



FEED ^{THE} FUTURE

The U.S. Government's Global Hunger & Food Security Initiative

THE AGRICULTURAL APPRENTICE INCUBATOR

INSIGHTS REPORT

Unlocking Investment And Facilitating Trade In
Refugee Communities Through Female-Led
Agribusinesses.

Prepared by
Finding XY



USAID
FROM THE AMERICAN PEOPLE



FINDING XY
EVERY ENTREPRENEUR SHOULD BE SUPPORTED

Contextual background

Finding XY is implementing the [Women in Agriculture Impact Investment \(WAI\) Facility](#), a blended finance program promoting access to investment and business development for female-led agribusinesses. Based on the program's learnings, female led Agribusinesses have less interest in the refugee/Karamoja communities and thus are more concentrated in developed communities.

To bridge this gap, Finding XY designed the **Agricultural Apprentice Incubator** to support female-led agri-businesses establish an operational stronghold in refugee/Karamoja communities through an apprentice model with smallholder farmers, startups, entrepreneurship groups, and agents.

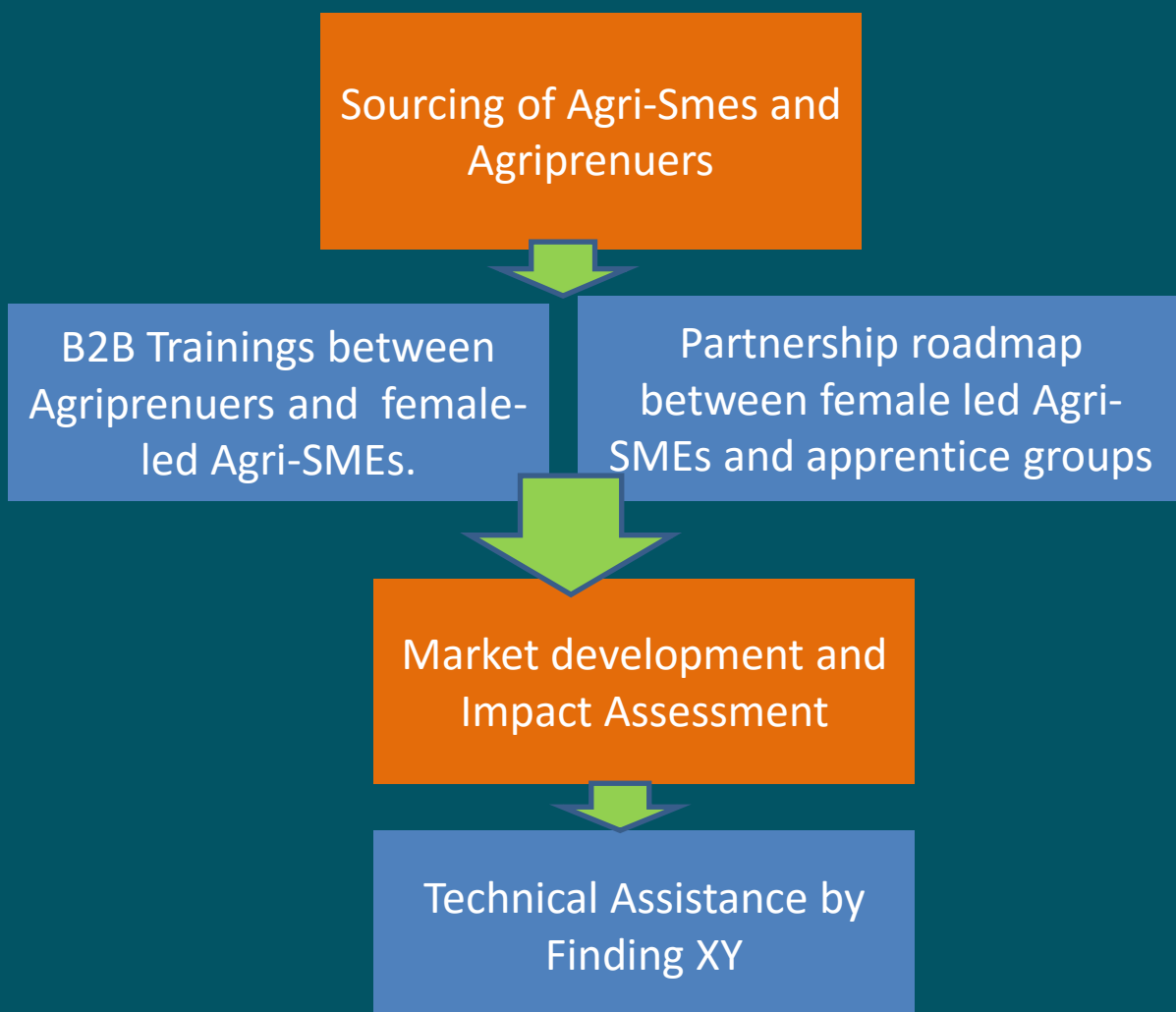
Contents

◦ Contextual background -----	03
◦ The Agricultural Apprentice Incubator Model -----	04
◦ Learnings Setting -----	05
◦ Challenges Faced by Female-led agribusinesses in the Resilience Zones -----	06
◦ Knowledge Share: USAID Feed the Future Agricultural Inclusive Markets Activity (FtF IAM) -----	08
◦ Knowledge Share: Food and Agriculture Organization of the United Nations (FAO) -----	09
◦ How can agricultural productivity in refugee and host communities be improved and what is necessary for the sustainability of interventions? -----	10
◦ What types of capacity development and financing solutions would work best in refugee communities? -----	13
◦ What mechanisms/partnerships can be established to address the barriers and close food security and value chain gaps in the resilience zones? -----	15

The Agricultural Apprentice Incubator Model

Using a 9-month incubation curriculum, Finding XY supports agribusinesses to deepen operations within refugee communities by providing BDS apprenticeships to startups who sell or buy from smallholder farmers within the refugee

The curriculum shall be tailored according to the business ideas and needs of the agri-businesses and Agriprenuers in the target regions. This is intended to strengthen value chains and foster innovative solutions to address food security gaps within local communities.



Learnings Setting

Theme: Unlocking Investment And Facilitating Trade In Refugee Communities Through Female-Led Agribusinesses.

A co-creation workshop was setup to identify strategies and mechanisms to close agricultural operational and investment gaps in refugee communities. Participants included Female-led agribusinesses, Agripreneurs or startups, Policy Makers, Impact Investors, Financial Institutions, and Development partners.

Key Discussion Points

- How can agricultural productivity in refugee and host communities be improved, and what is necessary for the sustainability of interventions?
- What types of capacity development and financing solutions would work best in refugee communities?
- What mechanisms can be established to address barriers and close food security and value chain gaps in the resilience zones?
- Knowledge sharing from partners that have had similar interventions in refugee communities.

Challenges Faced by Female-led agribusinesses in the Resilience Zones

Resilience Zones: Karamoja sub-region, Nakivaale, Rwamwanja, and Palabek Refugee settlements. The following challenges were emphasized:

1

Low Productivity: Factors contributing to this issue include limited access to resources, inadequate knowledge and skills, and difficulties in adopting modern farming practices.

2

Gender Inequalities and Cultural Barriers: Female-led agribusinesses experience discrimination and unequal access to essential resources like land and inputs which restrict their participation and opportunities in the agribusiness sector.

3

Attitude or Mindset: Cultural differences and preconceived notions about agriculture lead to hesitancy in embracing certain modern farming techniques or entrepreneurial approaches.

4

Loss of Land due to relocation: Refugee communities often experience productivity loss due to forced displacement and relocation, making it difficult to produce consistently over time using familiar agricultural practices.

5

Security and Safety Concerns: The zones of influence are prone to instability, where females face safety risks while running operational day-to-day activities especially coordination with the value chain actors.

Challenges Faced by Female-led agribusinesses in the Resilience Zones

6

Bureaucracy from Commandants: Navigating bureaucratic hurdles posed by authorities in refugee settlements can be challenging resulting in delays that hinder agricultural activities and investment opportunities.

Through the enterprise support programs implemented by Finding XY, below are the challenges often experienced by female-led agribusinesses in the zones of influence:

- **Limited Access to Capital:** High-interest rates, stringent collateral requirements, and costly origination fees, limited investment in essential resources for Agri-Sme growth.
- **Limited Access to Market:** Agribusinesses struggle to reach customers and penetrate new markets due to inadequate connections and information about demand and supply dynamics which hinders effective product sales.
- **Limited Technical Skills and Knowledge:** Agribusinesses often lack expertise in farming practices and business management, hampering efficient operations.
- **Climate Change:** Unpredictable rainfall patterns, prolonged droughts, and soil degradation pose a threat to agribusinesses thereby impacting productivity.
- **Fragmented Supply Chains:** Disconnected supply chains result in inefficiencies, increased costs, and reduced competitiveness, limiting access to inputs and efficient distribution channels.
- **Limited Supportive Policies and Services:** Inadequate gender-responsive policies, tailored support programs, and limited extension services constrain Agriprenuers' development.

Knowledge Share - USAID Feed the Future Agricultural Inclusive Markets Activity (FtF IAM)

The [FtF IAM \(2019-2024\) Activity](#) is implemented by DAI in partnership with Techno Serve (TNS) and Market Share Associates (MSA). The primary objective is to increase incomes and improve the livelihoods of households through agriculture-led inclusive economic growth in 38 selected districts in Uganda.

The Activity works with GOU institutions and agencies, the private sector, and Member based organizations to increase their institutional capacity to respond to changes in the market system and invest in the opportunities in the market system. The activity does not focus on a particular value chain but on cross-market functions that have a high potential for inclusion and income generation for the target group.

Root causes of market inefficiencies and distortions

- Counterfeits and low-quality inputs.
- Limited commodity transformation and upgrading.
- Limited access to quality services.
- Weak relationships between market actors.
- Weak policy and institutional environment.
- Weak enforcement of formal and informal rules.

Intervention areas

- Increase access to uptake of quality agricultural inputs in resilience zones.
- Processors and aggregators build capacity and strengthen linkages to farmers in resilience zones and markets.
- Business advisory, entrepreneurship, and risk capital.
- Transition from humanitarian programming to facilitative market systems development approaches to development.

Knowledge Share - Food and Agriculture Organization of the United Nations (FAO)

The [FAO Uganda Refugee Response Programming](#) deploys 3 pronged approaches to address key issues such as inclusion, participation, access to services, and protection. The model has yielded a transformational change in the Kiryandongo refugee settlement.

- Humanitarian response (address food security concerns and downscaling/prioritization approach to food assistance) – plant the next crop, provision of poultry, animal health (support vaccination/animal health actions)
- Resilience programming is designed for refugee populations in the process of stabilization, “first coat of paint” engagement allows development partners to set the foundations for long-term programming.
- Increase value chain development work to established refugees and engage in a food systems approach to Refugee response.

Gaps being addressed

- Significant reductions in food ratios and cash assistance within the humanitarian response and increased food prices.
- The inability of refugees to move beyond subsistence agriculture, which, when coupled with a lack of business skills, limited capacity of governance, and lack of access to market structures to support inclusive agricultural production, makes them less self-reliant and more vulnerable to shocks.

A: How can agricultural productivity in refugee and host communities be improved and what is necessary for the sustainability of interventions?

- Collaborating closely with the Office of the Prime Minister (OPM) on block farming initiatives to enhance agricultural efficiency and productivity by encouraging farmers to cultivate large plots collectively.
- Integrating diverse farmer groups, consisting of both indigenous communities and refugees, facilitating knowledge exchange and best practices, leading to improved agricultural techniques and increased productivity.
- Involving refugees in various stages of the agricultural value chain, fosters economic empowerment which results into sustainable livelihoods.
- Forming livelihood partnerships with off-takers to ensure a consistent market for produce and access to quality inputs, strengthening financial stability and improving productivity.
- Promoting partnerships between refugees and host communities to encourage inclusivity and expand agricultural opportunities for displaced populations.
- Collaborating with private actors within the agricultural space to provide access to modern technologies, financing, and market linkages.
- Formalizing working relations among value chain actors through agreements to enhance clarity, trust, and accountability, resulting in smoother operations and improved productivity.
- Breaking into international trade markets to enhance competitiveness in unlocking opportunities for export and increased profitability.

A: How can agricultural productivity in refugee and host communities be improved and what is necessary for the sustainability of interventions?

- Engaging local government and policymakers in agribusiness partnerships to create an enabling environment with supportive policies.
- Investing in post-harvest handling mechanisms, such as storage and handling facilities to minimize losses and ensure product quality for the market.
- Establishing cooperative societies in both host and refugee communities to promote collective decision-making, resource pooling, and joint market access.
- Providing the agribusinesses with organic training in good agronomic practices, including pesticide and fertilizer handling to close sustainability gaps.
- Assessing market needs and securing buyers before production to reduce the risk of market glut and income uncertainty.
- Equipping farmers with knowledge of quality parameters for international trade to enhance competitiveness in global markets and unlock opportunities for export.
- Adopting vertical/intensive farming techniques to foster continuous farming in limited land areas, optimizing land use and yielding higher productivity.
- Offering financial support to existing and start-up businesses thereby contributing to sustained growth.

A: How can agricultural productivity in refugee and host communities be improved? What is necessary for the sustainability of interventions?

- Investing in water and irrigation services to mitigate climate variability's effects and enhance overall agricultural productivity in refugee and host communities.
- Strengthening market linkages through partnerships with buyers, retailers, and distributors to expand customer base, reducing marketing challenges, and fostering sustained growth.
- Small storage facilities to address post-harvest losses, impacting farmers' income and food security.
- Engaging in contract and community farming agreements to promote stable markets, resource sharing within the community and financial stability.
- Promoting a positive mindset among female entrepreneurs to foster the growth of sustainable and profitable ventures with creativity and adaptability.
- Encouraging mixed farming in both refugee and host communities to optimize resource utilization and promote soil fertility.
- Conducting soil testing for the crops to guide in making informed decisions such as input usage, leading to improved yields.

B: What types of capacity development and financing solutions would work best in refugee communities?

- Crop insurance programs that provide a safety net for agribusinesses protecting them from potential crop losses due to unforeseen events.
- Accessible formal financial institutions to provide agribusinesses with much-needed capital for investment and expansion.
- Equipping refugee communities with modern agricultural technologies, such as irrigation systems to enhance productivity.
- Evaluating the suitability of specific agricultural interventions to ensure that resources are allocated to projects with the highest potential for success and impact.
- Partnering with Village Savings and Loan Associations (VSLAs) to promote savings and capital accumulation for agribusinesses.
- Leveraging the Parish Development Model to foster community-based development projects and agricultural initiatives.
- Offering entrepreneurship education, and financial literacy to foster innovation and sustainable business practices.

B: What types of capacity development and financing solutions would work best in refugee communities?

- Providing voucher assistance for inputs or services to alleviate financial burdens for agribusinesses and enhance access to essential resources.
- Capacity building of both refugee and host communities to empower individuals with the necessary knowledge to enhance agricultural productivity and resilience.
- Establishing communal access to agricultural equipment and technologies that reduce individual financial burdens and promote efficiency in farming practices.
- Facilitating the access and utilization of improved inputs and agricultural technologies to improve product quality, and promote sustainable agricultural practices.
- Facilitating strategic connections between agribusinesses and potential partners to ensure a consistent market and foster business growth.

C: What mechanisms/partnerships can be established to address the barriers and close food security and value chain gaps in the resilience zones?

- Establishing partnerships with financial institutions to provide access to tailored financial products with reduced costs of capital.
- Fostering collaborations between refugees and host communities to encourage inclusive growth and mutual support within the agricultural sector.
- Collaborating with policy-makers such as OPM to create supportive interventions that address food security and value chain gaps effectively.
- Implementing result-based financing mechanisms to set specific targets for agribusinesses, incentivizing them to reduce costs.
- Diversifying income streams through complementary activities such as Tourism, Energy to enhance economic resilience of the agricultural sector.
- Highlighting the successful funding opportunities undertaken by female-led agribusinesses to attract further financial support and motivate fellow business women.
- Promoting collaborative partnerships that focus on shared goals fosters a more inclusive and equitable agribusiness ecosystem.
- Involving all relevant stakeholders in the design and implementation of solutions to encourage tailored approaches to address gaps effectively.
- Recognizing and addressing gender dynamics in the agricultural sector to ensure equitable participation.

THANK YOU

www.findingxy.com



merab.twinomugisha@findingxy.com
eddie.sembatya@findingxy.com



+256-759-681506



Principle Offices: Bukoto-Ntinda Road, Kampala,
Uganda

