

USAID/Uganda Civil Society Strengthening Activity

IMPROVING POST-HARVEST HANDLING AND STORAGE AMONG WOMEN SMALLHOLDER FARMERS IN MBARARA AND RUBIRIZI BY 2024 (IPSW)

TRAINING IN FINANCE LITERACY, AND BUSINESS ENTERPRISE MODALITIES FOR WOMEN SMALLHOLDER FARMERS.

August 15-17, 2023



Figure 1: The financial literacy training conducted in partnership with Centenary Bank, Robert Tugume, the manager - Mbarara branch facilitated the training.

Report by: National Association for Women's Action in Development (NAWAD).

Table of Contents

LIST OF ACRONYMS.....	3
1.0 INTRODUCTION.....	4
2.0 TRAINING IN FINANCE LITERACY.....	4
2.1 Training objectives.....	4
2.2 Topics covered during the training.....	4
3.0 TRAINING OVERVIEW DURING STAFF TRAINING.....	5
3.1 Personal Financial Management.....	5
3.2 Credit Management.....	5
4.0 TRAINING OVERVIEW DURING WOMEN SMALL HOLDER FARMERS TRAINING.....	6
4.1 Personal Financial Management.....	7
4.2 Financial Management at group level.....	8
4.3 The loan cycle.....	9
4.4 Record keeping.....	9
4.5 Loan management.....	9
5.0 BUSINESS MODALITIES.....	9
5.1 Issues raised.....	9
5.2 Responses to issues raised.....	10
5.3 Issues on accessing PDM funds.....	10
6.0 RECOMMENDATIONS/NEXT STEPS.....	10
7.0 Remarks from the representative from USAID-Uganda.....	11
7.1 Remarks from the representative from EWMI.....	11
7.2 Remarks from Executive Director NAWAD.....	11
8.0 PHOTO GALLERY.....	12
9.0 ACTIVITY AGENDA.....	14

List of Acronyms

AINAPI	Advocate for the Implementation of the NDP III Agro-Industrialization Implementation Action Plan
CSO	Civil Society Organizations
EWMI	East West Management Institute
NAWAD	National Association for Women's Action in Development
PDM	Parish Development Model
RBIR	Reducing Balance Interest Rate
USAID/CSSA	USAID/ Uganda Civil Society Strengthenig Activity
VSLA	Village Savings and Loans Association
WSHF	Women Smallholder Farmer

INTRODUCTION

National Association for Women's Action in Development (NAWAD) with support from USAID/Uganda Civil Society Strengthening Activity (USAID/CSSA) is implementing the second phase of the Advocate for the Implementation of the Agro-Industrialization Implementation Action Plan under the NDP III in Mbarara and Rubirizi districts project (AINAPI). The project's overall goal is to improve post-harvest handling and storage among women smallholder farmers in Mbarara and Rubirizi districts by 2024 targeting 1,500 smallholder farmers. The project's objectives include: i) Increased access to agricultural extension services for post-harvest handling technologies and storage facilities by women smallholder farmers in Mbarara and Rubirizi districts; and ii) Improved engagement of women smallholder farmers in the Parish Development Model (PDM) in the two districts.

The establishment of the Business Enterprise as an activity in this project was built on the background that women smallholder farmers have limited access to post-harvest handling and storage technologies and lack the financial resources to invest in post-harvest handling and storage technologies.

TRAINING IN FINANCE LITERACY

NAWAD to effectively manage the business enterprise, a financial literacy training for both staff and Women Smallholder Farmers (WSHFs) was conducted in August 15th, 16th, and 17th, 2023. The training was conducted in partnership with Centenary Bank – Mbarara branch. Mr. Robert Tugume the Mbarara branch Manager facilitated both the trainings with NAWAD staff and women smallholder farmers.

2.1 Training objectives

1. To increase knowledge of NAWAD staff and the women smallholder farmer representatives on the loan committee in credit management and loan recovery.
2. To increase knowledge of WSHFs in financial literacy, business enterprise modalities, structures, and advantages, the role of WSHFs and NAWAD.

2.2 Topics covered during the training.

1. Personal Financial Management which entailed saving, investing, financial protection, planning and budgeting.
2. The Loan Cycle which entailed loan application, loan appraisal, loan disbursement, loan monitoring and loan recovery.
3. Financial Management at group level which entailed budgeting and planning, financial reporting and risk management, investment and saving.

TRAINING OVERVIEW DURING STAFF TRAINING

On August 15, 2023, 6 NAWAD staff were trained in financial literacy focusing mainly on personal financial management and credit management which highlighted the loan cycle process.

3.1 Personal Financial Management; 4 aspects were emphasized

Savings: staff need to keep money aside as savings to cover any sudden financial need. As a thumb rule, the fund for your emergency needs should be three to six months of your expenses. This can help you manage through in case of job loss or any other emergency.

Investment: staff were encouraged to grow money by putting money in assets for example stock, bonds, business among others. Here staff need to have financial goals to guide the investment plan. These goals can be short term, mid-term or long-term.

Financial protection: this focused on having a safety net to protect your finances and investments. Insurance was the suggested safety net to help staff and their families to sail through during hard times. This could be mortgage protection insurance, health insurance, personal accidental insurance among others. Staff were also advised to watch out for fraud and never to trust anyone with their personal information.

Planning and budgeting: Staff were encouraged to always avoid unplanned expenditure for example pledging high amounts due to peer pressure during weddings, partying and drinking alcohol, among others as these may hinder attaining personal financial goals. Drawing monthly budgets guide planning and expenditure according to your monthly earnings. Most importantly, proper recording keeping of all documents related to your finances and investments.

3.2 Credit Management, the loan cycle was discussed as below:

- **Loan Application:** The first step to consider before administering a loan, is the application process where the applicant is required to fill a form. The forms need to capture details of the applicant including their bio data (name, address, age, sex, location, contact details), loan amount, applicants' source of income, loan repayment period, loan agreement which highlights the terms and conditions, loan schedule depending on how much the applicant can pay at the end of the month, guarantor's details and signature.
- **Loan Appraisal:** Before disbursement of the loan, the loan committee need to visit the customer/ loan applicant to verify the information provided in the application loan and to check the capacity of the applicant. The loan committee then decides on whether to approve, reject, or pend the loan. Provide a reason. Signatures of the committee members need to be appended.

- **Disbursement:** Loan disbursement terms and conditions need to be agreed upon by the applicant. The terms on the payback processes, how to receive the loan, how to pay back and conditions on failure to pay back the loan.
- **Loan Monitoring:** The loan committee at the community level is responsible for monitoring the loan with support from NAWAD's field officer.
- **Loan Recovery:** The recovery process highlights where people have to pay the money, how they should pay and when they should repay the money .

The facilitator further advised NAWAD on the following;

- Have disbursement of funds done during women groups meeting to easily determine when they should be paying back the loan.
- Have the committee collect the money a week before the day of the loan committee recovery meeting.
- If the women are to buy supplies like post-harvest handling and storage technologies (tarpaulins, racks, sacks and so on), follow them up and ensure that they buy the supplies.
- Whenever possible it is advisable for the chairperson of the group to bank the money.
- It should be the responsibility of the group chairperson and treasurer to recover the money from group members.
- The groups should be empowered to make their own loan appraisal process since they understand their members better than NAWAD.
- The loan appraisal process should be clearly documented with evidence of minutes of the proceeding.

TRAINING OVERVIEW FOR SMALLHOLDER FARMERS' TRAINING

On August 16-17, 2023, the training of women small holder farmers in Mbarara and Rubirizi was attended by the USAID/CSSA's Technical Lead Ms. Sarah Okwaare, and a representative from USAID/Uganda, Mr. Maurice Ogutu.

The training in Mbarara district convened a total of 50 small holder farmers with representatives from all the 20 women groups in Rubaya, Bukiro and Nyabisirira sub-counties. The other 30 members were from Bunenero Farmers' group selected to benefit from the group loan in Rubaya sub-county. In Rubirizi district, the training convened 60 women smallholder farmers with representatives from all the 20 women groups in Ryeru, Magambo and Kirugu sub-counties. The other 40 members were from Mirarikye Tweyamba group selected to benefit from the group loan in Kirugu sub-county. Both trainings were facilitated by Mr. Robert Tugume and were joined by five NAWAD. The trainings were conducted in Runyankore local language with some translations into English language.

PARTICIPANTS DEMOGRAPHICS FOR THE SHFS' TRAINING

Participants' demographics for the SHFs' training in financial literacy and the business enterprise modalities										
DISTRICT	No. of Participants	Sex			Age					PWDs
		Female	Male	Other	15-19	20-24	25-29	30-34	35>	
RUBIRIZI	60	54	6	0	3	1	9	7	33	
MBARARA	50	43	7	0	0	0	1	1	44	2
TOTAL	110	97	13	0	3	1	10	8	77	2

The topics covered during the training included:

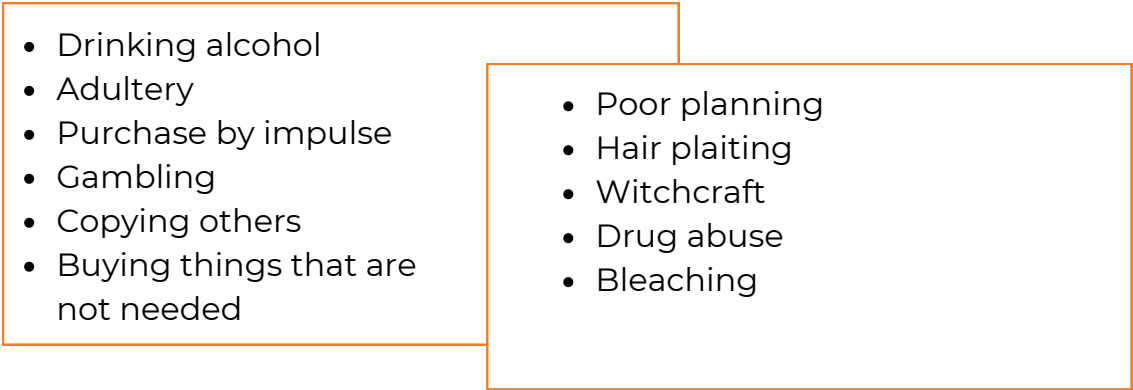
1. Personal financial Management which entailed saving, investing, financial protection, planning and budgeting.
2. The Loan cycle which entailed loan application, loan appraisal, loan disbursement, loan monitoring and loan recovery.
3. Financial Management at group level which entailed budgeting and planning, financial reporting and risk management, investment and saving.
4. Business enterprise modalities and the roles of the group loan committees

4.1 Personal Financial Management

The facilitator opened up the discussion to personal financial management with relating it to a story on how grasshoppers are trapped during their season. The women shared their stories on some of the rituals they use while trapping grasshoppers.

1. When one catches the first grasshopper, they should place it in the ground facing upside down, to prevent other grasshoppers from flying away.
2. The grasshopper is sealed in a bottle to prevent the others from flying away. The above were related to savings. The facilitator emphasized the importance of saving and the need to grow capital.
3. The first to catch the grasshoppers shares with their neighbor. This ritual was related to the importance of lending and borrowing.

The women were then tasked to outline some of the qualities/habits of a rich person in their respective communities. The responses were; waking up early, they owned businesses, they were educated, hardworking, owned properties, depended on agriculture for income, they are trustworthy and were employed among others. The facilitator then encouraged the women that they too have the potential to grow their income to become rich. The women further identified some of the unnecessary expenditures in their community.

- 
- The image shows two rectangular boxes with orange borders. The left box contains a list of six items, and the right box contains a list of five items. Both lists are bulleted.
- Drinking alcohol
 - Adultery
 - Purchase by impulse
 - Gambling
 - Copying others
 - Buying things that are not needed
- Poor planning
 - Hair plaiting
 - Witchcraft
 - Drug abuse
 - Bleaching

The facilitator advised the women SHFs to join saving groups (Saccos, VSLAs and merry go around), avoid impulse buying, open up a saving account, refrain from peer groups that wasteful/ bad company, and avoid unnecessary expenditures like overspending on holidays like Christmas, Easter, Eid, birthday parties. Savings was emphasized in all groups.

4.2 Financial Management at group level

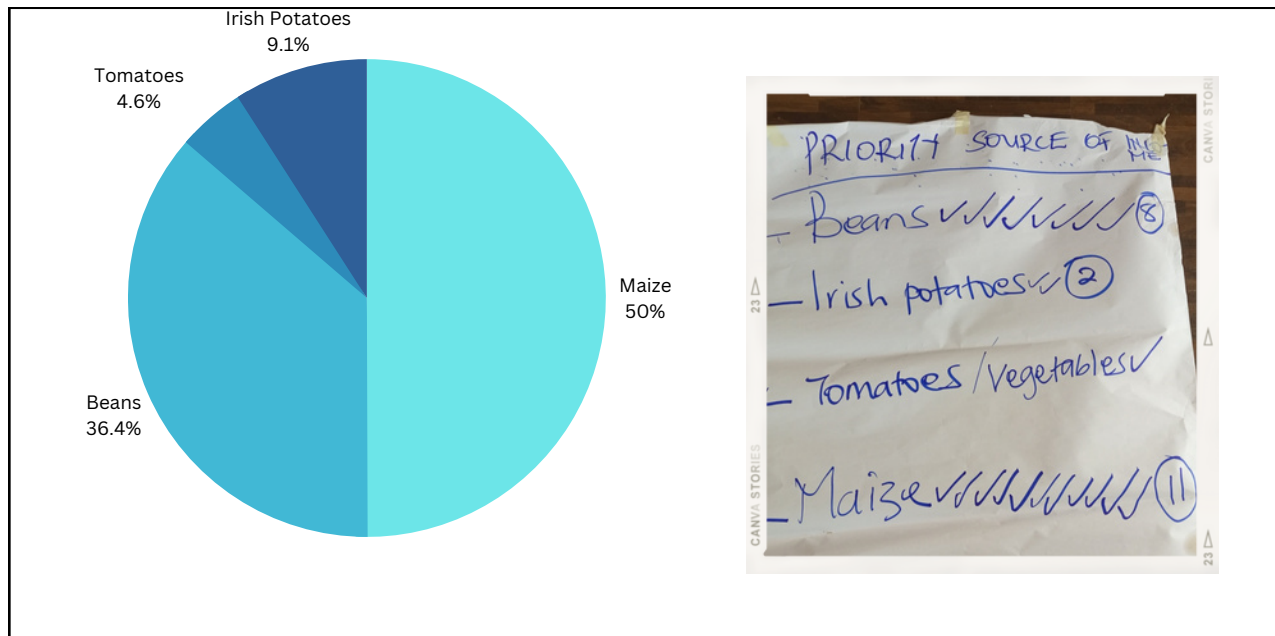
The women were grouped into three groups to discuss investment. The following questions were asked;

Group 1: What agricultural enterprise can you venture in to get income?

Group 2: What other business can you do to earn money?

Group 3: How can you increase your income?

The groups listed: i) Produce trading for grains like beans, maize, soya etc.; ii) Vegetable growing for cabbages, leafy vegetables, carrots, eggplants; iii) Food processing like maize and cassava milling; and iv) Fruit growing and processing juice. Out of all the crops listed, beans, maize, Irish potatoes and tomatoes were rated as below. Maize (50%), Beans (36.4%), Tomatoes (4.6%) and Irish potatoes (9.1%).



Other businesses identified by the women that can generate income included; i) Dairy processing to make cow ghee, yoghurt (bongo), ii) starting up some restaurants, iii) Livestock, iv) Soap making, v) Baking, vi) Candle making.

One group illustrated in the chart on how they grew their group annual income from saving 3,000 per member contribution per month to 1,080,000=. They further shared on how they invested the money into trading produce which grew the money to 1,440,000= and now they invested 250,000= in piggery and 1,190,000= is used to group loans and have continued saving.

How can we increase our income?

OKUBIKA OMUKABOX
MEMBER 30
Buri Member 3,000= Buri Kwesi
90000 x 12
1080000=

Twatankika okushumba
Ebyomire 360kg Beans (3000)
1080000=

After 3 MONTH 4000 per kilo
4000 x 360 = 1440000=

AKABOX OKUGURA EBYOMIRE
BYEMPVNU 5 x 50000= 250000=

1440000= 250000= In group.
1190000=

Twagumizamu na OKUSAVING up

4.3 The loan cycle

The women were taken through the loan cycle focusing mainly on the loan appraisal process and record keeping. The facilitator emphasized 5CS.

4.4 Record keeping

Good records help to minimize losses, manage cash, and improve financial planning for group investment. The facilitator encouraged the women groups to always keep records.

4.5 Loan management

Majority of the participants confirmed to have ever borrowed money from SACCOS, Village Savings and Loan Associations (VSLAs), merry go around and friends/relatives. The participants brainstormed causes of loan defaulting as; Loan diversion, Poor planning, Natural calamities, Poor saving skills, Lack of sensitization on the loan taken, Loan excitement, underestimating the loan, Multiple borrowing, Having one source of income, High interest rates, Delays on loan disbursement among others. Participants were encouraged to diversify their sources of income.

BUSINESS ENTERPRISE MODALITIES

Jackline Arinaitwe from NAWAD took the participants through the business enterprise modalities. She talked about the structure and role of the loan committee at both group and NAWAD level. The format of the loan application form, the payment period, the interest rate of 2% and range of individual loans (100,000-1,000,000). This enabled the participants to understand the requirements, ways on how the money will be disbursed and the mode of payment based on the assistance of the loan committees that will be formed at the group level. The field officers will meet groups during their group meetings to assist loan applicants into filling the application form and answering any specific issues associated with the business enterprise.

5.1 Issues raised included: i) As group leaders, how are we going to determine how much to give individuals due to deductions made during the transaction process; ii) Do you have insurance for the loans that you are giving us; iii) Who is responsible for individual loans, iv) How can one deal with loan processing delays; v) How are we going to deal with members who will get loans and migrate from our community; vi) Since this money will be disbursed from centenary bank, is it a must for us to have an account with centenary bank; vii) What is the interest rate, do you have a grace period and when is the disbursement starting; viii) Do we have a grace period for this money since we are small holder farmers and we always depend on seasons; and ix) Are we allowed to change the group leaders that we have in case we do not trust them since we have gone into matters to deal with finances.

5.2 Responses to issues raised were as follows: i) The group loan committee will work closely with the field officers during loan approval and disbursement; ii) Applicants should provide correct information in the application form to quicken the appraisal process; iii) Loan recovery is the responsibility of the chairpersons and treasures of the groups; iv) The loan interest rate will be 2%; and v) selection of the group leadership depends on the group constitution.

5.3 Issues on accessing PDM funds

During the discussion, it was noted that women smallholder farmers were accessing PDM funds. The chairpersons of two groups in Rubirizi, Kyampire Specioza from Kirugu Bakyara Tweyambe and Tumwine Macklean from NyakakaA Bakyara tukwatanise group affirmed to us that over 30 women have been able to access the PDM money. These two chairpersons have taken on leadership roles on the PDM loan committees and have continued advocating for other women and helping them to access PDM funds. For example, Specioza attested that in her group 7 women small holder already accessed funds in the first phase and 10 requests have been approved and 4 have submitted their applications. In addition, Macklean affirmed that 3 women from her group obtained funds during the 1st phase and 15 women have submitted their application.

However, some of the women have not been able to access the PDM money due to; fear of government money, fear of bureaucracy and the documentation required, fear of government money, and of lack of trust in government projects especially the past program of Emyooga among others.

RECOMMENDATIONS/NEXT STEPS

1. NAWAD to conduct the loan appraisal process of one group at a time to ensure the funds are disbursed at the same time. This will enable the loan committee to monitor and track the repayment schedule easily.
2. The loan appraisal process should be clearly documented with minutes of the meeting.
3. NAWAD to empower the loan committee at group level to conduct the loan appraisal process since the groups know and understand their members better than NAWAD.
4. NAWAD to use the Reducing Balance Interest Rate (RBIR) method for individual loans.
5. NAWAD to plan for agricultural trade shows to promote learning and networking with other Civil Society Organizations (CSOs).
6. NAWAD to translate the loan application into Runyankole local language. This will enable the groups to understand it better.
7. The field officers to hold group level meetings with all members in a group to clarify any issues that might not be clear in the application form and the business enterprise activity.

REMARKS FROM THE REPRESENTATIVE FROM USAID-UGANDA

The USAID representative Mr. Maurice Ogutu, the coordinator Feed the Future, thanked the small holder farmers for the great work they are doing to increase agricultural production and engaging in various business enterprises to alleviate poverty. He commended NAWAD for the great work they are doing in empowering women and promoting post-harvest handling and storage technologies in communities. He shared how he attended the trade show in Jinja and appreciated the innovation and new technologies like the use of portable Silos for storing grain and other products. He recommended NAWAD to plan for farmer exposure visits like attending agricultural trade shows to enhance learning. He appreciated the facilitator from centenary bank and the use of stories to enhance learning. He further appreciated East West Management Institute (EWMI) for the great work they can doing with partners under the Civil Society Strengthening Activity (CSSA). A lot is being done but sometimes under reported especially on women's empowerment.

7.1 Remarks from the representative from EWMI

The technical lead Sarah Okwaare thanked Maurice for finding time to be part of this field level activity. She commended NAWAD for the good work working closely with women small holder farmers and further appreciated the wonderful selection of the facilitator from centenary bank. She appreciated that the training was in the local language which made it easy for the women to effectively participate during the training. She further demonstrated to the participants on how to calculate the loan amount using the reducing balance interest rate method. With this method, the interest paid on a reducing balance loan reduces over time since it is calculated on the principal amount that is outstanding, hence the amount of interest paid will gradually become lesser than that of a fixed interest loan. She stated that this method will be effective and will enable the women to easily payback the loan. She thanked the women small holders' farmers for showing commitment on the project and encouraged the group leaders to support other marginalized women in the community especially those in leadership positions on the PDM committees.

7.2 Remarks from Executive Director NAWAD

The Executive Director welcomed all participants to the training and introduced the facilitator Mr Robert Tugume from Centenary Bank Mbarara branch, the representative from USAID Uganda Mr. Maurice Oguttu and the technical lead Ms. Sarah Okware. She thanked the NAWAD team for the effective mobilization and planning for the trainings both in Mbarara and Rubirizi. She briefly talked about NAWAD, the project and the training objectives. She appreciated USAID/CSSA and EWMI for the financial and technical support offered to NAWAD. It was a great honor for NAWAD and the women small holder farmers to be visited by Maurice from USAID and Sarah our technical lead. She appreciated all the technical support and guidance NAWAD was receiving from CSSA. This has made NAWAD better and has greatly improved in many areas. She commended the women and their leaders for being very cooperative and supportive of the project.

PHOTO GALLERY



Women listening closely during the training in Mbarara.

Women smallholder farmers during the training in Rubirizi.



Mr. Maurice Oguttu from USAID giving his remarks.

PHOTO GALLERY



Sarah Okwaare, the technical lead expounding on the business enterprise modalities.



Rita Nimusiima (left)- Rubirizi and Jackline Arinaitwe(right)discussing business enterprise modalities



Women smallholder farmers during skit on proper planting methods as taught by their extension officer in Rubirizi

ACTIVITY AGENDA

Time	Activity- Day 1	Responsible person
8:30-9:00 am	Arrival/registration of participants	Brenda
9:00-9:30 am	Welcoming remarks and Introductions	ED
9:30-10:00am	Brief about the project and meeting objectives	Jackie
10:00-11:30am	Tea Break	
10:30-11:30 am	Personal financial management	Facilitator
11:30-12:00pm	Credit Management	Facilitator
1:00-1:30 pm	Q&A	All
1:30-1:40 pm	Closing Remarks	ED
	Lunch and Departure	

ACTIVITY AGENDA

Time	Activity Day 2&3	Responsible person
8:30-9:00 am	Arrival/registration of participants	Brenda
9:00-9:30 am	Welcoming remarks and Introductions	ED
9:30-9:45 am	Remarks from USAID/CSSA	Sarah
9:45-10:00 am	Brief about the project and meeting objectives	Jackie/Rita
10:00-11:30am	Tea Break	
10:30-11:30 am	Financial literacy	Facilitator
1:00-1:30 pm	Q&A	All
12:00-1:00pm	Business Enterprise Modalities and Structures	Facilitator
1:00-1:30 pm	Q&A	All
1:30-2:30 PM	Lunch	
2:30-3:00pm	Advantages and challenges of loans	Facilitator
3:00-3:15pm	Roles of NAWAD and Women SHFs	Jackline and Rita
3:15-3:30 pm	Closing remarks	ED
3:30-3:45 pm	Remarks from USAID/CSSA	Representatives