



Agribusiness  
Development  
Centre

# ADC IMPACT REPORT 2023.

PROMOTING SELF-SUFFICIENT AGRIBUSINESSES. 25/03/2024



## **About ADC**

The Agribusiness Development Centre (ADC) is a company limited by guarantee and founded by its two investment members; Rabo Foundation (Netherlands) and dfcu Limited (Uganda) in 2017 with the purpose supporting and building the capacity of agribusinesses that are driven by the need to grow and develop independently through access to various support partners like financial service providers, markets and organizational capacity building which comprise the ADC intervention scope.

ADC's mission is to offer its chosen market segment capacity building, business accelerator opportunities and facilitate relevant linkages through innovations and collaborations to grow, build and promote a prospect of a sustainable future. The Main focus of ADC is offering its chosen market segment capacity building, business accelerator opportunities and facilitating relevant linkages through innovations and collaborations to grow, build and promote a prospect of a sustainable future.

## **Vision**

The preferred partner in promoting Self Sufficiency in target customer segments towards Agricultural Transformation in Uganda.

## **ADC Governance**

ADC is governed by a Board of Directors, comprised of Non-Executive Directors from Rabo Foundation, DFCU limited and one Executive Director. The BOD is responsible for overseeing executive actions of the organization.

The ADC Board is supported by the ADC Advisory Committee (AAC) whose purpose is to provide strategic advice to the Executive Director and ADC Team on the creation and maintenance of effective programmes, and efficient and effective delivery of results.

ADC has a management team of ED, PMI, MEL, FAM, and Marketing Manager whose responsibility is to lead the team and implement as directed by the Board.



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### **Message from ADCs Executive Director.**

Dear Stakeholders,

It is with great pleasure that I present to you the Agribusiness Development Centre's Impact report for the fiscal year 2022/2023. This year has been marked by both challenges and achievements, highlighting the resilience and dedication that define our organization.

Despite global uncertainties, the agricultural sector has proven its essential role in ensuring food security and sustaining livelihoods. At the Agribusiness Development Centre, we have remained committed to harnessing innovation, embracing sustainability promoting options to deliver value to our stakeholders.

Sustainability has remained central to our business philosophy, guiding us towards responsible stewardship of natural resources and environmental conservation. We have made significant progress in promoting Climate Smart Agricultural practices, by implementing a program specifically focusing on the same as well introducing and promoting curricular for Cooperatives and SMEs in this area.

Our commitment to innovation has driven advancements in digital solutions. Leveraging data analytics to unlock new opportunities for growth, productivity enhancement, and value creation. In 2023 we Partnered with Agtual to develop a digital market information System; ADC BeanBook; delivering valuable market insights for Coffee and Cocoa Farmer Producer Organizations.

As we face the challenges and opportunities ahead, we shall continue to embrace partnerships like the ones we did in 2023 with abi Development, SEATINI, GOPA Worldwide Consults to enhance our chances to sustain our operations and those of our clients. With a clear vision, robust strategies, and a good team, we are confident in our ability to overcome obstacles and attain our overall objectives.

On behalf of the team at ADC, I extend my gratitude to our Clients, Members (Rabo Foundation and dfcu Limited) development and other partners for their unwavering support and commitment. Together, we will continue to innovate, collaborate, and contribute to the transformation of the Ugandan agricultural sector.

*Josephine N Mukumbya*  
**Executive Director**

## Executive Summary.

This report outlines the impact of the Agribusiness Development Centre (ADC)'s operations during the period of 2022/2023, emphasizing significant achievements, challenges faced, and recommendations for enhancing performance throughout the remainder of the Strategic Plan Period. This period marks the initial two years of ADC's Strategic Plan 2022/2024, with a concentrated focus on pivotal outcome areas that have been comprehensively measured.

## Methodology

The assessment focused on evaluating the impact of training provided by the ADC to Farmer Based Organizations (FBOs), Small and Medium Enterprises (SMEs), and Savings and Credit Cooperative Societies (SACCOs) during the years 2022 and 2023. The study population encompassed individuals involved in these entities, including members of the Board of Directors, Management/Staff, and smallholder farmers who successfully completed the ADC training courses. With a total of 125 enterprises participating in the assessment, the study engaged over 250 individuals from diverse roles within these organizations, ranging from decision-makers in the Board of Directors to frontline staff and members.

Through a thorough analysis of this sample, the assessment aimed to uncover the extent to which the ADC training programs impacted the operational efficiency, strategic direction, and overall performance of the participating enterprises. By considering the perspectives of various stakeholders, including those directly involved in management and operations as well as the farmers benefiting from the training, the assessment sought to provide a comprehensive understanding of the effectiveness and outcomes of ADC's interventions in enhancing the capacity and sustainability of the targeted entities.

## Our Impact

Throughout the reporting period, our organization has made significant strides in driving sustainable development and fostering inclusive growth across.

## Outreach:

- Our comprehensive business development programs have had a profound impact, reaching 885 enterprises and benefiting 27,079 smallholder farmers by focusing on essential areas such as Governance and leadership, financial literacy, Marketing, Innovation, Coaching and Mentorship, and Climate-Smart Agriculture, we have empowered participants to enhance productivity, improve market access, and mitigate risks, thereby catalyzing economic growth and strengthening resilience within communities.

- Our commitment to gender equality has yielded tangible results, with 51.7% of female beneficiaries successfully trained, surpassing our initial targets, and promoting increased participation in decision-making processes and household incomes.

- Similarly, our efforts in youth and women empowerment have seen significant achievements, with 48.1% and 61.8% of trained youth and women respectively assuming management positions, a testament to our dedication to fostering diverse leadership and innovation.

In terms of job creation, we have successfully facilitated the creation of 554 new jobs, marking a significant stride towards our Strategic Plan objective target of 1,114. These employment opportunities not only contribute to economic growth but also alleviate unemployment pressures and enhance livelihoods within communities.

Financial inclusion has been another focal point of our initiatives, with UGX 28.38 billion facilitated for our clients with working capital/trade finance through our partners. This support has directly benefited over 22,000 smallholder farmers, primarily through prompt payments for their agricultural produce and access to extension services.

- ADC Supported Enterprises experienced a significant increase in additional income, totalling UGX 6.5 billion, marking a notable 17.2% rise compared to the baseline at inception. This achievement is partially credited to the additional financing facilitated by ADC's investment members, contributing to the enterprises' success.
- Additionally, our efforts have enhanced financial access for 84 enterprises and 2,177 smallholder farmers, facilitating access to formal banking services and improving financial literacy and management skills. Highlights of the ADC Progress Report 2023.
- During this period, ADC solidified partnerships resulting in securing funding of USD 205,000, alongside a committed investment of USD 173,000 from dfcu towards the implementation of the Agriculture Exchange Programme in 2024.
- Financial Linkages remained a core focus, with ADC successfully facilitating financial linkages worth UGX 17.79 billion, albeit below the target of UGX 23.79 billion, with Rabo Foundation and dfcu Bank. The anticipated Agricultural Exchange Platform arrangements to customise and digitise credit products was considered an opportunity that would be tapped into during 2024 to increase linkages especially to dfcu Bank, projected to contribute meaningfully to both assets and income.
- Notably, the period witnessed a surge in learners, reaching a total of 14,881 through both physical and virtual learning channels, alongside engagement with 539 enterprises. The Business Accelerator Program also experienced substantial growth, welcoming an additional 270 enterprises.
- ADC forged a partnership with GOPA Worldwide Consultants through GIZ, implementing the Project Enhancing Competitiveness of SMEs (ECOS) in Uganda. As part of this initiative, 390 participants from 270 enterprises received comprehensive business development training across various thematic areas. Additionally, ADC collaborated with aBi Development to execute a Climate Smart Agriculture Project (CSA), targeting 1,000 small holder farmers in 30 FPOs across four regions.



- In a testament to efficiency, the cost per learner ratio surpassed expectations, exceeding the benchmark of \$74 by \$ 43 and down from \$154 at beginning of planning period.
  - Furthermore, the ADC achieved a clean audit status, underscoring our commitment to financial transparency and accountability.
  - The period marked significant structural changes within various departments of the organization, including the recruitment of eight Community Based Trainers to bolster field-based training activities.
- Lessons, Learnings and Recommendations. This section highlights critical insights obtained from ADC's program assessments in 2023, informing its operational strategies for the future. Key recommendations include:
- Bolstering Financial Sustainability and resilience: ADC must strategically engage donors and diversify revenue streams to enhance financial resilience. Despite securing \$378K in project funding, sustainability requires reinforcing long-term partnerships, expanding donor outreach, and diversifying revenue beyond traditional sources.
  - Addressing Gender Disparities: Investing in interventions to address gender disparities is crucial. The Gender Action Plan (GAP) implemented in 2023 aims to foster female participation in ADC interventions and the agricultural sector, with initiatives like the Climate-Smart Agriculture Project focusing on horticulture value chains. In 2023 53.6% of ADC's beneficiaries were women.



# Adopting Proactive Strategies:

Embracing proactive strategies, leveraging market intelligence, and nurturing innovation are essential for agribusiness enterprises to navigate uncertainties effectively. Collaborations with partners like Agtually for developing Price Risk Management tools exemplify this proactive approach.

- **Mobilizing Additional Finance for enterprises:** Mobilizing additional finance, including trade/working capital and investment finance, is critical for enhancing the economic value of agribusiness organizations. ADC's dedication to fostering credit and market linkages through various financial service providers underscores this commitment.
- **Implementing Effective Monitoring:** An effective monitoring strategy enables proactive management, data-driven decision-making, continuous improvement, and enhanced accountability. ADC's commitment to utilizing its Monitoring, Evaluation, and Learning (ME&L) framework in 2024 underscores its dedication to achieving key performance objectives outlined in the Strategic Plan.

Overall, the ADC remains committed to driving positive change, fostering inclusive growth, and creating sustainable impact across communities. As we continue our journey, we look forward to furthering these efforts and making a meaningful difference in the lives of those we serve.





# 1. METHODOLOGY

This section outlines the methodological framework utilized for conducting the Impact Assessment. The assessment employed a comprehensive mixed-methods approach, combining quantitative and qualitative methodologies to provide a holistic understanding of the program's impact.

## 1.1 Assessment design.

The assessment employed a mixed-methods approach combining quantitative and qualitative data collection methods. Quantitative data were gathered using ADC's Enterprise Scoring and Onboarding Tool (RACOST 1, 2, & 3), while qualitative insights were derived from key informant interviews.

## 1.2 Data Collection Methods.

- i. For quantitative analysis, the ADC's Farmer Based Organization Scoring tool, previously utilized with the sampled Enterprises, was employed. This tool provided statistical data, particularly focusing on changes in scores since the initiation of training.
- ii. Qualitative data were gathered through key informant interviews and focus group discussions. These methods facilitated the exploration of critical insights and contextual nuances regarding the operations of the Enterprises.
- iii. Document Review: Program documents, reports, and other relevant materials were reviewed to gather qualitative data on project implementation, challenges, and outcomes.

## 1.3 Study Population and Sample

The sample size was determined based on statistical considerations to achieve a balance between precision and practicality. Efforts were made to include sufficient participants to yield statistically significant results while ensuring feasibility within resource constraints.

The assessment focused on Farmer Based Organizations (FBOs), Small and Medium Enterprises (SMEs), and Savings and Credit Cooperative Societies (SACCOs) that underwent training by the ADC during the years 2022 and 2023. The study population encompassed members of the Board of Directors, Management/Staff, and smallholder farmers. A total of 125 enterprises actively participated in the assessment, involving more than 250 individuals representing diverse roles within the enterprise structure, including Board of Directors, Management, Staff, and Members.

## 1.4 Limitations

- Despite rigorous methodologies, this impact report may be subject to certain limitations. These may include sampling biases, response biases in surveys, and constraints related to data availability and quality.
- Efforts were made to mitigate these limitations through careful sampling, robust data collection techniques, and sensitivity analyses where applicable.

## 1.5 Ethical Considerations

- Ethical guidelines for research involving human participants were strictly adhered to throughout the data collection process. Informed consent was obtained from all participants, and measures were taken to ensure confidentiality and anonymity.

## 2. ADC IMPACT 2022/23

This section presents the Impact of the Agribusiness Development Centre (ADC) for the period 2022/2023 highlighting key achievements, challenges, and recommendations for improvement for the rest of the Strategic Plan Period. 2022/2023 ushered in the first and second years of ADC's Strategic Plan 2022/2024 focusing on key outcome areas upon which performance has been assessed.

Our Impact:

### Outreach:

Throughout the period, our comprehensive business development programs have played a pivotal role in driving the success of 885 enterprises and positively impacting 27,079 smallholder farmers. These initiatives encompassed essential areas vital for sustainable business growth and agricultural development such as leadership and governance, financial literacy and management, food and agricultural marketing, price risk management, tailored coaching and mentorship, climate-smart agriculture (CSA), digital literacy, environmental and social governance (ESG), and gender diversity and management (GDM)

- By equipping enterprises and farmers with the tools to enhance productivity, improve market access, and mitigate risks, we've catalyzed economic growth and strengthened resilience within communities. Through digital literacy initiatives, we've facilitated access to emerging technologies, opening doors to innovation and efficiency, the foundation for a more resilient, inclusive, and prosperous future.

- **Our dedication to gender equality has yielded substantial outcomes, with 51.7% of female beneficiaries successfully trained exceeding our initial target of 40%. This accomplishment underscores our proactive stance in narrowing gender disparities and fostering the empowerment of women within the agribusiness sector. Beyond numerical success, these efforts promote tangible socio-economic impacts, such as enhanced women's participation in decision-making processes, increased household incomes, and the cultivation of a more inclusive and equitable agricultural landscape.**

- Through our concerted efforts in youth and women empowerment, at the organizational level, we've achieved a proportion of trained youth and women in management positions at 48.1% and 61.8%, respectively. These figures represent substantial improvements of 60.3% and 106.8%, respectively, compared to our Strategic Plan targets of 30%. This underscores our unwavering commitment to fostering the leadership potential of both youth and women. The impact of these endeavours paves the way for greater diversity, inclusion, innovation and growth within organizations and the broader community.

### Job Creation:

Over the period, ADC has effectively fostered the emergence of a substantial workforce, resulting in the creation of 554 new jobs. This milestone marks a significant 49.7% stride towards our Strategic Plan objective of 1,114 employment opportunities. The impact of these job opportunities extends far beyond numbers, as they contribute to economic growth, alleviate unemployment pressures, and enhance livelihoods within the community. As we approach the end of our Strategic Plan in 2024, a comprehensive assessment will underscore the transformative impact of these employment initiatives on both individuals and the broader socio-economic landscape.

**Financial Access and Inclusion:**

We facilitated **financial linkages totaling UGX 28.38 billion** for our clients with working capital/trade finance through our founding members, Rabo Foundation and DFCU Bank. Additionally, **ADC facilitated linkages worth UGX 15.2 billion** for enterprises with other financial service providers, such as the Uganda Development Bank.

- The established financial connections have directly benefitted more than 22,000 Small Holder Farmers within the participating enterprises. This support predominantly manifests through prompt payments for their agricultural produce and access to crucial extension services.
- The additional income realized by ADC Supported Enterprises amounted to **UGX 6.5Bn, representing a 17.2% increment** relative to the baseline at inception. This success can be attributed in part to the additional financing mobilized by enterprises through ADC's investment members.
- Enhanced Financial Access: Through our initiatives, **84 additional enterprises and 2,177 smallholder farmers** gained access to formal banking through opening accounts with DFCU Bank. This initiative improves access to regulated formal financial services, credit facilities, financial literacy, and management skills.

**2.1 Performance Highlights, Annual Progress Report 2023**

This section highlights ADC's achievements and performance in the year 2023, based on comparison of actual results to planned and budgeted targets as per the Annual Workplan and Budget 2023.

**Table 1 Summary of ADC Performance, 2023.**

Resource Mobilization	Financial Linkages:
<p><b>\$205K</b></p> <p><b>\$173K</b> Secured for Last Mile Delivery of Agriculture Exchange Programme in 2024</p>	<p><b>UGX 17.79</b></p> <p>Billion in credit linked to ADC Investment Members.</p>
Growing Innovatively:	Efficiency:
<ul style="list-style-type: none"> <li>- <b>14,881</b> Small Holder Farmers Trained representing <b>93.4%</b> of Target.</li> <li>- <b>539</b> Enterprises Trained through BDS/CSA/ Business Accelerator</li> <li>- <b>53.6%</b> Women beneficiaries. Youth and Female inclusion in Financing. With A female and Youth Led - Kwezi Coffee receiving financing from RF.</li> </ul>	<p>Cost Per Learner Ratio: USD 73 (Surpassing Target by \$47) and down from \$154 before period</p>
Job Opportunities & Incomes.	Transparency and Accountability
<p><b>554 Job opportunities</b> Created in varied value Chains at Organizational Level.</p> <p><b>UGX 6.5Bn</b> Additional Income Realized at Organizational level, 17.2% over baseline.</p>	<p><b>100%</b> Clean Audit Status Achieved.</p>

## Key Projects & Partnerships:

- ECOS Project in Partnership with GOPA Worldwide Consults and funded by GIZ, Closed Out – 270 Enterprises, 390 Beneficiaries trained Vs target of 100 SMEs, 200 Beneficiaries. Linkages are still being followed up.
- Climate Smart Agriculture Project in Partnership with abi Development Commenced, supporting 1,000 Small Holder Farmers, in 30 FPOs. Linkages to Solar Irrigation, Biogas and Energy Efficient Stoves are being followed up.
- ADC through Outbox entered partnership to become a registered NSSF Hi Innovator Hub 1,814 Individuals Onboarded
- ADC in Partnership with SEATINI facilitated the Price Risk Management capacity building for Coffee and Cocoa FPOs



### 3. Lessons, Learnings and Recommendations.

This section provides valuable insights and lessons learned from ADC programme monitoring and assessments that have shaped ADC's operations and strategies in 2023. They serve as key elements for future programme planning and decision making.

i. It is imperative to bolster ADC's financial sustainability and resilience amidst economic uncertainties by strategically engaging donors and diversifying revenue streams. Although ADC has made steps to develop a Resource Mobilization Policy and successfully secured \$378K in project funding and commitments during this period, the sustainability of its programs and projects necessitates a reinforced approach. This includes enhancing long-term partnerships with existing donors through targeted stewardship efforts and expanding outreach to potential donors through innovative fundraising campaigns. Moreover, diversifying revenue streams beyond traditional sources will mitigate risks associated with fluctuating funding landscapes to ensure stable and sustainable funding for its impactful initiatives.

ii. Enhancing Investments addressing Gender disparities is imperative. Prevailing gender norms and customs perpetuate inequitable access to resources such as land, income, labour, and agricultural financing, thereby widening gender gaps in agricultural productivity and profitability. In 2023, ADC devised a Gender Action Plan (GAP) to tackle these disparities and foster female participation in ADC interventions and the agricultural sector. Collaborating with aBi Development, ADC implemented a Climate-Smart Agriculture Project focusing on, among others; the Horticulture value chains, which predominantly employ women, thus generating more job opportunities for them in both production and marketing. As of 2023, **49.7% of ADC's beneficiaries were women.**

iii. Adopting Proactive Strategies for Agribusiness Enterprises: Embracing proactive strategies, leveraging market intelligence, and nurturing innovation and adaptation are vital for agribusiness enterprises to effectively navigate uncertainties and sustainably manage risks while optimizing profitability. In 2023, ADC partnered with Agtually to develop a Price Risk Management tool for enterprises in the coffee/cocoa value chain, and it remains committed to seeking further opportunities to enhance proactive risk management mechanisms for its clients.

iv. Mobilizing Additional Finance for Agribusiness Organizations: To magnify the economic value of agribusiness organizations and smallholder farmers, there is a pressing need to



mobilize additional finance, encompassing trade/working capital and investment finance. For most enterprises, access to readily available and affordable financing remains paramount for securing agricultural inputs, mobilizing produce, and securing sales contracts. ADC is dedicated to fostering credit and market linkages through its investment members, Rabo Foundation, DFCU, and other financial service providers (FSPs) to bolster the participation of enterprises in agricultural production and productivity.

**v. Implementing an Effective Monitoring Strategy.** Implementing an effective monitoring strategy offers robust opportunities for efficiently achieving desired results by enabling proactive management, data-driven decision-making, continuous improvement, resource optimization, alignment with objectives, and enhanced accountability throughout the process. In 2024, ADC will persist in utilizing its Monitoring, Evaluation, and Learning (ME&L) framework and create avenues to better assess key performance areas and objectives outlined in the Strategic Plan.

## 4. Annexes Annex 1 Testimonies.



**James Muhangi, Manager, Rubanga Cooperative Society**

Rubanga Cooperative Society's partnership with ADC over the past three years has yielded remarkable results, combining capacity-building training and financial support to drive transformative change. Benefiting from comprehensive training in governance, financial literacy, marketing, and risk management, among other areas, the cooperative has experienced significant operational improvements.

With financial backing from Rabo Foundation, they've seized new opportunities in export markets, securing contracts exceeding USD 2.7 million. The organization has invested in upgrading processing facilities have enhanced coffee processing capabilities, transitioning from primary to secondary and tertiary levels contributing to the surge in turnover. This has not only bolstered the cooperative's financial standing but has also positively impacted over 9,000 farmers, enhancing their livelihoods, and fostering greater loyalty to the cooperative.

Internally, the cooperative has responded to this growth by making plans to establish Mitooma Rubanga SACCO, facilitating increased access to credit for its members. Furthermore, expanding its reach to over 19 sub-counties and achieving Fair Trade Certification have positioned the cooperative for continued success. The certification has led to a notable 38% increase in pricing, further enhancing the economic prospects for both the cooperative and its members.

Overall, Rubanga Cooperative Society's journey exemplifies the transformative impact of strategic partnerships and proactive initiatives in driving sustainable growth and fostering prosperity within communities.



**Grace Akatuha, Director, Kikazi Agri Enterprises**

Grace Akatuha's journey with ADC's Business Accelerator Program (BAP), facilitated through the partnership with GOPA world-wide Consultants GIZ, has been transformative. Under the project, Enhancing Competitiveness of SMEs in Uganda, Grace received comprehensive capacity-building training covering various critical aspects of business management. Previously operating as a sole proprietorship without established structures, Grace's business lacked sustainability in her absence. Through BAP, she gained invaluable insights into implementing governance practices, financial management, investor document preparation, and regulatory compliance, among others. Reflecting on her experience, Grace emphasized the profound impact of the program on her business operations. She has transitioned from a sole proprietorship to a registered company with two directors, establishing separate premises for her business operations.

This strategic move has enabled her to ensure continuity and scalability, marking a significant milestone in her entrepreneurial journey. Grace has leveraged her newfound knowledge to develop a robust business plan and investor pitch deck, essential for attracting potential investors and stakeholders. Embracing the importance of digitalization, she has invested in computer equipment and hired an intern to maintain up-to-date business records, enhancing efficiency and accuracy in her operations.

Furthermore, Grace's commitment to quality extends to her partnerships with smallholder farmers and enterprises. She has initiated the process of profiling these stakeholders to ensure the highest standards in grain quality, demonstrating her dedication to delivering excellence in her business endeavors. Overall, Grace's story exemplifies the tangible impact of ADC's Business Accelerator Program, empowering entrepreneurs like her to transform their businesses, embrace innovation, and drive sustainable growth.

## Annex 2 KEY ADC Pictorials.



ADC Founding Members, BOD members and the Former ADC ED: Anja De Feijter Launch the ADC Strategic Plan 2022/2024.



ADC Executive Director, Josephine Mukumbya and GIZ E4D Project Manager Donald Agaba during the ECOS project Closeout conference at Sheraton, Four Points Hotel.



Grace Akatua from Kikazi Agri Products, receives the Accelerator Impact Award from Charles Mudiwa, CEO dfcu Bank and Karin Boven from the Embassy of the Kingdom of Netherlands



**Key Climate Smart Agricultural Practices** (coffee Stumping and planting) being demonstrated in on a beneficiary FPO in the eastern Region.



# Agribusiness Development Centre

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