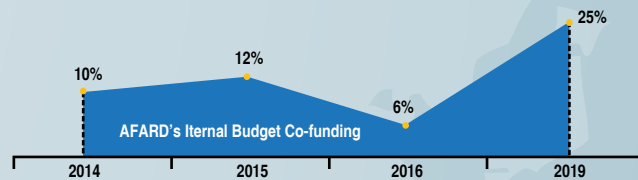
Enduring impact is at the core of AFARD's work given its value for money; enablement to expand into other vulnerable areas; and its demonstration of people's empowerment. In 2016, we demonstrate this capacity through the locally secured financing system worth UGX

708,457,571 as below:

SHG savings = **UGX 460,310,900**

LG funds secured = **UGX 25,000,000**

AFARD local financing = **UGX 223,146,671**



get UGX
lion

03

Impacts



- **83%** of targeted households ate three-decent meals daily (and **91%** vitamin A rich foods);
- **11%** of targeted households moved above the **\$1.90** international poverty line;
- **28,314** youth joined formal/self employments;
- **5** community groups accessed local governments project funds;
- Each Self Help Groups saved an average of **UGX 2.1** million; and
- AFARD locally financed **6%** of its annual budget.

AFARD is committed towards the achievement of **GOALS: 1, 2, 3, 4, 5, 6, 8, and 17.**



INTRODUCTION

The Agency for Accelerated Regional Development (AFARD) is a local non-governmental and non-denominational organization. Its vision is, “A Prosperous, Healthy, and Informed People of West Nile region, Uganda.” AFARD’s 5-year Strategic Plan (2015-19) aims to, “contribute to the socio-economic transformation of 150,000 vulnerable and marginalized people [children, youth, women and the elderly] for inclusive and resilient livelihoods.” It is envisaged that the 6-core strategic areas will serve the targeted people, namely:

- **Pillar 1:** Climate-smart and nutrition-sensitive agriculture for food and nutrition security;
- **Pillar 2:** Economic empowerment and asset building to secure exit from extreme poverty;
- **Pillar 3:** Human capital building for enhanced labour employment and productivity;
- **Pillar 4:** Community-led advocacy for responsive and accountable local governance;
- **Pillar 5:** Community group strengthening to improve organizational management; and
- **Pillar 6:** Organizational growth and sustainability to strengthen AFARD’s operational and financial capacity to co-fund its annual budget and build a reserve fund.

The implementation of the annual plan and budget 2016 was therefore aligned to this strategic plan. While in 2015, AFARD reached out to 382 Self Help Groups (SHGs) with 24,155 households and 180,226 people in 5 districts, in 2016, outreach increased to 747 SHGs with 35,121 households and 212,061 people. Thus, an additional 365 SHGs with 10,966 households and 31,835 people were included in our new development projects. AFARD’s area of operation also widened to include Maracha district. Table 1 below shows AFARD’s specific projects that were implemented in 2016.

Table 1: Programme Outreach

Project	Funder	Duration	Number of Self Help Groups	Target population	Indirect population
Community Economic Empowerment Project (CEEP)	Self Help Africa (SHA)	2014-16	28	1,047	6,282
Youth Employability through Skills Development (YES) Project	EU through SNV	2015-17	78	3,000	9,000
Safe Sanitation and Hygiene for All (SSH4A)	UKAID through SNV	2015-17	0	11,334	79,339
Erussi-Ndhew Community Development Project	Kindernothilfe	2015-18	136	5,900	41,300
U-Growth (DAR3)	Danida	2015-18	390	11,040	66,240
MANZO Youth Empowerment Project (MAYEP)	EU through Self Help Africa (SHA)	2016-19	50	1,500	6,000
Youth Economic Empowerment Project (YEPP)	EU	2016-19	65	1,300	3,900
TOTAL			747	35,121	212,061

Below we present the achievements with case studies under the six core pillars of the Strategic Plan 2015-19. This is followed by a brief highlight of all the projects that were implemented in 2016.

Our Children, Our Future: Fighting Child Poverty

According to the Situation Analysis of Child Poverty and Deprivation in Uganda 2014 report, children worry of how: Lack of education erodes their futures; Poor health destroys family livelihoods; Hunger can be devastating; and Experience of violence evaporates hope. In the Ugandan context, extreme child poverty is when a child is deprived of any two or more dimensions of (i) Nutrition; (ii) Water; (iii) Sanitation; (iv) Health; (v) Shelter; (vi) Education; and (vii) Information.

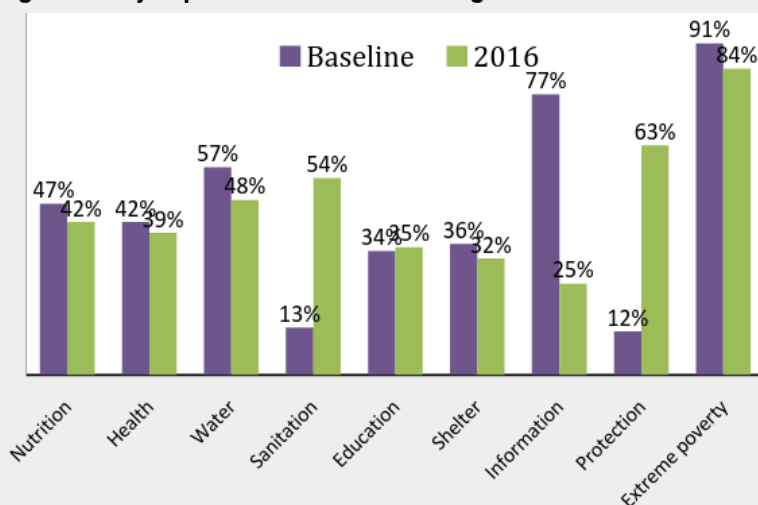
In 2016, 1,023 children were specifically targeted with child development support activities.

- 6 Child Facilitators and Cluster Level Association Subcommittee members were trained to use the new Children Group modules.
- 1,552 local leaders and community members were made aware of Children's rights and its implications for child poverty.

- 410 children (193 girls) and their parents were provided education Counseling and guidance on the importance and challenges of education.
- 853 children, women and men participated on the Day of African Child organized under the theme, "A Crisis Free Uganda Begins With You".
- 500 children attended the annual Children Christmas Party celebration that was marked with Music, Dance and Drama and counseling on life during school holidays.

As a result, many communities now want children's groups. Children are supporting their parents with age-sensitive activities and claiming their rights. Figure 2 below also shows that child poverty reduced by 7 percentage points.

Figure 1: Key deprivations of children's rights



Children's Groups Promoting Future Planning Among Children

Abinindo Ungo pi Can is one of the 53 Children groups under Erussi-Ndhew CDP. Formed in 2013 the group has 15 members (6 boys and 9 girls). With a number of skills training the group members initiated nursery beds for seedlings of coffee, jackfruit, and eucalyptus. They also once sold coffee seedlings worth UGX 80,000 (≈21) and used the money to buy a goat for multiplication and on-distribution to group members.

Talked to by the Project staff, the children asked their parents for pieces of land and each every member planted eucalyptus and coffee. It is estimated that after three years (2018) these children will start harvesting and selling their coffee in order to support their parents with buying their scholastic needs. The groups members

in their annual meeting had this to say, "With this project we can see a bright future for every group member. We are desirous to invest more for our future well being."



Case Study 1:

Children Groups Defends Children's Rights

By Mary Ahero Atare, Project Officer – Child Sponsorship

Ms. Afoyorwoth Lillian (not real name) is a 16-year-old girl from Messi Central village, Adolo Parish in Ndhew sub-county. She joined Primary Seven class in 2015 and planned to become a teacher after her secondary education. However, her hope nearly vanished in March 2015 when after a football match between her village and a neighboring village. She narrated in near tears that,

As a football lover, I went to cheer up our village football team. However, after the match, I met my boyfriend who convinced me and I spent the night at his place. However, when I went back home the next day, my mother beat me up and sent me to go back where I had spent the night. I apologized in vain. My mother never gave me a listening ear. Without any choice I went back to my boyfriend's place and told him what had happened. He accepted me to stay with him. But life was not easy because we depended for everything on my mother-in-law.

Two months later, my parents came to my parents' in-law demanding for dowry. They negotiated on how much to pay and also fixed a date for the social event. It was my follow who is a member of a Children group we saved me from the final marriage deal and forever a housewife status.

It turned out that Lillian's sister who is in a children's group informed their Child Facilitator about the sad event and abuse of Lillian's rights. This information attracted the attention of the Project Officer and Chairperson of the Village Local Council. The Local Council 1 Chairperson then went to Lillian's parents and talked to them about the wrong decision that they took, the disadvantages of child marriage and the consequences they risk to face. It was through this intervention that in November 2015 Lillian's parents picked and took her back home.

In 2016, Lillian's mother took her back to school. She also gave her school requirements and positive encouragements to keep in school. Lillian joyfully stated that, "I am determined to study hard and achieve my dream of becoming a teacher that was rekindled by a member of a children group. Now, the sky is my limit."



Lillian is back to school after her children group fought for her rights.

Climate-smart and Nutrition-sensitive Agriculture

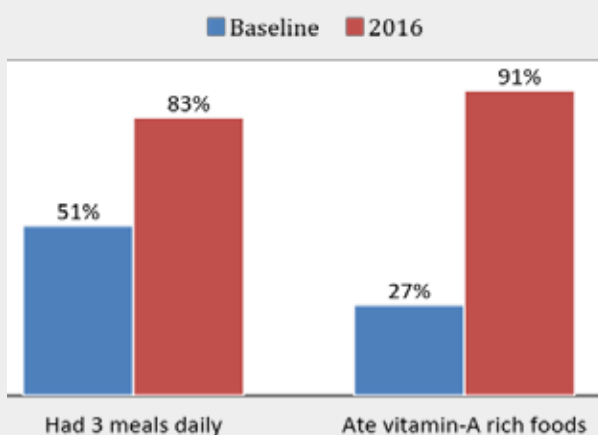
In West Nile region, two in every ten households eat one meal a day. About 50% eat two meals daily of non-nutritious foods. Gender inequality in food consumption is also widespread. Yet inadequate food is known to exact devastating effects on individuals and societies. A 2012 study on the effects of hunger in Uganda revealed that 15% of all child mortality is associated with under nutrition, 7% of all repetitions in school are linked to stunted children, who on average have 1.2 years less of education.

In 2016, 1,732 households with about 12,500 people were specifically targeted with food security education and support.

- 1,732 households were provided with the disease-resistant NASE 14 cassava variety for on-multiplication and on-distribution.

- 1,380 households were provided with the high yielding and nutritious NABE 16 bean seeds for multiplication and on-distribution.
- 1,380 households were trained on safe nutrition with emphasis on the benefits of balance diet and especially kitchen gardening of local vegetables.
- Trainings in good agronomic practices were conducted in 80 groups for both cassava and beans production and post harvest management
- Awareness with emphasis on sustaining food stock given the bad weather changes was provided to all group members where we work.

Figure 3: Selected food security status



Vegetable gardening improves Vitamin A rich intake

Ms. Serena Oyungi is a 53-year old widow who takes care of five children. In September 2016, she attended a safe nutrition training in her Can Keronga SHG and immediately adopted it. Asked why she rushed to adopt the training she pointed out that, “before I got the training, I didn’t like cooking and eating green vegetables in my home. However, the training helped me to know that our bodies need vitamins for it to be healthy and fight germs. That is why I adopted the training sooner than many people expected.” She further emphasized that; “I have now made it a point to cook green vegetables as a side dish for my family in every meal.” However, to be able to have a constant supply of green vegetable and to reduce cost on food, she has small plots on her garden and also uses the sunken basket (kitchen garden) method to grow the vegetables. Apart from supplying her family food needs, Ms. Serena

also sells part of her green vegetables for small but regular incomes as she joked, “I was very ignorant of the income opportunity for making quick income from green vegetables that one can start harvesting in less than one month.”



Empowerment and Asset Building

The 2015 Uganda Statistical Abstract indicates that the monthly consumption expenditure in northern Uganda where West Nile region is located is a dismal UGX 155,700 (\$45) or \$0.3 per person per day. Few homes have productive assets with which to buffer livelihood shocks.

In the year, 418 smallholder farmer groups with 12,087 households and 72,508 people took to farming as a business. Agribusiness development was therefore our key intervention so as to increase household income and productive asset accumulation.

- 418 smallholder farmer groups were supported to select their priority agro-enterprises (mainly rice, simsim, beans, cassava, Irish potato and developed production and marketing plans.
- 372 demonstration and seed multiplication plots of 1-acre each were set up and good agronomic practices training and mentorship visits were conducted thereon.

- 30 CBTs were trained in animal traction and supported 30 farmers groups to pilot animal traction technology.
- Trained were 1,310 Business and Management and or Marketing
- Committee members. These were supported with market
- surveys, market information and BO-to-business linkages to promote collective marketing.
- In addition, the VSLA methodology was introduced in 218 smallholder farmer groups.

As a result, smallholder households generated total net revenue of UGX 1.6 billion (per capita of UGX 621,242). The SHGs also saved in their VSLAs a total of UGX 460 million (Average of UGX 2.1 million per group).

Figure 3: The 2016 Agro- enterprises

Total = 687 SHGs with 17,231 members

Beans No. of Groups = 255 No. of members = 5,956 Acres planted = 1,977 Sales volume = 145,031 Kgs	Cassava No. of Groups = 87 No. of members = 1,373 Acres planted = 460 Sales volume = 53,000 Bags	Rice No. of Groups = 19 No. of members = 488 Acres planted = 286 Sales volume = 43,397 Kgs
Onions No. of Groups = 79 No. of members = 2,409 Acres planted = 656 Sales volume = 298,910 Bags	Tomato No. of Groups = 11 No. of members = 334 Acres planted = 151 Sales volume = 9,352 Boxes	Cabbages No. of Groups = 8 No. of members = 250 Acres planted = 95 Sales volume = 1,991 Bulbs
Simsim No. of Groups = 223 No. of members = 6,258 Acres planted = 4,370 Sales volume = 275,322 Kgs	Irish potato No. of Groups = 4 No. of members = 133 Acres planted = 93 Sales volume = 150,000 Kgs	Local chickens No. of Groups = 1 No. of members = 30 Sales volume = 469 birds

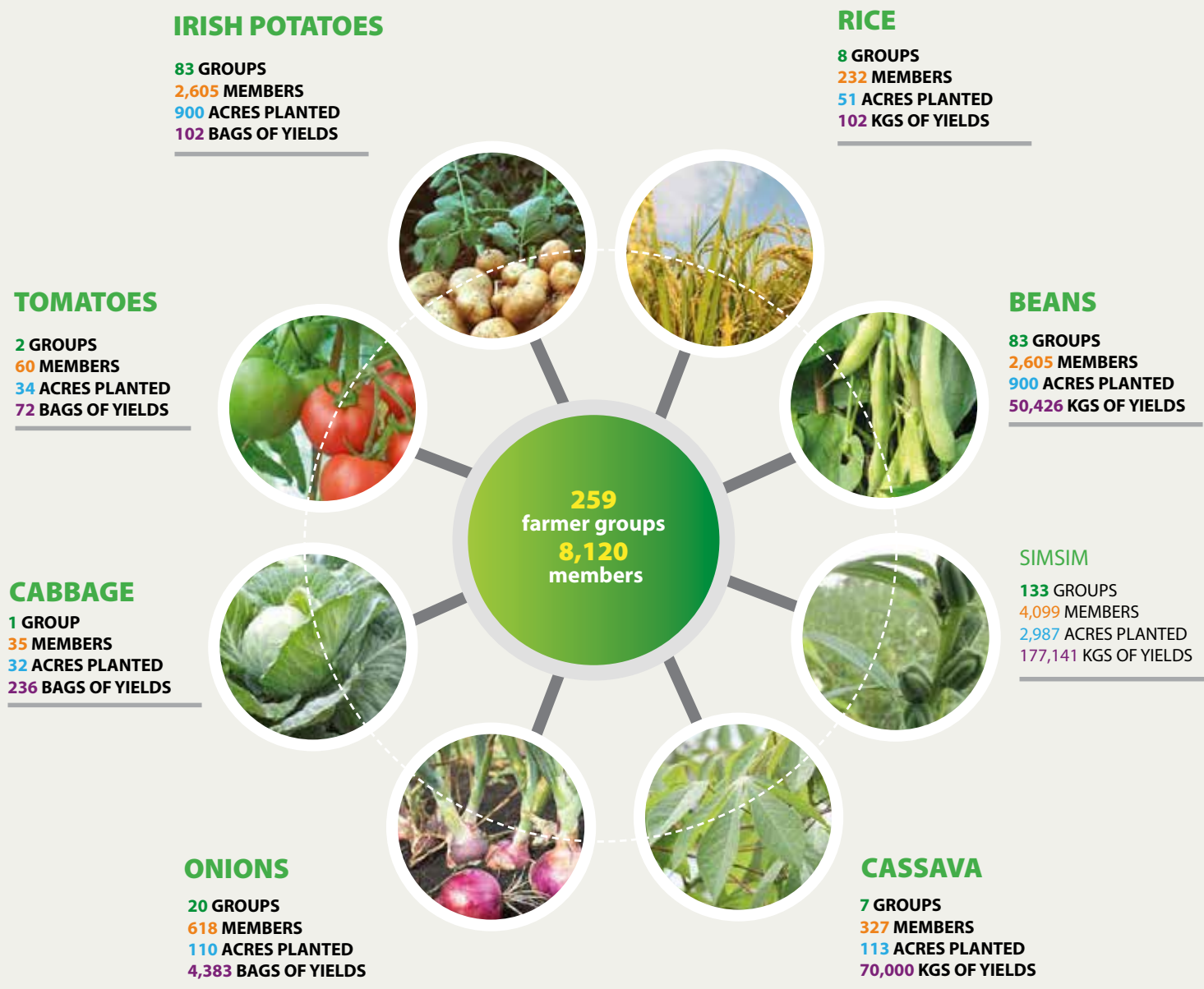
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meal.” However, to be able to have a constant supply of green vegetable and to reduce cost on food, she has small plots on her garden and also uses the sunken basket (kitchen garden) method to grow the vegetables. Apart from supplying her family food needs, Ms. Serena also sells part of her green vegetables for small but regular incomes as she joked, “I was very ignorant of the income opportunity for making quick income from green vegetables that one can start harvesting in less than one month.”

Ms. Serena in her kitchen garden of local vegetables

KEY FARMING AS A BUSINESS ENTERPRISE



NOTE: On average, each farmer used 0.5 acres of land (highest 0.9 acres for cabbage & lowest 0.2 acres for rice and onions). With the new yield, UGX 1.2 billion was earned (averaging UGX 152,000 per farmer, the highest from onions at UGX 750,000)

Case Study 2:

Small holder farmers can Farm their ways out of poverty

A Case of Mr Kumakech Kennedy

By Ongiertho Alfred (Field Officer, AFARD)



Mr. Kumakech Kennedy is a 41-year old married man with a family of 8 members. He lives in Kubbi village, Erussi Sub County, Nebbi district. His story of change shows how with Irish potato farming he has gradually moved towards achieving his life goals as opposed to many people who think farming is for poor people.

Before the intervention of Community Economic Empowerment Project (CEEP), Kennedy noted that, “as a farmer, I used to grow crops like maize, groundnut, beans, and cassava with most of the products used for home consumption. I would have very small quantities left for sale and in this situation my family hardly saw good money”. This changed when our group – Kubbi Community Development Project prioritized Irish potato for its CEEP support. Although at the start some of us doubted this decision, the follow-up training in farming as a business and enterprise costing gave us some hope. “In the training, I realized that Irish potato can raise a lot of money for me compared to my old crops. I therefore decided to mobilize my 30% co-funding and was among the first group of people to complete their payment,” he said. “After the training,” he continued, “I started to imagine how my family life can improve.” “And when the training in family wealth creation was conducted we together with my wife resolved that from this Irish potato farming we must build a permanent house and buy at least 13 goats that we can change for cows and use others to help us when problems come after the project has ended. Our life goal was then very clear he smiled.

In September 2014, Mr. Kennedy planted $\frac{1}{2}$ acre of land of Irish potato. However, because of bad weather he only harvested 17 bags. From this yield, in January 2015 he sold 13 bags at a price of UGX 100,000 each and earned UGX 1,300,000. “I did not sleep that night after I earned a million shillings for the first time in my life. I told my wife that if other people don’t see the hidden treasure in this crop, we have found ours,” he narrated. With this money, Mr. Kennedy decided to spend UGX 210,000 to buy 3 goats. He used part of the remaining UGX 1,090,000 to pay for brick laying and burning it as well as buying other building materials – poles and timbers.” He also used part of the money to pay school fees, medical bills and buy clothes.

In 2015/2016 cropping season Mr. Kennedy continued with his “treasure crop” and increased his acreage. To date, he has 9 goats and permanent house at ring bean level. He is sure that by 2017 he will have both life goals achieved. Through Irish potato farming he is also able to eat three diversified meals, pay for his children’s education, afford medical bills in private medical facilities, and dress his family decently. He is proud that through CEEP he has left the lower rug of poverty and is somebody with dignity.

Unlocking Youth Unemployment Trap

Youth (15-30 years) constitute about half the population in West Nile region. However, only one in ten youth is trained in vocational, entrepreneurship, or life skills. As a result, majority of youth are under-employed in subsistence farming (87%) and petty trade (9%) with a dismal average monthly incomes (UGX 25,500). Without decent jobs, youth are trapped in extreme poverty and a long wait period to transition into adulthood.

In the year, 5,908 youth were provided foundation and employability skills and business start-up support as a result of the following:

- Studies in private sector scoping and value chain analysis were conducted on onions, cabbage, tomatoes, passion fruit, Irish potato, piggyery, and local poultry.
- 198 youth groups were formed with 5,908 members (57% females) and 116 Youth Groups were registered with local governments.

- All members of the youth groups were trained in entrepreneurship, life skills, agribusiness, and in selected vocational skills (carpentry, tailoring, catering, hairdressing, carpentry and joinery, masonry, welding, motor mechanics, and electrical installations).
- Business start-up kits and business-to-business linkages with financial institutions, produce buyers, input suppliers, and insurance companies were provided.
- 82 Community Based Facilitators/Trainers (CBF/Ts) were recruited in VSLA methodology. In turn they trained 198 youth groups that were equipped with start-up kits.

As a result, 4,865 youth set up own-account enterprises that employed 6,104 other youths and generated total net revenue of UGX 876 million. In addition, the 198 youth VSLA also saved a total of UGX 59.9 million (average of UGX 302,281 per group). Of this, UGX 4.6 million was agro-input fund meant to guarantee access to improved agro-inputs in the next season.

Entrepreneurship Training Improves Wealth Creation Opportunities

Ms. Gift Winnie, a 29-year-old resident of Wolonga village in Yumbe Town Council is a single mother of two children who fends for her family single handedly. Before YES project, she worked as a counselor in Yumbe hospital for a dismal monthly salary for food and school fees for her children.

In 2013, she opted out of the formal employment after learning crafts making. With a start-up capital of UGX 50,000, she started her own craft business. Because she could not afford renting a stall in town, Ms. Winnie made and sold her crafts from home. After a few months, this business grew to about UGX. 1,500,000. Yet, with competing family and business needs, Ms. Winnie hardly saved any income.

This was when the YES project intervention came into Yumbe Town Council. She noted, "When the entrepreneurship training was organized in 2014, for the first time, I realized that as a business person, I was taking many issues for granted. From the training, I learnt how to market my products, how to save money, and how I could find alternative sources of business financing." In deed, shortly after the training Ms. Winnie joined a village savings and loan association (VSLA) that was in her village and accessed a loan for renting a crafts display stall in Yumbe Town Council as well as for buying more materials for making crafts.

With a prime business location in town, marketing skills, and adequate stock, her sales volume increased. Now she employs two more youths, conducts mobile sales to South Sudan and the districts of Arua, Koboko, Moyo, and Gulu besides supplying to orders for weddings and

other functions. She has also acquired a plot of land in Yumbe Town Council. Her annual sales income amounts to UGX. 6 million. She has plans of building a permanent house and saving money for her children's secondary education.



Ms. Winnie's young brother helping her to sell in the shop

Case Study 3:

Strategic Agribusinesses; Changing Lives of Youths



Mr. Amanzuru Martime is a 28-year old, married, and father of two children who lives in Gbalala Central village, Laropi Sub County, Moyo district. Trained and equipped as a Young Model Farmer (YMF) by YES project he focuses on profit maximization in tomato agribusiness. He started by growing at least ¼ acre of tomato and investing (UGX 180,000) on additional inputs and hired labour. Although there was very bad weather, he earned a net income of UGX 1,500,000. With this money, he was able to pay school fees for his children (UGX 100,000), buy 2 bullocks for ox-traction (UGX 1,000,000), and reinvested (UGX 350,000) in one acre of tomato. This economic empowerment made Mr. Martime to say, “I have stopped wasting my time with fishing...My plan is to expand my land size using animal traction and to use all recommended good practices in my garden. With tomato farming, I have realized that nothing will stop me from educating my children in good schools, adding more ox-traction for hire services, building a permanent house, and starting a non-farm business. The future of living a better life is clear to me.”

Like Mr. Martime, Mr. Matata Jamal, aged 22, dropped out of school in 2011 because his parents could not afford school fees. To earn a living, he ventured into tomato growing on a small-scale farm without any success. However, as a result of YES project, he shifted to onion production. With good agronomic practices, adherence to the agri-business trainings that emphasized farming as business, and routine guidance from the group’s Young Module Farmers, peers group

members, and the Project Officer, he was able to harvest 12 basins of onion from less than ¼ of an acre. His net revenue of UGX 480,000 was spent on buying a cow and a goat at UGX 320,000 and UGX 60,000 respectively. “These in my lifetime were my greatest achievements” he narrated because “I had never dreamt that any day of my life I will own even a hen.” His cow now has a calf and the goat has kidded. Matata’s view on farming is that, “for me to quit onion growing, you need to kill me first.”

Finally, Ms. Ayiorwoth Consulate is a 15-year old school dropout from Madi upper village, Erussi Sub county, Nebbi district. Without anything to do, Ms. Consulate noted that she was only waiting for marriage. This expectation changed when she was selected by her community to participate in the youth poultry agribusiness activity under Erussi Ndhew Community Development Project. After a 5-day training in programmed hatching, she received 4 local hens and 1 cockerel as start-up kit. Now she has 50 birds that she plans to start selling in 2-weeks time. She expects not less than UGX 1 million in four months. Her hopes and aspirations have improved. She plans to expand her business to 200 birds in 2017 so that by the end of the year she is able to start building a permanent house for her poor single mother. Asked about her initial marriage plan, she jokingly said, “Marriage can wait. I still need to make money and achieve my dreams first.”



Consulate with some of her chicken

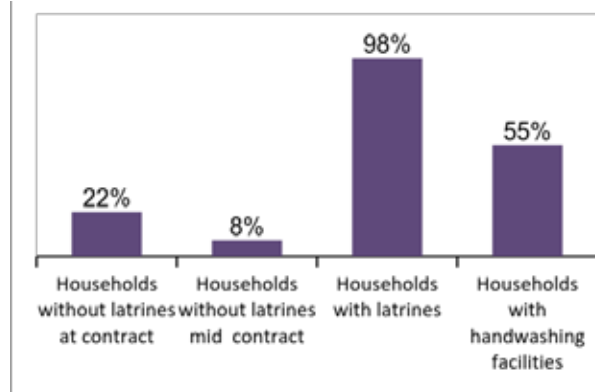
Human Capital Development

Health is wealth is a common adage. Good health permits people to live long and productive lives. Yet unsafe water and sanitation accounts for 10% of the total disease burden. This is why AFARD's Strategic Plan (2015-19) give priority to preventive community health.

In 2016, a total of 11,414 households with 80,725 people participated in our health and education programmes.

- 328 Village Sanitation Committees and 60 MANDONA champions (with 1,300 members) were formed.
- 5 Young Sanitation Entrepreneurs (YSEs) were supported with business in safe sanitation and hygiene promotion, namely: Product branding, pricing, marketing, and resource mobilization.
- Hand washing with soap strategies was rolled out in 248 communities, 20 primary schools and 25 public gatherings including burial places.
- 843 people (605 female) including youth leaders, CLAs members and CFs were trained on HIV/AIDS.

Figure 4: Household with Sanitation and Hygiene Facilities



Sanitation Entrepreneurship Boasts VSLA Methodology

Identifying a viable non-farm income generating activity is no easy task for many poor marginalized communities. This is what the Sustainable Sanitation and Hygiene for All (SSH4A) project that aims to eliminate open defecation also strives to achieve through its social marketing strategy. Before this project, Mr. Stephen Adegitho of Nyamucar Ayilla parish, Alwi sub-county, Nebbi district had neither a latrine of his own nor the knowledge about the importance of a latrine on his health and wealth. However, through behavior change communication, he was elected to join the Village Sanitation Committee (VSC). Through the capacity building of VSC members, he noted, "This training triggered me to construct my own latrine of acceptable standards i.e., with a drop-hole cover, hand-washing facility (tippy tap), a soap hanger, and doors for privacy."

The high demand for these facilities in communities that were dominated by open defecation compelled the VSC members of Ayilla, Pangiet and Abok parishes, Alwi sub-county, Nebbi district to form a Young Sanitation Entrepreneurs' Association. This group is composed of carpenters, masons, and businessmen and women. With various capacity building trainings, to date, the association makes and sells sanitation products. They also construct

latrines cheaply for the local community of Alwi. In December 2016 alone, they made products worth UGX 531,000 and earned a net revenue of UGX 173,000 (see the table below). Using this income the association has been able to start a VSLA scheme (now worth UGX 500,000) to provide savings and credit opportunities for its members. A member noted, "through our VSLA I was able to borrow money and pay for medical bill for my child who suffered severe malaria at the time I had no cash savings in my house."

Items	Type	Quantity produced	No. Sold	Initial price (UGX)	Total earned (UGX)
Tippy taps	3 Ltr Jerrican	270	66	2,000	132,000
	1.5 Ltr Bottle	200	180	1,500	270,000
Drop hole cover		196	99	2,000	198,000
Soap holder		215	160	500	80,000
Ash scooper		100	80	300	24,000
Total sales					704,000
Total cost					531,000
Net profit					173,000

Community-led Advocacy

Uganda has adopted decentralized governance in order to increase citizens' access to quality public services. Yet the realization of such services requires effective participation by grassroots communities in local government planning, budgeting, and monitoring processes. This citizen-leader connects requires adequate political capabilities among members of community groups.

In the year, 85 community groups in which we work played a critical role in advocating for community needs in decentralized development. The following were therefore achieved:

- 474 community leaders (361 females) were trained in human and women rights and gender based violence.
- 42 training sessions (for 1,350 youth) were conducted on social inclusion together with Community Development Offices of the district local governments of Nebbi, Maracha, and Zombo.
- 5 advocacy platforms were held on sanitation and hygiene with local governments to support vulnerable community members with construction of pit latrines.
- The Women's SHG Day was conducted under the theme "Women Economic Empowerment for household sustainability; a Lioness also Hunts."

As a result, 6 Self Help Groups accessed project support from their local governments especially under Youth Livelihoods Programme. In addition, there is increasing evidence of women empowerment. Table 2 below shows a highlight of the gains made in MAYEP.

Table 2: Women participation in decision making and ownership rights

Women's participation in decision making			Women's ownership rights		
Decision	2015	2016	Right	2015	2016
Enterprise choice	30.9%	34.6%	Production input	47.8%	77.6%
Land use and size	12.5%	72.4%	Sales income	57.5%	80.1%
Input procurement	28.8%	71.8%	Land from crop sale	59.1%	80.1%
Use of good agronomic practices	30.4%	72.4%	House from crop sale	62.0%	80.1%
Where to do agricultural sale	40.9%	76.9%	Cows from agric income	58.3%	80.8%
Sale price	49.1%	79.5%	Poultry from agric sale	59.8%	81.4%
Attending Training	15.8%	73.1%	Bicycle from agric sale	59.9%	77.6%

MAYEP Annual assessment 2016

Strengthening Community Organizations

AFARD primarily outreach is through community-based organizations (CBOs). However, many of CBOs lack the requisite organizational and institutional capacity to effectively manage their affairs and grow into viable drivers of local development agencies. To ensure sustainability AFARD specifically invests in building CBOs into effective vehicles around which grassroots development spans.

In 2016, the following were accomplished:

- 120 youth groups and 460 farmer groups were trained in governance, group dynamics and conflict resolution.
- Participatory grading and financial auditing was conducted in 114 community groups wherefrom customized issues-based capacity building action plan was developed and implemented.

- 416 community groups were engaged in Village savings and loan schemes in order to build their financial sustainability.
- AFARD joined and maintained effective participation in the West Nile Non State Actors Platform for NGOs engaged in youth activities (together with Techno serve, ZOA, ACAV, West Nile youth network, CEFORD, CEGED and Self Help Africa).

As a result, participatory leadership is emerging in the CBOs. The loan scheme has continued to provide effective glue for member cohesion. It has also supported community driven investment. The case study shows that with funds CBOs can develop their communities.

Community Groups Supports Needy Children with Education

Mr. Kumakech Felix is a 17-year old boy who lives in Jupugeta Upper village, Nebbi district. "Due to very hard life," Felix noted, "I always dreamt of becoming a teacher so that I can have regular income to support myself and my mother." However, the road to this dream has never been smooth as he emphasized, "I have been struggling with lack of school uniforms, scholastic materials and other school funds like development fund. Often this has led me to have irregular attendance at school. Equally, it has contributed to my uncalled for repetition of primary seven class." To address this need, Felix always sold his labour as he pointed out that, "Many times I sell my labour for casual work. The money I get paid is what I use for meeting the school demands."

Luckily for Felix, Kulu Pong Kujange C.L.A was lacking a book writer. Given his humble background, the CLA members identified and briefed him on his roles and responsibilities. His work diligence overtime earned him empathy and support from the CLA. Relieved of worries, Felix said, "I am now happy. I finally sat for my PLE this year after 3 years of missing exams. I would like to thank Kulu pong kujange CLA for supporting me both financially and psychologically. May God reward them abundantly," concludes Felix.

Kumakech Felix at ENCDP office





Erussi –Ndhew Community Development Project

The Erussi –Ndhew Community Development Project is a 5-year project (January 2015- December 2019) that directly targets: 6,000 poor people, 1,200 Children, 3,200 Women, 1,600 Youths and indirectly 20,000 people. The project's goal is, therefore, "to contribute to the reduction of child poverty in Erussi/Ndhew Sub-Counties, Nebbi district, Uganda."

In the reporting period the project worked with 53 Children's Groups (with XX children), 5 Youth groups with 112 members), 136 Self Help Groups (with 1,975 members) and 12 Cluster Level Associations. Through the 370 children in the sponsorship programme funds were mobilized and the following were achieved:

- The CLAs, Community/Child Facilitators (CFs) and project staff formed 30 SHGs (with 386 women), 3 CLAs (with 60 members) and 9 new Children Groups (with 105 girls and 101 boys) and trained them in goal and vision setting, governance, savings and credit management, sub committee roles and responsibilities, and book writing
- 80 SHGs (with 1,380 members) were selected and provided with cassava cutting and beans seeds (NABE 16) for seed multiplication and on-distribution to members. In addition, 80 SHGs (with 1,380 members) were trained on safe nutrition, kitchen gardening and energy saving stoves and 30 youth were trained on poultry (programmed hatching) management. Each youth received 5 birds (4 hens and 1 cockerel).
- Community-Led Total Sanitation approach was introduced and Village Sanitation Committees were formed. Under the theme "Hygiene and Sanitation is our collective responsibility" village competitions were held and Can Cidu Landu SHG from Obia Village emerged as the winner.
- 106 old SHGs and 8 old CLAs underwent bi-annual participatory grading and financial auditing.
- Human and women rights and gender based violence trainings were conducted for 213 CLA members and community/child facilitators, 72 (28 females) local leaders and 120 SHG members.
- Children's rights training were conducted for 140 CLA members, 80 SHGs (with 1,380 members) and 32 local leaders (21 female).
- The Women's SHG day was organized under the theme "Women Economic Empowerment for household sustainability; a Lioness also Hunts". The CLAs used the event to fundraise UGX 582,000.
- Education Counseling and guidance day was conducted for 410 children (193 girls) and their parents on the importance and challenges of education.
- Given the introduction of the new Children Group modules, 6 Child Facilitators and CLA Subcommittee for CG were also trained in its use. In addition, 370 letters and 370 Christmas cards were written to the sponsor parents in Germany; Child census and Christmas party were conducted.
- A CBT committee was been formed in Mer-Ber CLA. It in turn formed 5 youth groups with 112 members and contracted their trainers in carpentry, hair salon, and tailoring. The youth by December 31, 2016 had saved UGX 474,000. The youth groups were trained in governance, group dynamics and conflict resolution, Entrepreneurship and business management skills. In addition, the youth leaders together with CLAs members and CFs were trained on HIV/AIDS and they created awareness to 843 people (605 female).

In return, the SHGs have saved UGX 86,694,900. Children and women are empowered to claim their rights. Latrine coverage increased from 89% to 97% and child poverty declined by 6% point from 91% to 85%. Women participation in family decision-making processes has also improved.



Danish Assistance for Refugee Hosting Districts (DAR3):

DAR3 is an agricultural livelihoods improvement program aligned to the government's Peace Recovery and Development Plan for Northern Uganda phase Two (PRDP 2). Its goal is to increase resilience and create equitable participation of Northern Uganda in the economic development of the country. Anchored on three strategic interventions: Agricultural production and marketing (APM), Rural Infrastructure (RI) & District capacity development, AFARD is engaged in the implementation of APM in 13 sub counties in Nebbi district.

The implementation in 2016 was in year 2 of the programme. Overall in the year, the project:

- Recruited additional staff: 01 Agricultural Extension Supervisors, 13 Agricultural Extension Officers, 01 Animal Traction Officer, and 01 Village Savings and Loans Officer. These staffs were inducted and equipped each with a motorcycle, rainproof back bag, training manuals and training kit. The supervisors in addition received laptops and cameras.
- Conducted joint sensitization of the sub county and district stakeholders wherefrom it assessed 765 farmer groups and 195 selected groups (15 per sub-county) thereby reaching out to 390 farmer groups with 13,050 members (61.9% females);
- Supported 390 farmer groups to select their priority agro-enterprises (19 rice, 216 simsim, and 155 beans) and develop production and marketing plans.
- Provides assorted agro-inputs (480 Kgs of NERICA 4 rice seeds, 5,495 Kgs of NABE 4 beans seed and 852 Kgs of Sesame II seeds, 390 liters of pesticide (Rocket), 780 bales of tarpaulins, 195 demo labels, and 635 PICS)
- Set up a 1-acre demonstration and seed multiplication plot and 372 farmer groups planted (although 16 plots failed completely due to bad weather).
- Selected and trained 30 CBTs in animal traction and supported 30 farmers groups with 119 trained oxen, 30 ox-ploughs and 180 ox-handlers to pilot animal traction technology.
- Held 13 open days (one in each of the sub-counties)
- Conducted 390 trainings in good agronomic practices
- Conducted 28 weekly radio talk shows, 10 spot messages, and 10 farmers' voice on Radio Maria
- Trained 18 new AEOs on collective marketing; set up 1,170 marketing committee members (30% women); provided monthly market price information from major markets of Nebbi, Parombo, Pakwach and Panyimur and conducted buyer surveys
- Recruited 10 CBTs and trained 50 groups in VSLA methodology. The groups were also provided VSLA kits.
- Conducted various capacity building trainings for the staff, namely: New AEOs and AES were trained on the preparation of production and marketing plans, Good Agronomic Practices (GAP), Post-harvest handling practices. Old staffs were also provided refresher training. An in-house training on collective marketing, VSLA methodology and documentation skills was also conducted for all project staff.

Project outcomes

The farmers opened 6,105.975 acres of land and 50% adopted good agronomic practices and harvested. In the process they provided seasonal employment to 22,064 people at UGX 66,192,000= as wages. In return, 471,331.15 Kgs of simsim, 98,492 Kgs of rice, and 153,739.5 Kgs of beans were harvested. Bulk marketing was adopted by 14 sesame farmer groups who 10,955 Kgs and earned UGX 24,101,000. The farmer groups saved UGX 46,139,800 in their VSLA scheme.



Youth Employability through Enterprise and Skills Development Project (YES Project)

The YES Project is a 3-year (1st October 2015 to 30th September 2016) project that targets 5,000 (1,500 female) rural and urban, in and out-of-school youth aged 15-30 years. Funded by the EU and implemented in partnership with SNV and the Centre for Governance and Economic Development (CEGED), the overall objective of the project is to reduce poverty among youth through agricultural skilling and enterprise development.

- 3 VTIs were supported to deliver market relevant instruction to their students through training of instructors on entrepreneurship and life skills.
- 2400 rural youth are engaged in agribusinesses of onions, cabbage, tomato and beans. With 78 Young Model Farmers these youths were provided trainings together with mentorship in basic agronomy
- 600 urban youth are engaged in microenterprises. 320 were provided start-up kits. They were trained in record keeping, financial management, customer care and business planning.
- 373 youth were enrolled in BTVET institutions and trained in a number of vocational skills
- Overall, 5 enterprises were established in the year. These ventures employed 3,957 non-targeted youth, paid XXX wages, and earned UGX 180, 051,000 revenues.
- 34 of 78 youth groups formed VSLAs and saved a total of UGX 10,934,000
- Business-to-business linkages continued to evolve with financial institutions, produce buyers, input suppliers, and insurance companies. A youth finance fair was organized to facilitate peer-to-peer learning and act as space for young people to interact with other stakeholders in the agribusiness value chain. Business exhibitions at the events marketed youth and their products and offered advice about running a successful business.
- Three district review meetings were held with the local authorities and this earned opportunity for Youth Livelihoods Programme and Uganda Women Entrepreneurship Fund.
- Held were also 04 management monitoring visits, 04 internal review meetings, and 04 Project Steering Committee meetings.
- AFARD participated in the Non State Actors Platform that was initiated to fostered learning among others like Techno serve, ZOA, ACAV, West Nile youth network, CEFORD, CEGED and Self Help Africa.

In return, 94% of beneficiary youth have own-account enterprises that employed 3,957 of non-targeted youth and paid wages amounting to UGX XXXX. Youth cash savings also increased to an average of UGX 245,121 and financial net worth nearly doubled to UGX 6,353,224 from UGX 3,529,956. Asset poverty declined among the youth from 71% to 56%.

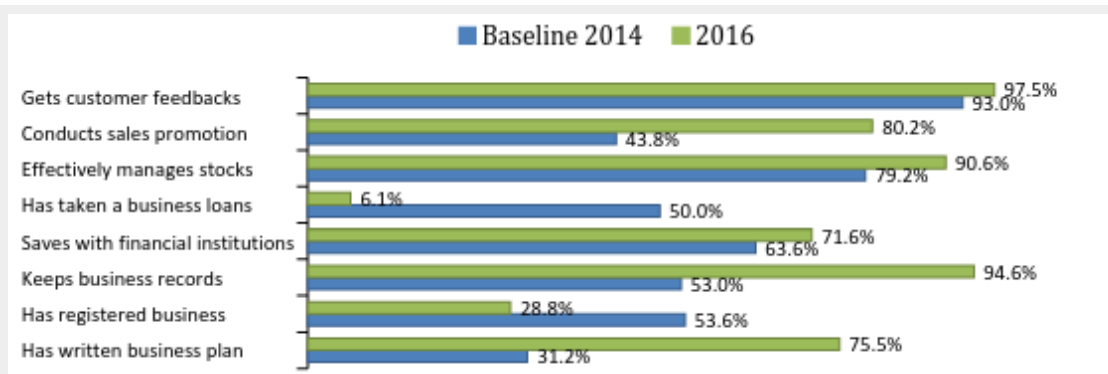


Figure 8 Selected business management practices by the YES Project urban Youth.



Community Economic Empowerment Project (CEEP)

The CEEP was a 2.5-year (July 2014-December 2016) project funded by Gorta-Self Help Africa whose goal was to contribute to reducing hunger and poverty and developing an economically prosperous rural Africa. By using the Community Agro-enterprise Development (or Product Cluster Agribusiness Development) approach as a pathway to building a self-sustaining, economically resilient community, CEEP envisaged to reduce asset poverty by 20%; increase food security status by 6%; and build financially sustainable farmer groups with an average savings of ≥UGX 35 million. The project worked with 28 Beneficiary Organizations (BOs) with a membership of 1,047 households in the districts of Nebbi, Zombo, Arua, Yumbe and Moyo and achieved the below deliverables.

Highlights of Deliverables

- 28 BOs co-funded in cash UGX 97.3 million as 30% project start-up cost for selected agro-commodities (simsim, cassava, beans, Irish potatoes, and onions).
- Trained and mentored 131 Agro-enterprise Community Frontline Extension Agents (CEFA)
- Trained 5 project staffs as coaches and mentors in start and grow your business management skills
- Trained 140 Business and Management Committee members who managed 146 BO-to-business linkages especially with input suppliers and produce buyers
- Conducted 112 business management trainings and 84 business mentoring and coaching visits to BO businesses
- Conducted 292 periodic management supervision visits, 12 Board of Directors and local government monitoring visits, 10 participatory agro-enterprise performance reviews, and 10 district network/platform meetings

Project Outcomes

Using data from beneficiary surveys, BO periodic review meetings, District Network/Platform meetings, and Local government, Board and management monitoring visits, the following outcomes stood out:

- A 18% increase in land size from 1.1 to 1.3 acres per farmer.
- A 50% increase in the number of employees provided jobs. BoMs employed 1,225 non-family members on their farms and UGX 7,962,500 was paid as wages.
- A 108% increase in the use of improved seeds.
- Unstable increase in yields with no change in yield per acre for Irish potato, 21% reduction in the yield of beans and 105% increase for cassava and 261% increase for simsim.
- A 49% increase in income from UGX 420,177 to UGX 636,213. This increased also saw increase in the total sales revenue from UGX 206,695,800 to UGX 267,209,400.
- A 278% increase in average tax income paid to local governments from UGX 3,022,000 to UGX 9,892,400.
- 176 farmers adopted agricultural insurance under the Jubilee Insurance's multi-peril crop insurance scheme. A total of UGX 145,279,000 was paid as claim for crop losses due to adverse weather conditions.
- 95% of the BoM households ate 3 meals daily and 77% ate diversified meals weekly
- 13% of the BoM households slipped back into poverty.
- BOs accumulated a loan portfolio worth UGX 267,354,600 (61% in loans, 16% at the bank, and 23% at hand). The growth in loan fund witnessed 17 BOs with formal bank accounts.



MANZO Youth Empowerment Project (MAYEP)

The MAYEP is a 3-year project (2016-19) funded by the European Union and is implemented in partnership with Self Help Africa. Its goal is, “to contribute to sustainable poverty reduction among the youth in the West Nile Region, Northern Uganda. Its specific objective is to increase access to employment/self-employment opportunities for 3,000 youth (17-27 years) in Maracha, Nebbi, Zombo (MANZO) districts of West Nile.

The project implementation started in February 2016 and the following were achieved:

- 04 project staff were recruited and inducted. They were also equipped by SHA with 03 motorcycles, 03 laptops, 03 digital cameras, and 03 office chairs/ desks. A project office was rented in Maracha.
- An inception meeting was held and a number of tools including VSLA, Life skills, communication strategy, agronomy and the ESAs/YMFs selection manuals/tools were developed to guide the MAYEP implementing team.
- 3 district, 7 Sub County, 15 parish and 50 village sensitization meetings were held about the project and 4,235 people (38% female) attended.
- 50 Youth Agribusiness Groups (YAGs) with 1,496 youth members (50% female) were formed and 44 YAGs registered with local governments.
- A market value chain study was conducted on selected enterprises to inform economic viability.
- YAGs selected their preferred agro-enterprises (25 for onions, 3 for cabbage, 2 for tomatoes and 20 piggery).
- Baseline survey was conducted and it informed the design of the M+E plan.
- An organizational capacity assessment of BTVETs was conducted and 424 youth (160 female) were provided non-formal agricultural training in the selected institutions (Adraa, Koboko VTI, and Nile Farm Institute). This included 100 YMFs (38 female) and 100 ESAs (45 Female). Of this 31 youth attended internship placement with private sector enterprises.
- A total of 26 learning sites were established: 21 for onions, 3 for cabbage, and 2 for tomatoes. Youth in piggery did not receive their agro-inputs.
- 39 YAGs developed business plans.
- A total of 775 tins (250 gm) of onion seeds, 186 sachets (50 gm) of cabbage seeds, 124 sachets (50 gm) of tomato seeds, 542.5 kg Eureka, 465 litres of Dimethrin, 900 watering cans, and 90 spray pumps were procured and distributed as start-up kits.
- The youth also received 210 sessions of agronomic trainings; 450 sessions of VSLA training; 21 sessions of agribusiness management training; and 42 in social inclusion.
- The project was officially launched by the EU Task Manager, Ms. Elizabeth Ongom
- 32 ESAs (12 female) and AFARD's Enterprise Development Manager conducted market survey and 23 potential buyers were identified.
- Joint monitoring was conducted with government and VTI officials and 60 people (11 females) attended.

Project Outcomes

The YAGS saved UGX 35 million in their VSLAs of which UGX 25,306,750 was provided as loans to members and UGX 3,365,500 set as agro-input fund. They opened 141.7 acres of land, adopted some good agronomic practices (e.g., timely planting and correct spacing). Yields increased from 169.8 - 246.6Kgs. The youth harvested and sold 180 tons of onions, 450 basins of tomatoes and 1,765 heads of cabbages amounting to UGX 289,765,000. In addition, they employed 511 youth and paid them UGX 5,110,000 as wages.



Youth Economic Empowerment Project (YEEP)

The YEEP is a 3-year project (2016-19) funded by EU and is being implemented in partnership with the Center for Governance and Economic Development (CEGED) in the districts of Nebbi, Zombo, and Arua. Its goal is, “to contribute to youth inclusive economic growth and poverty reduction in West Nile region of Uganda through sustainable and gainful employment opportunities.” Targeting 2,500 youth, the project seeks to strengthen youth employability skills, support youth entry into the world of work, and trigger youth participation in policy-making processes.

The project commenced on July 12, 2016 and achieved the following:

- Recruited and inducted the Project Manager (1) and 3 Project Officers (POs) and procured 04 laptops, 04 digital cameras, a motor vehicle, 03 motorcycles, 12 bicycles and 04 desks/chairs for use by project staff.
- Conducted a private sector scoping study in Kampala, Lira, Gulu and West Nile region on the priority project agro-enterprises (passion fruits, tomato, onions, and local poultry).
- Conducted stakeholders briefing meetings for 83 district and sub county leaders and 857 (531 females & 326 males) people from the 12 selected project parishes in Wadelai (Ragem Upper and Lower) and Pakwach TC (Amor East and Puvungu East); Zombo district, Aka (Ayaka and Amuda) and Abanga (Asina and Tanga); and Arua district, Omugo (Obi and Anyufira) and Aivu (Erea and Ayuri).
- Recruited 12 Community Based Facilitators (CBFs) as the volunteers who will champion the VSLA-Plus model, trained them in VSLA methodology, and equipped each CBF with a bicycle.
- Produced 145 copies each of Trainers’ guides for VSLA, Entrepreneurship, Life skills, and Farming as a Business.
- Conducted training of trainers for POs and CBFs on VSLA methodology and Entrepreneurship and life skills. The PSC members and project staff were also trained in documentation skills. The CBFs conducted 3 out of 7 training session in entrepreneurship skills.
- Formed and registered 65 youth-led VSLA with 1,300 members (67.8% females).
- Conducted a baseline study and produced 100 copies of the report.
- Selected priority agro-enterprises (21 groups selected onions; 10 tomatoes; and 34 Local Poultry). In addition, 130 YMFs (75 females and 55 males) were selected.
- Project Steering Committee (PSC) held 8 meetings to recruit project staff, develop detailed work plans, formulate ToR for the private sector scoping study and baseline study, develop training manuals, and review progress after 6 months.
- Participated in the West Nile NSA platform meeting where regional actors in youth employment learn and share experienced.
- Had a EU mission visit by the Task Manager, Ms. Elizabeth Ongom who provided insights to the project team on emerging lessons and networks on youth programming.
- Participated in the EU grantee training conducted by EU delegation in Arua for West Nile stakeholders.

Project outcomes

The youth-led VSLAs provided financial inclusion for members who saved UGX 24,538,900 M and loaned out UGX 20,887,600 M for business and consumption loans. Registration with local government enabled 4 groups to submit their application for youth livelihood and women entrepreneur funds has been promised.



Sustainable Sanitation and hygiene for All (SSH4A) Project

AFARD signed a contract with SNV for the implementation of SSH4A in Alwi Sub county (Nebbi district) and Lodonga, Drajini, Apo, and Yumbe Town Council (all in Yumbe district). The goal of the project is, “To improve access to sanitation and promote good hygiene practices to eliminate open defecation”

During the reporting period, the project achieved the following:

- 75 people were engaged in the stakeholder briefing and planning meetings.
- 248 sanitation committees (with 1240 members) were formed and trained to follow up on adoption of the recommended and acceptable hygiene and sanitation practices.
- 5 Young Sanitation Entrepreneurs (YSEs) were identified, trained and provided mentorship and coaching on why improved sanitation and hygiene and the business therein.
- Supported 3 YSEs to: Brand 5 products; Link with 2 sanitation and hygiene products' suppliers; Set prices and market their products; Secure accreditation of 5 YSE products by local authority; and Identify 5 prospective source of funds.
- Identified and coach 60 MANDONA champions to roll out participatory sanitation and hygiene monitoring. They conducted 130 MANDONA follow up to trigger immediate actions.
- Identified 153 vulnerable settlements based on physical poverty indicators and promoted dialogue on their sanitation improvement with 100.
- Rollout hand washing with soap strategies in 248 communities, 20 primary schools and 25 public gatherings including burial places.
- Held 5 advocacy platforms on sanitation and hygiene prioritisation with local governments.

Project Outcomes

As a result of the project, 4,183 new households adopted improved sanitation and hygiene practices. Latrine coverage stood at 8472.5% and 4821.5% of the households had hand-washing facilities. The YSEs innovated a number of low-cost sanitation and hygiene products such as drop-hole cover and hand washing facilities. They also earned income from the “business of sanitation.” Meanwhile, through advocacy stakeholders commitment to and surveillance for Open Defecation Free environment improved.



AFARD's Organisational Growth and Sustainability

AFARD strives for quality service delivery and enduring impacts for the marginalized communities that we serve. This drive requires effective leadership. In 2016, the following were achieved to improve the capacity of the Board of Directors and management staff to steer AFARD in achieving its strategic goals.

- At Board level: Mrs. Silvia Angey Uforyu joined the Board of Directors replacing Mr. Kura Vasco who served as the Vice Chair for two terms. The Board held two Board and three Board Committee meetings to provide effective policy guidance. It also conducted end-of-year on-site project visits in order to engage with AFARD stakeholders and to assess project effectiveness. Finally, AFARD received the **NSSF BEST EMPLOYER OF THE YEAR AWARD** (Arua Region).
- At Management level: The number of staff increased from 65 in 2015 to 82 in 2016 (69 full time and 13 part time). All these staff signed Child Protection and Fraud Policies and all fulltime staff had medical and workman's compensation insurance. In addition, staff had various trainings to improve their delivery capacities in planning, implementation, and reporting, namely: Through weekly meetings, routine coaching, and exchange visits to Masaka and Rakai). Internally, staff were trained in VSLA methodology, Agribusiness, Good Agronomic Practices (GAP), monitoring and documentation skills. The Programmes Manager attended a 3-week training at Wageningen, The Netherlands on producer groups' agribusiness development. The EU provided grantee training on project cycle management and SNV Agriprofocus and Yunus Acceleration Fund conducted coaching in business pitching.
- At Operational level: AFARD conducted: Two baseline surveys to inform youth programming and M+E plan design; 26 management monitoring visits; 08 internal project review meetings; 15 Project Steering Committee meetings for MAYEP, YES and YEPP; and 02 staff appraisals and learning meetings. For quality assurance, 145 copies each of Trainers' guides for VSLA, Entrepreneurship, Life skills, and Farming as a Business were produced. Finally, to aid implementation 02 vehicles and 04 motorcycles, 04 laptops and 12 bicycles were procured.
- At networking level: AFARD retained its learning and advocacy membership in Uganda National NGO Forum and District NGO Forum in Nebbi, Yumbe, and Moyo; PELUM – Uganda Chapter; Uganda National AIDS Service Organizations (UNASO); and Uganda Water and Sanitation NGO Network (UWASNET). AFARD was also elected as the Chair, Moyo District NGO Forum. In addition, AFARD applied for a higher National NGO Quality Assurance Mechanisms (QuAM) certification. Finally, in the year AFARD hosted Ubimo Olarker of Alur Kingdom during his meeting with CSOs in Nebbi and Zombo and the Board of Directors of PELUM Uganda during their annual members engagement visits.
- In the year, AFARD also animated a thanks-giving mass at the Nebbi Cathedral Parish and Yumbe Town Parish.

Financial Stewardship and Accountability

The implementation of AFARD's Strategic Plan the 2015-2019 is estimated to cost about UGX 20 billion. This fund is expected to come from donations/grants (80%), community contributions (10%) and AFARD's social enterprise (10%). Thus, six strategies were developed to pursue enhanced resource mobilization, namely: 1) Developing a social enterprise; 2) Accessing government programmes; 3) Donor diversification; 4) Private sector engagement; 5) Community co-financing; and 6) Building a reserve fund.

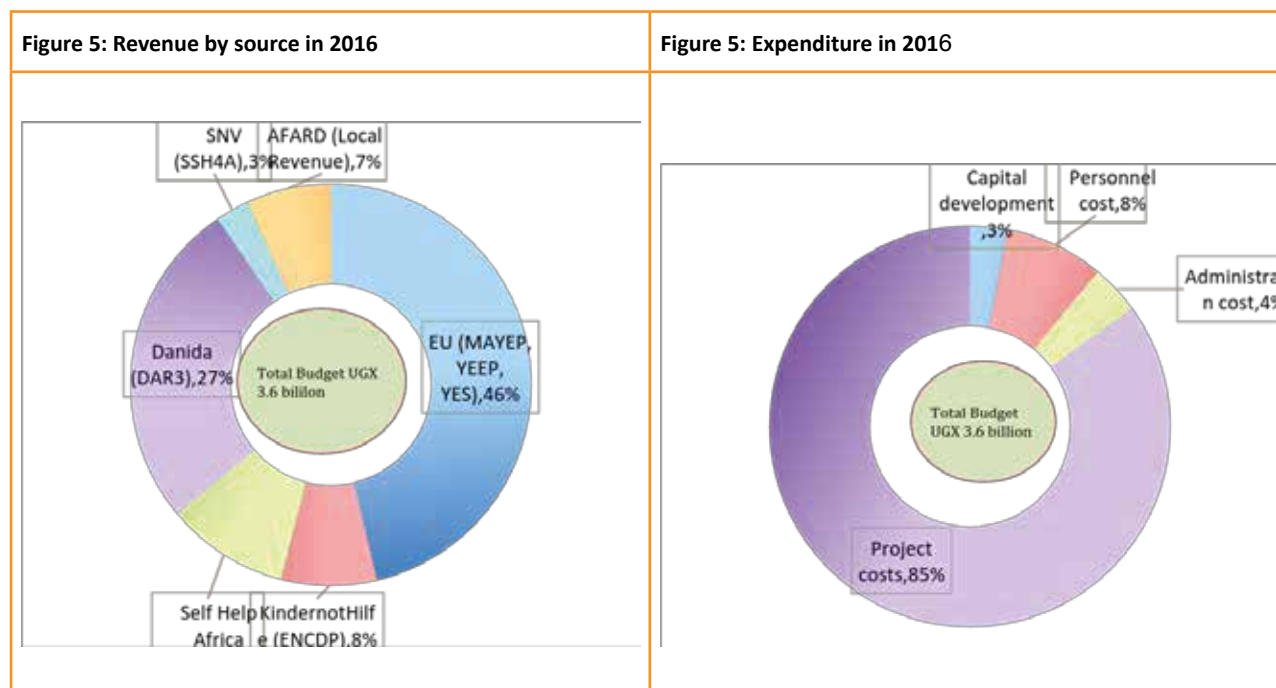
In the year, the following were achieved:

AFARD's total revenue amounted to UGX XXXX. This was XX% of the planned budget.

Of the budget total, 94% was donation/grants and 6% was locally generated revenue.

Overall, XX% was spent largely on XXX (show % by SP pillars).

KPMG, as approved by the Board, audited the Final Accounts 2016.





KPMG
Certified Public Accountants
 3rd Floor, Rwenzori Courts
 Plot 2 & 4A, Nakasero Road
 P O Box 3509
 Kampala, Uganda
 Reg No. AF0026

Telephone +256 414 340315/6
 Fax +256 414 340318
 Email info@kpmg.co.ug
 Website www.kpmg.com/eastafrica

5 REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AFARD

Opinion

We have audited the Fund Accountability Statement of AFARD, which comprises the statement of fund balance as at 31 December 2016, the statement of income and expenditure for the year the ended, and a summary of significant accounting policies as set out on pages 13 to 17.

In our opinion, the Fund Accountability Statement is prepared, in all material respects, in accordance with the accounting policies set out in note 6.2.1.2 of the Fund Accountability Statement.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Fund Accountability Statement* section of our report. We are independent of the organisation in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the Fund Accountability Statement in Uganda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of Accounting and Restriction on Use

We draw attention to note 6.2.1.2 to the Fund Accountability Statement which describes the basis of accounting. The Fund Accountability Statement has been prepared to assist AFARD to comply with the organisation's accounting policies and the grant agreements. As a result, the Fund Accountability Statement may not be suitable for another purpose. Our report is intended solely for AFARD and should not be distributed to or used by parties other than AFARD. Our opinion is not modified in respect to this matter.

Responsibilities of Directors for the Fund Accountability Statement

The directors are responsible for the preparation of the Fund Accountability Statement in accordance with the accounting policies set out in note 6.2.1.2 and for such internal controls as the directors determine is necessary to enable the preparation of Fund Accountability Statement that is free from material misstatement, whether due to fraud or error.

In preparing the Fund Accountability Statement, the directors are responsible for assessing the organisation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organisation's financial reporting process.

Auditors' Responsibilities for the Audit of the Fund Accountability Statement

Our objectives are to obtain reasonable assurance about whether the Fund Accountability Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Fund Accountability Statement.

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As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Fund Accountability Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Fund Accountability Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this independent auditors' report is CPA Benson Ndung'u - P0116.

KPMG
Certified Public Accountants
3rd Floor, Rwenzori Courts
Plot 2 & 4A, Nakasero Road
P.O. Box 3509
Kampala
Uganda

Date: 29 March 2017



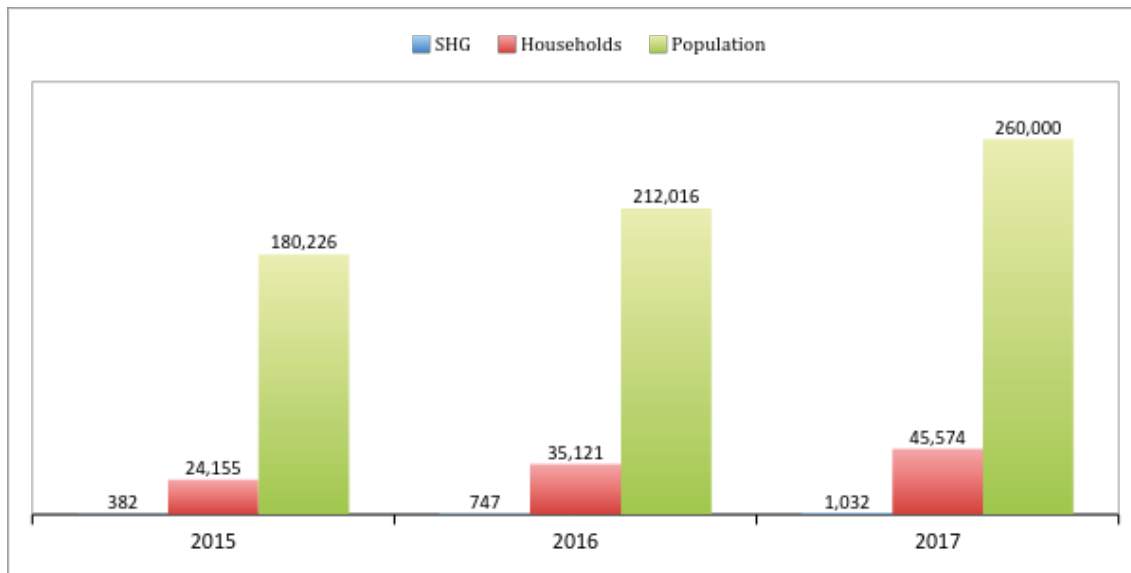
A Look into 2017

The 2017 plan strives to reach out to 260,000 people drawn from 45,574 households and 1,032 SHGs with the following:

- Food and nutrition security
- Economic empowerment
- Youth employment
- Human capital development
- Community-led advocacy
- Community group development
- AFARD's organizational growth and sustainability

The outreach noted above will cost AFARD UGX 4.6 billion. Already 83% (UGX 3.1 billion) of the estimated budget has been secured. Our funding gap remains 17% (UGX 802 million) primarily for personnel cost, (UGX 69,999,076); Office block construction (UGX 150,000,000); Operations/administration (UGX 46,244,598); and direct project contributions (UGX 536,069,156). We are therefore desirous to partner with like-minded organization to pursue these targets.

Figure 7: Trends of Outreach, 2015-17





AGENCY FOR ACCELERATED REGIONAL DEVELOPMENT (AFARD)

Plot 3-5 Butime Rd., Nebbi Town Council
P.O. Box 80, Nebbi
Tel: (+256) 772 437 175/782 400 856
E-mail: afard@afard.net | www.afard.net