

Agency for Accelerated Regional Development

AFARD

ANNUAL
REPORT

2015

March 30, 2016

*“Inclusive
and Resilient
Livelihoods”*





Acronyms

AFARD	=	Agency for Accelerated Regional Development
AHL	=	AFARD – Holdings Ltd
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
PMTCT	=	Prevention of Mother to Child Transmission
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

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



Dr. Alfred Lakwo
Executive Director

Foreword

In December 2014, the Board of Directors approved a new 5-year Strategic Plan 2015-2019. This plan is anchored on the vast expertise, experiences, and learning accumulated in the last 14 years of community service, multi-stakeholder engagement, and results-based management. With West Nile region as the second poorest part of Uganda next to Karamoja, AFARD's vision of "*a prosperous, healthy and informed people of West Nile*" and approach of community empowerment is relevant today as was in the past. Thus, over the next 5-years, AFARD's goal is to "*contribute to the socioeconomic transformation of 150,000 vulnerable and marginalized people [children, youth, women and the elderly] for inclusive and resilient livelihoods.*" This annual report shows the progress made in 2015 towards the strategic targets set over the 5 years. Notably, a total of 24,155 households were reached with various services. Of this number:

- 22% gained food and nutrition security status;
- 10% were lifted above \$1.25 poverty line;
- 15% of women gains socio-economic empowerment;
- 11% experienced reduction in water and sanitation borne diseases; and
- 12% secured additional project support from their local governments.
- Meanwhile, each beneficiary group saved an average of UGX 1.7 million
- At AFARD level AFARD-Holdings Ltd (AHL) was registered as an inclusive social enterprise.

With these results, the path to success is set in management planning, results tracking, and accountability. We are therefore grateful for the technical and financial support from KNH, SHA, CSF, PELUM, and EU/DFID through SNV.

Finally, with the Sustainable Development Goals (SDGs) in force, we call upon government, private sector agencies, donors, and research and capacity building institutions to partner with AFARD in accelerating the socioeconomic transformation of West Nile. AFARD is committed to providing an innovative bridge for aligning the Sustainable Development Goals and Uganda Vision 2040 with the aspirations of our poor marginalized communities. The time is now!

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

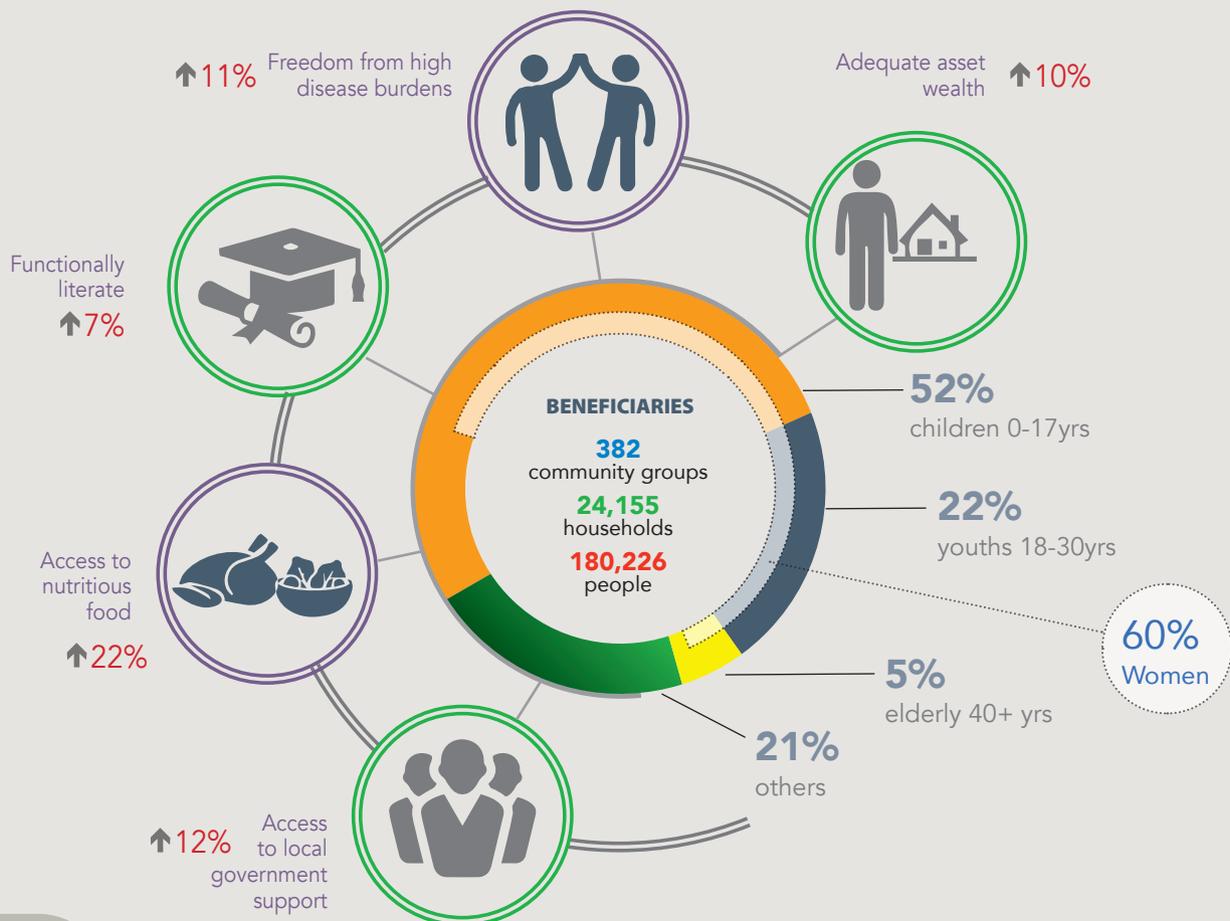
Dr. Alfred Lakwo
Executive Director

▲ Facts and Figures of 2015

The Agency for Accelerated Regional Development (AFARD) is a local non-governmental organization. Its vision is a *“A Prosperous, Healthy, and Informed People of West Nile region, Uganda.”* AFARD’s 5-year Strategic Plan 2015-19 envisages to achieve: 1) sustainable and equitable access to nutritious foods; 2) adequate asset wealth; 3) households free from high disease burdens; 4) a functionally literate society; and 5) individual and group participation in local governance. Finally, it seeks to grow

and sustain AFARD with a UGX 0.5 billion capital reserve. In pursuit of its vision and goals, AFARD in 2015 reached out to 382 community groups with 24,155 households that hosted 180,226 people in Nebbi, Zombo, Arua, Yumbe, and Moyo districts in West Nile, Uganda (see annex 1). Of these people, 24% were persons with disabilities (PWD), 5% Persons Living with HIV/AIDS (PLWA). See the result map below for a brief highlight of our work in 2015.

Figure 1: Mapping our 2015 results



Children: Ensuring A Productive Future Generation

AFARD acknowledges that the future of West Nile region lies in its children. Raised with dignified lives that protect and promote their rights, children are critical vehicles for socio-economic transformation. Yet, the status of child poverty in the region is very high. To revert this trend, AFARD now focuses on holistic programming, implementation and accounting. In 2015:

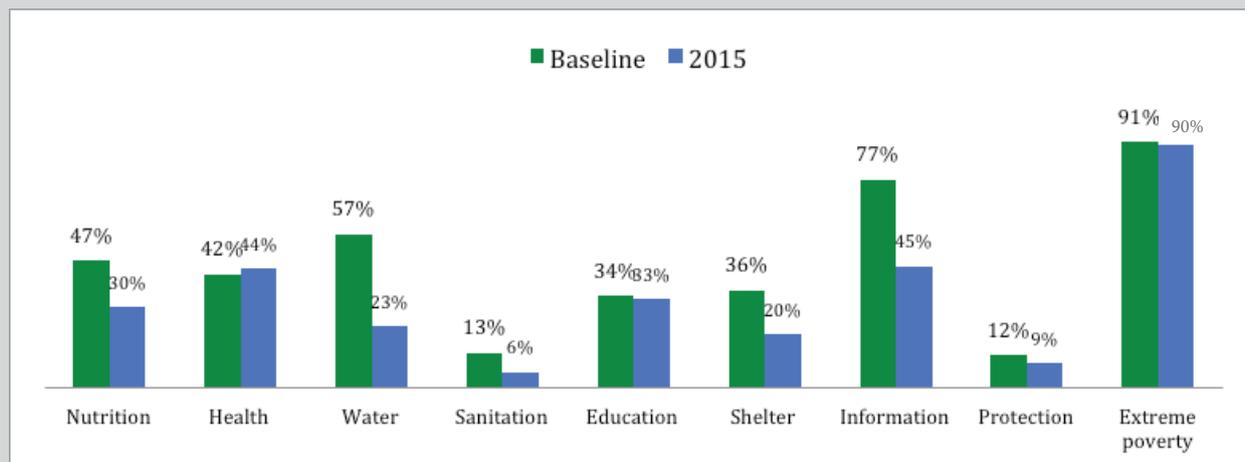
All project staff signed the Child Protection Policy in order to respect children's rights.

- Largely in Erussi-Ndhew CDP:
- 26 new Children's groups with 817 members (53% girls) were formed.
- The various trainings on children's rights reinforced community advocacy. For instance, during the Day of the African Child celebration children advocated against child marriage.
- The promotion of savings and credit management among SHG members improved access to food and other basic needs required for healthy growth of children.

- The protection of eight safe water springs, provided access to safe drinking water for 1,044 households with 4,320 people (70% of their membership are children).
- The 53 sanitation and hygiene behavior change awareness meetings for 1,590 people, and village competition, reduced open defecation and improved privacy of pit latrines.
- The provision of guidance and counseling to 213 pupils (103 girls) improved school attendance, discipline, and desire for continuing with education especially among girls.

As a result of this innovative work, the demand for children's group has increased in many communities. Children have also started to observe their roles at homes such as supporting their parents with age-sensitive activities. Figure 2 below also shows the small decline (1%) in child poverty in the year.

Figure 2: Key deprivations of children's rights



Story 1

Promoting work and savings culture among young people

Agai Solomon, a 15-year old boy of Madi village, Erussi sub-county, Nebbi district is an active member of Kwo Lonyo Children's Group of Erussi-Ndhew Community Development Project. Through various trainings in economic and social enterprises, children's empowerment, and handcraft, the group was linked by its CLA subcommittee for children from "Mer Ber CLA" to "Ber Bedo carpentry workshop" owned by Mr. Michael Oweki in Madi upper.

Although Kwo Lonyo Children's Group has 20 members, Agai Solomon and eight other members picked interest in learning carpentry skills. Every weekend after their group meetings, Solomon runs to the workshop to perfect the skills that he already learnt and learn new ones. "Solomon's devotion to learning has equally encouraged me to teach him more skills" says Mr Oweki. "He has quickly learnt how to make tables and stools. And I have allowed him to sell his products in the workshop while doing other works," he adds.

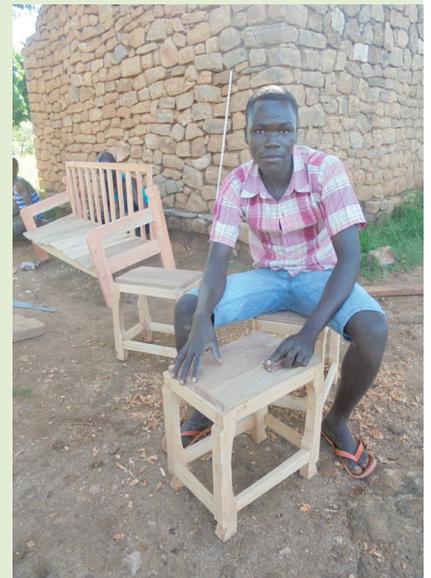
From the sale of his products, Solomon by December 2015 had saved UGX 345,000. This money proved very helpful because he had sat his Primary Leaving Examination (PLE) and scored Second Grade with Aggregates 23 (English 6, Mathematic

6, Social Studies 5, and Science 6) and was admitted to Nam High School in Pakwach Town Council.

Solomon's mother was overjoyed by the self-help approach that also enables children to learn marketable and income generating skills. She said that,

The effort of my son Solomon to learn carpentry every weekend was not in vain. He learned that hard work and quality materials generate income. He also learned that not all that you earn must be consumed. That is why he saved almost all his earning. With this savings, we his poor parents were able to pay his tuition (UGX 285,000) in time and buy almost all his school requirements. Part of the money was also used for his pocket money. As his parents, we only topped up his money and had such a huge relief. Should you form more groups, I want Solomon's followers to also join children's group so that they too develop their skills for future livelihoods.

Finally, Solomon noted that, "Without this skills, money and savings, I am not sure whether my parents would be able to send me to school on the first day of the term without any financial stress." He also determinedly adds that once on holidays he will continue with his carpentry lessons and business.



Climate-smart and Nutrition-sensitive Agriculture

In West Nile region, few households have adequate and nutritious food throughout the year. Gender inequality in food consumption is also widespread. This food and nutrition insecurity situation is caused by: Low on-farm productivity; Limited food purchasing power; Inadequate knowledge and skills of safe nutrition; Adverse climate change; and the limited political participation of grassroots communities in local governance.

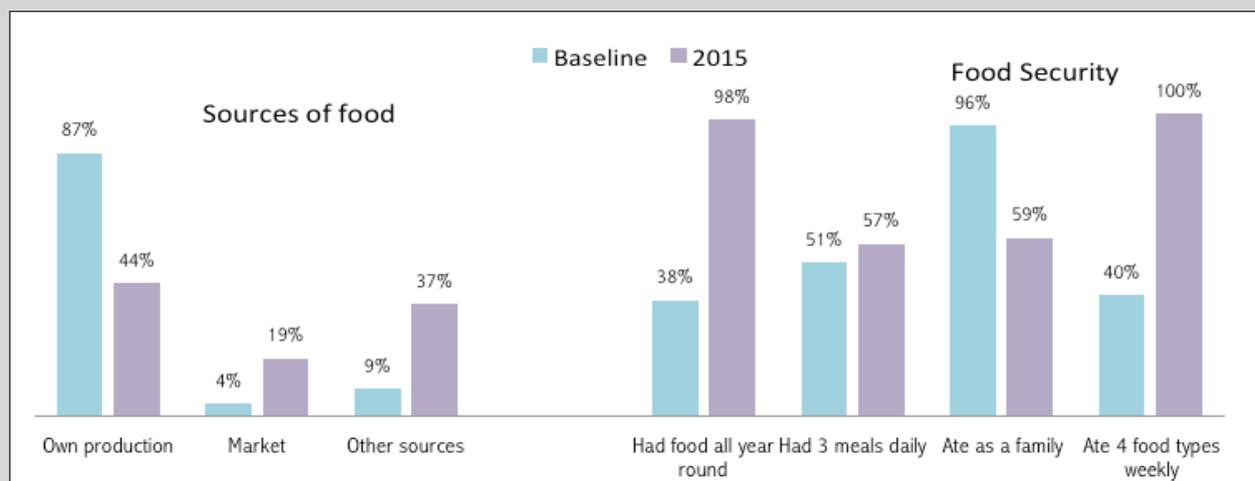
Given the devastating multidimensional effects of hunger, in 2015 the following were pursued:

- 12,000 poor households accessed drought resistant, high yielding seeds and planting materials to grow staple food crops. Nutrition education was mainstreamed in group extension services. Local vegetable gardening was also promoted. In return, cassava fields expanded in Yumbe and Rhino camp and as figure 3 shows 57% had three meals daily; 59% ate as a family; and 100% reported dietary diversity on at least four different food types. The consumption of Vitamin A

rich diet (of fruits and vegetables) also increased by 43% from 55% to 98%.

- The promotion of tree planting took a central stage especially in CEEP. Group members were introduced to the economic benefits of planting timber or fruit trees. For youth and young adults, this presented a good old age “pension project.” Thus, 24% adopted tree planting although due to the high cost of seedlings the average number of trees per member is a dismal 27 trees.
- Given the increasing exposure to the adversities of climate change (with exposure to drought/floods rising from 33% in 2009/10 to 74% in 2015) a risk-smart smallholder agriculture approach was adopted in order to mainstream economic with technological mitigation measures. As a result, the number of farmers who insured their cash crops using Jubilee Insurance Crop multi-peril scheme increased from 54 in 2014 to 150 in 2015 and the compensated claims amounted to about UGX 85 million.

Figure 3 Sources of food and status of food security



Story 2

Crop insurance strengthens farming as a business

West Nile farmers experience persistent effects of climate change. Drought, floods, hailstorms, pests and diseases and consequently massive yield loss is an annual occurrence. This has limited farmer transition from subsistence farming into farming as a business. Many farmers are discouraged from adopting even viable agro-enterprises.

Jupulony farmers' group is among the 30 farmer groups that is benefiting from AFARD – Jubilee Insurance partnership. This group, with 85 members (17 males and 68 females) is located in Nebbi district, Pakwach Town council, Amor parish, Jupulony village. It focuses on simsim agribusiness as its "tool for fighting against members' household poverty." However, the group has in the last 3 years faced persistent drought and hailstorms with devastating yield losses.

In response, the farmers were introduced to multi-peril crop insurance scheme that is managed by Jubilee Insurance. They embraced the scheme

and adopted collective marketing. While in the second season of 2014 only 11 members insured their 9.5 acres, in 2015 (first season), this figure increased to 26 members with 31 acres. This change represents a 136% increase in the number of subscribed farmers and 226% increase in acres. While in 2014 they received a claim settlement value of UGX 3,400,000, in 2015 they earned UGX 5,246,500.

Mrs. Anna Odaruwa one of the members of the group paid an insurance premium of UGX 46,800 for 1-acre of simsim. She received UGX 280,000 as 65% compensation after harvesting 75.5 Kg (worth UGX 227,000). "With this money I will be able to pay school fees balance for my daughter in senior four, buy seeds for next season planting, and pay insurance premium too", she narrated after receiving the money.



The adverse effects of drought



Mrs. Anna Odaruwa receiving her claim settlement pays

The effects of crop insurance on enrolled farmers:

- ▶ Increased acreage from 0.5 – 1 acre
- ▶ Improved mandatory use of good agronomic practices
- ▶ Rising demand for collective farming – input sourcing and bulk marketing
- ▶ Improved attitudes and investments in farming as a business
- ▶ Over 70% of planned income is attained

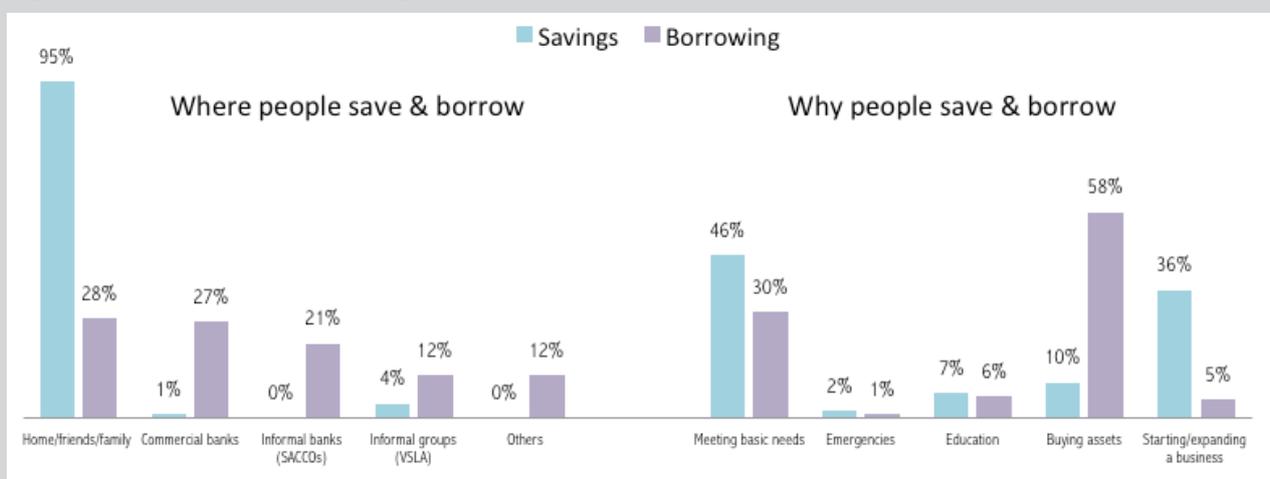
▶ Economic Empowerment and Asset Building

The West Nile region is the second poorest region in Uganda (next to Karamoja). Income levels are exceptionally low (averaging UGX 141,400/month) and few homes have productive assets with which to buffer the recurrent livelihood shocks. This economic insecurity is fuelled by overreliance on subsistence farming and inadequate knowledge and skills required to manage profitable microenterprises.

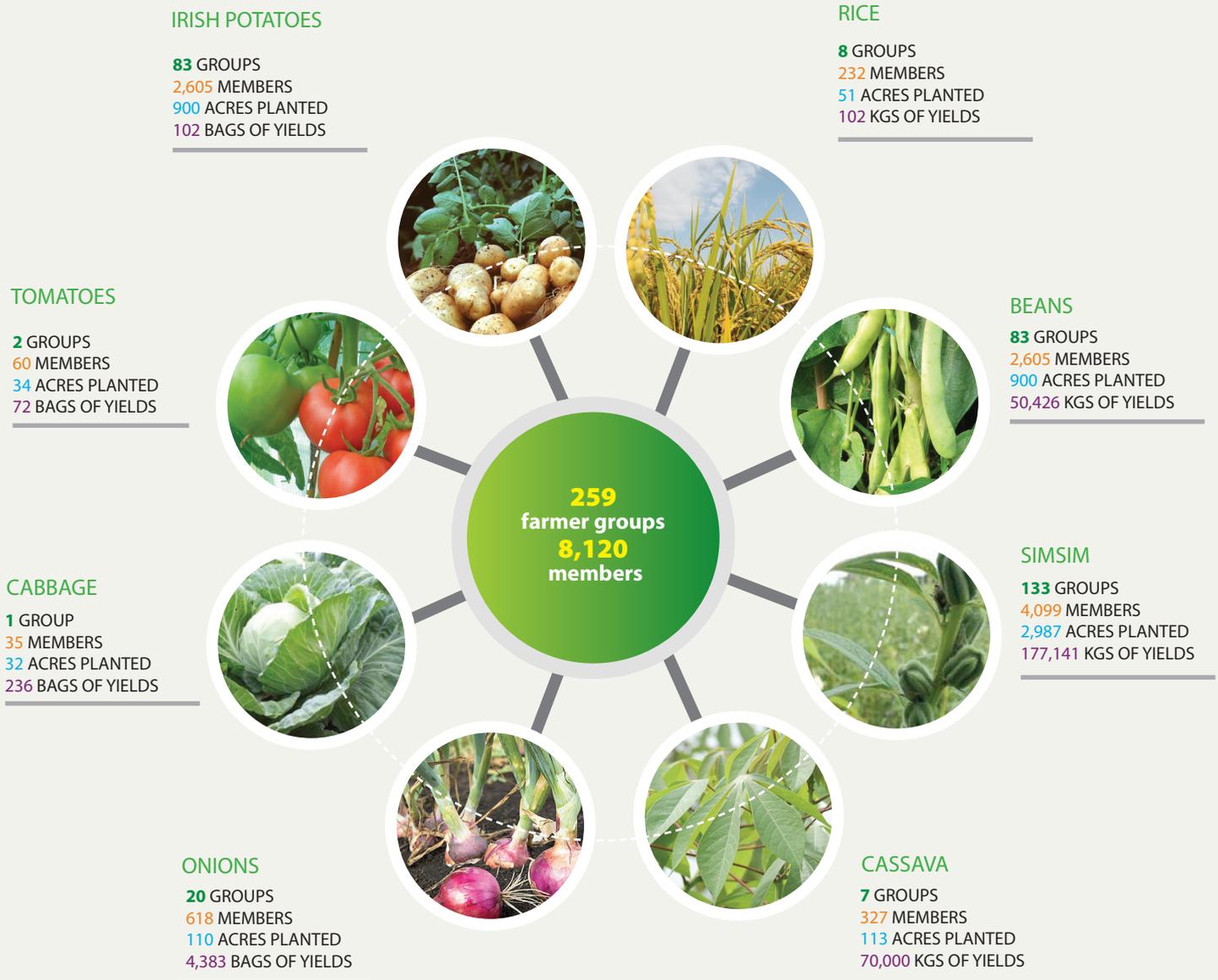
To transform the insecure livelihoods of the people, in 2015 a market-driven approach was adopted and the following were achieved:

- 259 smallholder farmer groups with 8,120 farmers (63% females) participated in farming as a business projects. The groups selected relevant market-and-agro ecological enterprises, developed business plans, and set up demonstration plots as both learning and in some cases seed multiplication sites.
- A market analysis was conducted of all the priority enterprises (Onions, cabbages, tomatoes, simsim, beans, cassava, rice, and Irish potato) in order to identify potential buyers, profitability, and the enterprise potential for poverty reduction.
- Business-to-business (B2B) linkages were developed with a number of value chain actors especially those in genuine inputs supplies and premium and insurance markets. The Jubilee insurance crop multi-peril scheme enrolled more farmers.
- Group savings and credit was promoted in 57% of partner groups to ensure that members secure their savings and access farmer-friendly credits. As such the group accumulated about UGX 650 million (averaging UGX 1.7 million).
- To build future financial security, an assessment of financial literacy was conducted. This study found out that only 6% of the group members had a family budget. The knowledge of money management was also very low. Few correctly computed loan interest (18%), annual savings (32%), and purchase discount (32%). As figure 4 below shows, many people save at home, and borrow from family/friends. While most of the savings are for meeting basic needs (46%) and starting/expanding a business (36%), loans/debts are mainly used for buying assets (58%) and meeting basic needs (30%).

Figure 4: Sources and use of savings and credit



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)

Story 3

Right Agro-enterprise and Diversification a pathway out of extreme poverty



Mr. Ali's welding plant at Zeu Trading Center



Mr. Ali's dream house under construction

Mr. Ali Kasim is a member of Menze WENDI group. Aged 28 years, he is married to Anichan Subra and they have five children. The dream of Mr. Ali is to afford a decent life for his family. They need a permanent house, means of transport, and good education for their children. But “where would the money to achieve this dream come from?” Mr. Ali asked himself in 2014.

Luckily from the SHA-funded CEEP, their group selected Irish Potato agroenterprise. He remarked, “I had seen many potato farmers doing well after harvest and I knew my turn has come.” In 2014, Mr. Ali raised UGX 379,500 as his 30% contribution for one acre and the project contributed 70%. He then received 12 bags of Irish Potato seed, and other production and marketing inputs. Mr. Ali also volunteered as a lead farmer. He attended the Training of Trainers course and participated in all the mentoring and coaching visits. While he gave part of his time to support his fellow group members, Mr. Ali also devoted adequate time to his garden. He followed all the recommended agronomic practices as he noted, “I would visit my garden at least twice daily and whatever was not right I had to put right immediately.”

In December 2014, Mr. Ali harvested 60 bags of Irish potato. Of these, he sold 36 bags each at UGX 110,000 and earned UGX 3,960,000. He saved 24 bags for

seed to farm two acres in the first season in 2015. With the money Mr. Ali bought a second hand motorcycle (at UGX 950,000) and made bricks, which he is now using for constructing his dream house (now at ring beam level).

In the first season of 2015 Mr. Ali adopted stagger-planting method. He planted half (1/2) acre of his ware Irish potato in a valley and the remaining seed was planted on a raised land for seed in May 2015. Again he did not go wrong. Ali harvested 37 bags of clean potato that earned him UGX 3.7 million. Creatively Mr. Ali used part of this money to raise his house to ring beam level. He used UGX 1.7 million to buy a gas welding set that he operates every Tuesday in Zeu market and on Friday in Alangi market. From this business alone Ali earns a monthly average of UGX 720,000.

Asked about his savings, Ali smilingly replied that he has already saved UGX 7 million in Centenary Bank Paidha branch. He also quipped that, “Now meeting my family basic needs is not a problem. We eat good food and have decent dressings. Our children will finally go to good schools for better education.” Ms. Ali is also happy with their family progress. They plan to complete the residential house, train the gas-welding employees, and expand their Irish potato acreage for increased income.

“Always heed to and practice good agronomic practices in order to attain high yields.” He gladly says, “Now meeting my family basic needs is not a problem. We eat good food and have decent dressings. Our children will finally go to good schools for better education.”

Mr. Ali

Story 4

Pangieth Farmer Group is located in Paila village, Alwi Sub county, Nebbi District. It is one of the farmer groups benefiting from Community Economic Empowerment Project (CEEP). The group has 49 members (27 males and 22 females) who all grow simsim mainly for income. However, the group members have over the years faced challenges of inadequate market information, low prices, and bad roads to transport their produce to better markets. As a result, they have consistently had small production, low profits, and low quality of lives.

To attract big buyers the group resorted to collective marketing. During enterprise selection process, group members selected simsim because they had the production skills. Given the suitable agro-ecological zones they had also over the years obtained relatively better yields, which "middlemen robbed annually" said a member. They agreed to practice bulk marketing so that they can attract better prices from big buyers.

Through the training of BMCs and the vibrant contacts made with big buyers, the group was linked to AHL and AY International. Armed with adequate information, they were able to negotiate better prices. Before Christmas 2014, members sold 2.3 MT to AHL at UGX 3,000/Kg and earned UGX 7.1 million. In late February 2015 after plummeting prices (contrary to their speculation),

the group bulked 11.4 MT and sold to AY International at UGX 2,700/kg (well above the prevailing price of UGX 2,500/Kg). They earned UGX 30.7 million.

The group noted during their business review that, "we performed very well last season." The evidences listed included being able to attract two big buyers who offered them better prices than was in the market and also procured their produce from their village at no transport cost to any member. Mr. Ukwong Saleh remarked,

What is now my roadblock to growing more simsim? I do not need to carry the heavy load on bicycle to the roadside to get a buyer. The price is even much better at the group level than when I was selling alone. Come next season, I will increase my acreage from two to four acres. At least with this money [UGX 550,000 that he earned], I will buy some goats and pay school fees in full for my daughter. For once, she will not be sent home because Mr. Saleh cannot afford full fees.

Finally, the buyers commended the group for good quality simsim. They promised to be available to buy from them every harvest season. Thus, collective marketing is not only increasing farmer incomes. It is also enhancing group cohesion and building market relationships.

Collective farming increases smallholder farmers' productivity



Business Marketing committee keeping records



Farmers undergoing improved postharvest management training

Collective farming promotes adherence to better quality, increases volume for bulk marketing and provides farmer groups with visibility and voice in the market place, and better price per unit of produce," Mr. Robert Bakyalire the Programmes Manager.

Unlocking Youth Unemployment Trap

National statistics show that youth (15-30 years) constitute 49% of the 2.6 million people in West Nile. The baseline survey conducted by YES project found out that many youth were literate (65%); married (47%); and self-employed (88.2%) especially in agriculture. Yet only very few youth had any training in good agricultural practices (15%), agribusiness (8%), vocational skills (33%), and life skills (29%). No doubt, youth earn dismal average monthly incomes (UGX 139,739) and wages (UGX 41,737); and few have productive assets (e.g., only 40% had livestock). The

key drivers of this deplorable youth un(der) employment includes limited: relevant and marketable skills; access to business capital; private sector engagement; and political participation. In line with the Strategic Plan, a pro-active attention was placed on youth employment. Youths are targeted as a specific social category with its own rights and needs. As table 1 shows, more than 6,000 youth were engaged in various ways to unlock their needs for jobs, incomes and decent lives.

Table 1: Youth outreach in 2015

Name of project	No. reached	Focus of employment
Community Economic Empowerment Project	143	Farming
Danish Assistance to Refugee Hosting Areas (DAR 3)	2,541	Farming
Erussi-Ndhew Community Development Project	498	Village savings and credit
Youth Employability through Skills Development	2,993	Farming and Microenterprises
Linking Smallholders to Market	124	Farming
Safe Sanitation and Hygiene for All (SSH4A)	121	Sanitation engineering
TOTAL	6,420	

AFARD is aware that youth requires the right mindset and skills before engaging in any employment market. For rural youth, agriculture remains their biggest potential for employment. This is why in 2015 AFARD focused on employability development and “smart agriculture” targeting low-cost, quick-maturing and high-return enterprises and income. For instance:

- Our agribusiness development targeted tomatoes, cabbage, onions, beans, and Irish potato agro-enterprises.
- Lead Farmers and Young Model Farmers (YMFs) provided peer-to-peer extension training in good agricultural and agribusiness practices (GAAP) with encouraging results as Akim Abakari from Lanjua noted: “I used to sow 500 grams of onion seeds, and only plant ¼ of an acre. Little did I know that I was wasting

seeds. Now I have planted the same size of garden with only 250 grams. The training has helped me to reduce this waste.”

- The Youth Business Forum provided a crucial opportunity for youth to engage with private sector leaders by showcasing their innovative businesses; building business-to-business linkages; and voicing their concerns for business growth. Thanks to CEFORD/ZOA, Abi Zardi, East African Seeds, Jubilee Insurance, UAP, East African Seeds, Mukwano Industries, and banks like Centenary, DFCU, and Post bank, among others, for their active participation. In return, 15 youths insured their beans gardens and 180 youths took micro-franchise of Mukwano products.

Story 5

Agribusiness a viable pathway for rural youth employment

The Youth Employability through Enterprise and Skills Development (YES) is a 3-year project funded by European Union and is being implemented by SNV (overall supervision), AFARD (in Nebbi, Yumbe and Moyo districts) and CEGED (in Arua district). The overall goal of YES is to contribute to youth poverty reduction by focusing on improved and sustainable youth economic opportunities. The project targets 5,000 youth (aged 15-30 years) in the four districts.

From January 2015, the project staffs were recruited and inducted and under phase I 1,393 beneficiary youth were enrolled – 300 urban youth in petty businesses, 193 youth in BTVET institutions, and 900 rural youth in agribusiness. While BTVET and urban youth were supported with skills development, business competition grant, and micro franchise to develop their enterprises, among rural youth

33 Young Model Farmers (YMFs) were trained as peer trainers in extension services provision. Clustered around selected enterprises – Irish potato, onions, cabbage, tomato, and beans - rural youths were also provided with critical agricultural production inputs together with trainings in good agricultural, agribusiness and business management practices. Mentorship was continuous.

The results are impressive. Many youth have adopted good agronomic practices to ensure that their self-employment enterprises succeed. They are also employing 1,500 fellow youth. In return, enterprise growth is emerging with a monthly income of UGX 85,000. Asset accumulation is on the rise and now only 67% down from 71% live in extreme poverty. The average net worth per youth has increased from UGX 3.5 million to UGX 6 million.



"I never thought I would hold UGX 1 million in my life. But when I shifted from growing soya beans to cabbage, from just a quarter of an acre I have managed to earn this money. Cabbage is a miracle crop! Now I know where to chase my poverty from..." Mr. Okuga Anthony, Moyo district

Results of GAAP training

- ▶ Land opening 92%
- ▶ Nursery management 93%
- ▶ Planting 84%
- ▶ Spacing 89% | Pest & disease control 63%
- ▶ Postharvest management 66%
- ▶ Intercropping 15%
- ▶ Crop rotation 72%
- ▶ Mulching 50%
- ▶ Manure use 44%
- ▶ Records keeping 54%

Human Capital Development

The wealth of a nation is the health and literacy of its people. Good health and education permits people to live long and productive lives. However, the four critical drawbacks to human capital productivity in West Nile region are malaria, HIV/AIDS, limited access to improved water, sanitation and hygiene, and illiteracy. Malaria drains Uganda \$658 million annually. HIV/AIDS is a quasi-liability costing \$5,900 per infection. While unsafe water and sanitation accounts for 10% of the total disease burden, the World Literacy Foundation estimated that illiteracy saps Uganda \$229.5 million annually. To address these development roadblocks AFARD in 2015 focussed on preventive community health so as to reduce the high disease burden.

- In collaboration with Civil Society Fund the Fisher-folk Anti-AIDS Project (FAP) was implemented to prevent new infections and mitigate the effects of HIV/AIDS in Nebbi district. The terminal evaluation revealed that through FAP: Behavior Change Communications (BCC) reached out to 28,524 (44% women); HIV Counseling and Testing services were provided to 14,365 people (56.9% females and 2.2% couples); 665,207 condoms were distributed (only 10% were female condoms); PMTCT services were provided to 2,936 women (428 were positive mothers); and Safe Male Circumcision (SMC) reached 451 men.

Key outcomes included:

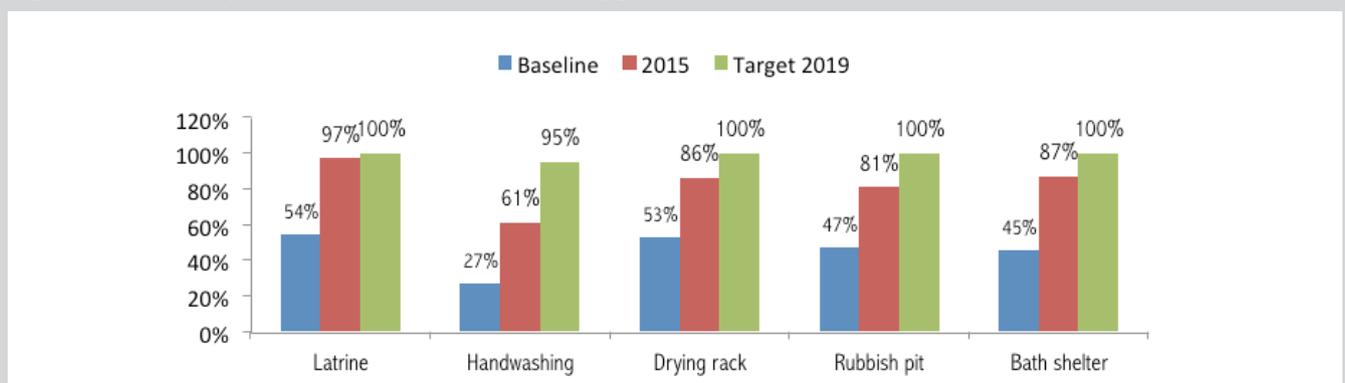
- Increased uptake of HCT services and female condoms.
- Rise in steady sexual partners.
- Improved disclosure of HIV status among PLWA.

- Increased membership in Post Test Clubs.
- Reduction in widow inheritance.
- In collaboration with SNV, with DFID funding, AFARD implemented the Sustainable Sanitation and Hygiene For All (SSH4A) Results Project in Yumbe and Nebbi districts (in Drajini and Lodonga, and Alwi sub counties respectively). By so doing: Sanitation demand creation and follow up was conducted in 183 villages that were practicing open defecation; 18 multi-stakeholder dialogues were held on women empowerment on issues of rural sanitation and WASH governance; and 6 VSLA were trained on Sanitation as a business and 36 Young Sanitation Entrepreneurs (YSE) were trained as community sanitation engineers. Behavior change communication with a focus on hand washing with soap was provided to 7,983 people (in schools, markets, health centers, and churches), and community radio dialogues; 5 latrine and 4 hand washing technological options were promoted in 183 communities; and 183 villages were declared Open Defecation Free (ODF).

Key outcomes included:

- 2,367 households had access to sanitation for the first time.
- 183 villages are now ODF (with zero open defecation).
- Increased good hygienic practice behaviors like hand washing with soap at all critical times, taking a bath every day, and using anal cleansing materials in latrines.
- Social marketing of sanitation facility has taken root.

Figure 5: Availability of Household Sanitation and Hygiene Facilities



Story 6

“Social category targeting”
is effective in stirring positive
behavior change

Between October 2013 and September 2015, AFARD implemented the Fisher Folk Anti-AIDs Project (FAP) in Pakwach sub-county, Nebbi District in order to address the high rate of new HIV/AIDS infections largely from among other drivers the high rate of unsafe sexual practices. Commercial sex workers as a Most At Risk Population (MARPs) were specifically targeted given the urban nature and the oil exploration business in Pakwach Town Council.

Ms. Fatuma Sebbi, a 44-year-old, former Commercial Sex Worker (CSW), and an active member of Olyejo Post Test Club was selected and trained as a peer educator-cum-counselor for her “sisters in business (SIB).” On completion of her training, Fatuma initiated “a sisterhood awareness and education drive.” Using both one-to-one and

small group approach, she was able to increase the knowledge about HIV/AIDS and condom use. With this breakthrough she developed a home-to-home counseling and referral system for the SIB for HCT and PMTCT. She also gained access to serve her SIB on every ART clinic days at Pakwach Health Centre.

Today, Ms. Fatuma gives live testimonies at the health centre and actively provides home-to-home counseling, referrals and follows ups of HIV patients. Using her examples, she has promoted positive living and an inclusive approach to post-test club management. For instance, by September 2015, through her work 12 Commercial Sex Workers adopted salon business as their alternative source of livelihood; 30 HIV-positive people join Olyejo post-test club; and many CSWs confessed to consistent condoms use.



Fatuma Sebbi during her home visit exercise in Pakech Village with a client family.

“I am dedicated to my work and I feel so honored to be an active community member working with the locals in my community changing their lives and giving hope and comfort to persons with HIV/AIDS” Ms. Fatuma.

Story 7

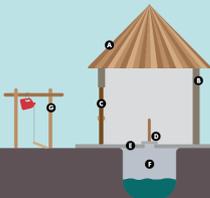
Safe sanitation and hygiene as a trigger for good health and prosperity



Gilbert (Center) in front of his \$15 latrine.

15 USD Toilet

- Roof \$ 3.00
- Wall \$ 2.00
- Door \$ 2.80
- Septic hole cover \$ 0.50
- Latrine Slab \$ 2.00
- Pit \$ 2.70
- Hand washing facility \$ 2.00



The cost of constructing a simple low cost pit latrine.



A locally made tippy tap

AFARD implemented SSH4A in Alwi, and Lodonga and Drajini Sub counties in Nebbi and Yumbe districts. In Alwi Sub county, at baseline the latrine coverage in Sille West village, Fualwonga parish was only 49.5%. For Mr. Gilbert Ongom a 37 year old and father of 5 the practice of open defecation in the bushes was very normal. In April 2015 when AFARD initiated the SSH4A project in the sub county, Gilbert attended a village Community Led Total Sanitation (CLTS) demand creation meeting in his village. From the meeting he realized and appreciated the benefits of using a latrine. He erected a simple latrine using local materials and it conformed to the Joint monitoring Programme (JMP) benchmark. This performance earned Mr. Gilbert a Latrine Construction Champion.

During his village research, he identified a wide knowledge gap in latrine construction. Majority of the households in his area knew how to erect only poor structures. This made Gilbert the “village engineer.” He trained ten youths on standard

sanitary facilities construction using the local materials and why better facilities. Together with his team, they joined the local authority of the area to conduct health education to ensure an open defecation free environment. As their interventions intensified the demand for labor for latrine construction in his village and its neighborhood increased. Within a month Gilbert and his team constructed 10 latrines and earned UGX 500,000 (approx. \$15 per latrine).

In December 2015, Sille village was declared Open Defecation Free (ODF). Gilbert’s innovation has demonstrated that sanitation too is a business that besides ensuring ODF society also provides youth with employment opportunity, income and a sense of self-reliance. Thus, to expand this innovation AFARD has partnered with Crowd Ripple Fund to raise funds to train more youths and increase safe sanitation and hygiene practices (see <https://www.crowdbecause.com/campaign/34/building-toilets-in-villages-in-uganda>).

“Increasing access to safe sanitation facilities require innovative blending of business-in-health for win-win gains of a clean and healthy environment and secure livelihoods,” Dr. Alfred Lakwo

Community-led Advocacy

Decentralized system of governance in Uganda is premised on participatory governance. Citizens are required to demand for services and leaders are expected to be responsive and accountable to their electorates. But to many grassroots population local governments are the “properties of government officials” that plan for them, and distribute projects as they so wish. In return, people neither know government plans nor hold their leaders accountable. Exclusion from government projects are not questioned either.

To enhance the political capabilities of community group members to demand for quality public services and local government leaders to be responsive and accountable, AFARD in 2015:

- Under Erussi-Ndhew CDP 30 new Self Help Groups were formed with 600 women members. The group members were trained in goal setting, communication and leadership, savings and credit management skills in order to strengthen their organizational capacity. They were also trained in human and women’s rights and gender based violence. During the SHG Day celebrations the women advocated against domestic violence.

- In liaison with Nebbi District Local Government, AFARD supported 65 PLWA to participate in the World AIDS Day celebration where they echoed the need for constant supply of ARV to avoid life-threatening effects of stock-outs.
- Under the YES Project, supported 82 youth to attend the West Nile Youth Advocacy and Business Forum. For the first time this event brought together youth face to face with private sector actors (input suppliers, business development service providers, traders, processors, and banks) to discuss business-to-business relationship in value chain development.

The results of these works are gradually emerging. From among the beneficiary households, 12% secured additional project support from their local governments especially under Youth Livelihoods Programme, Community-driven development project, and Restocking programme. We are also witnessing improved women empowerment. In addition, the politicians vying for elective posts in the 2016 general elections are echoing how the political landscape is toughening. Communities where we work are re-echoing the questions of bad governance – missing and poor quality public services and rampant corruption.

Table 2: Three dimensions of gender equality (%)

Self/Joint ownership of assets	Base-line	2015	Participation in Family decision making	Base-line	2015	Exposure to gender based violence	Base-line	2015
Cash savings	24	66	Family planning	72	70	Fighting/physical abuse	76	74
Livestock (Cows)	31	80	Land issues	70	82	Quarrelling/verbal abuse	12	6
Livestock (Small animals)	44	68	Livestock use	68	73	Sexual abuse	8	13
Motor cycle	30	80	Fees for children	70	81	Negligence	6	4
Bicycle	43	55	Assets acquisition	70	89	Denied access to resources	5	3
Permanent house	39	77	Use of family income	64	84			

Strengthening Community Organisations

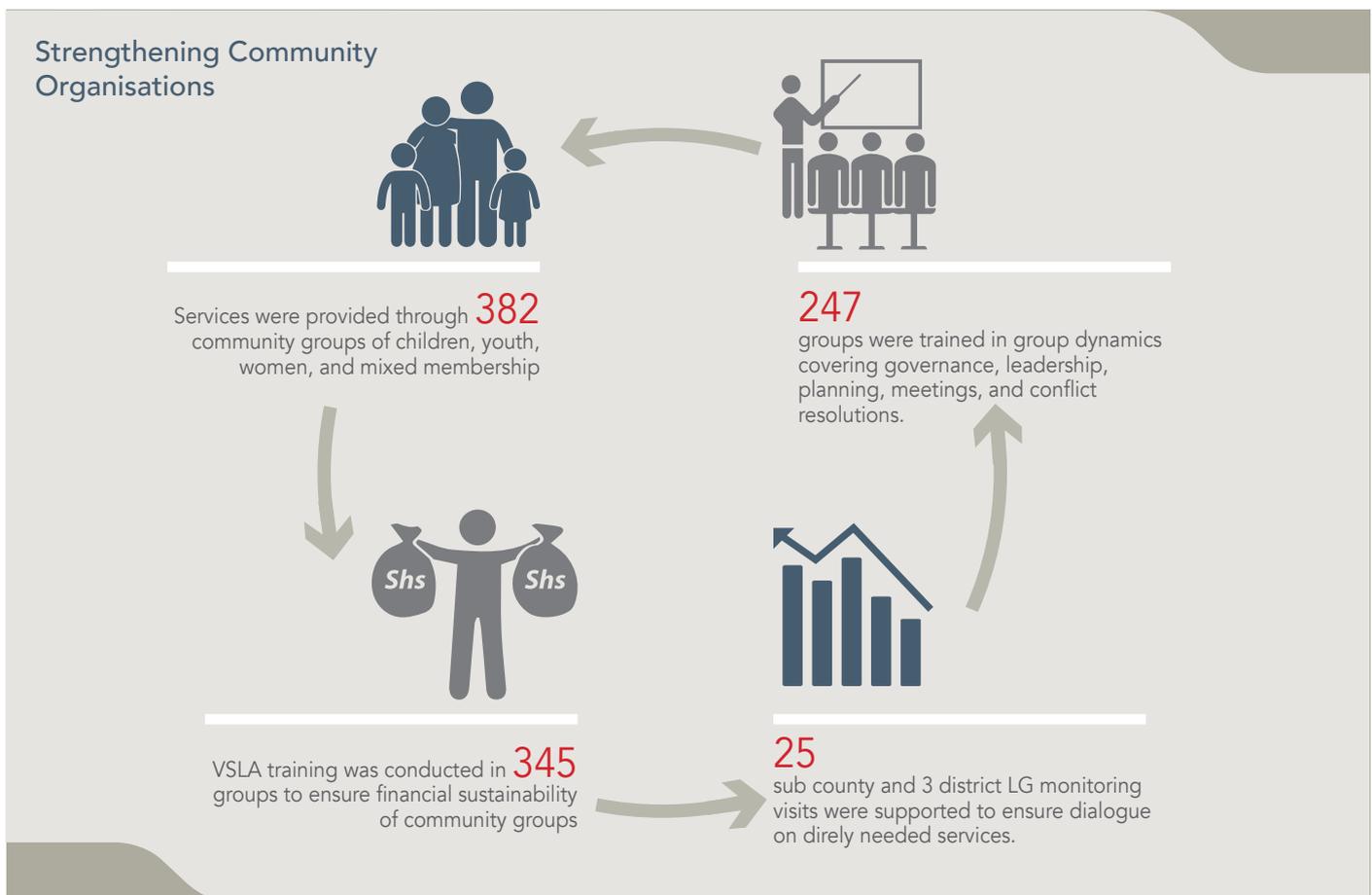
Poverty kills social capital. It draws many poor people into survival mode thereby reducing their incentives for collective risk pooling. Slowly and steadily fewer people than before are joining community based organization (CBOs). Social safety net for the elderly too is waning down.

AFARD seeks to change this situation by largely delivering its developmental programmes through CBOs as the engine for economies of scale, cost-efficiency, and long-term relationship building among group members and development partners.

In the year, the following were achieved:

- Services were provided to poor marginalized people through 382 community groups of children, youth, women, and mixed membership.

- 247 groups were trained in group dynamics covering governance, leadership, planning, meetings, and conflict resolutions. Project officers also attended group members to provide on-site support and to identify other critical areas for capacity building.
- To ensure financial sustainability of community groups VSLA training was conducted in 345 groups (in addition mentorship to 120 groups that already had the scheme functional). Each group saved on average UGX 1.7 million.
- 25 sub county and 3 district local government monitoring visits were supported to ensure that elected leaders and marginalized communities dialogue on direly needed services.



AFARD's Organisational Growth and Sustainability

The unpredictable donor market added to the speedy growth experienced over the last 10 years ignited the drive for building a sustainable AFARD able to deliver high quality, impacting, and co-funded development programmes. This aspiration has witnessed critical organizational transformation in programming, implementation, and accounting.

- The staffing level increased from 37 in 2014 to 65 in 2015. Project staff in particular increased from 20 to 36 in the same period. To ensure effective performance, internal staff learning was promoted. Weekly meetings and quarterly project reviews and coaching reinforced with “delivery targets” enhanced timely planning, implementation, and reporting.
- Internal organizational assessment using National NGO Quality Assurance Mechanisms (QuAM) guidelines and tools from USAID's GAAP conducted a Participatory Local Organizational Capacity Assessment (PLOCA) and SHA's Organizational Capacity Assessment enabled management team to reflect on systems review.
- Learning and advocacy membership were retained 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.
- AFARD-Holdings Ltd (AHL) was registered as a social enterprise and was provided about UGX 2.5 billion equity financing. With a Business Development Manager in place, a 3-year business direction was developed with a focus on value addition to smallholder grain cleaning for export market and expansion of the poultry enterprise.

AFARD's Organisational Growth



The staffing level increased to 65 in 2015. Promotions, weekly meetings & quarterly reviews enhanced timely planning



Internal assessment was conducted to enable management to reflect on systems review



Learning and advocacy membership were retained in different forums



A-Holdings Ltd (AHL) was registered as a social enterprise

Financial Performance

The implementation of AFARD's Strategic Plan 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 enhance resource mobilization, namely: 1) Promote and develop the AFARD Business Wing; 2) Engagement with government programmes; 3) Donor diversification; 4) Private sector engagement; 5) Community co-financing; and 6) Building a reserve fund.

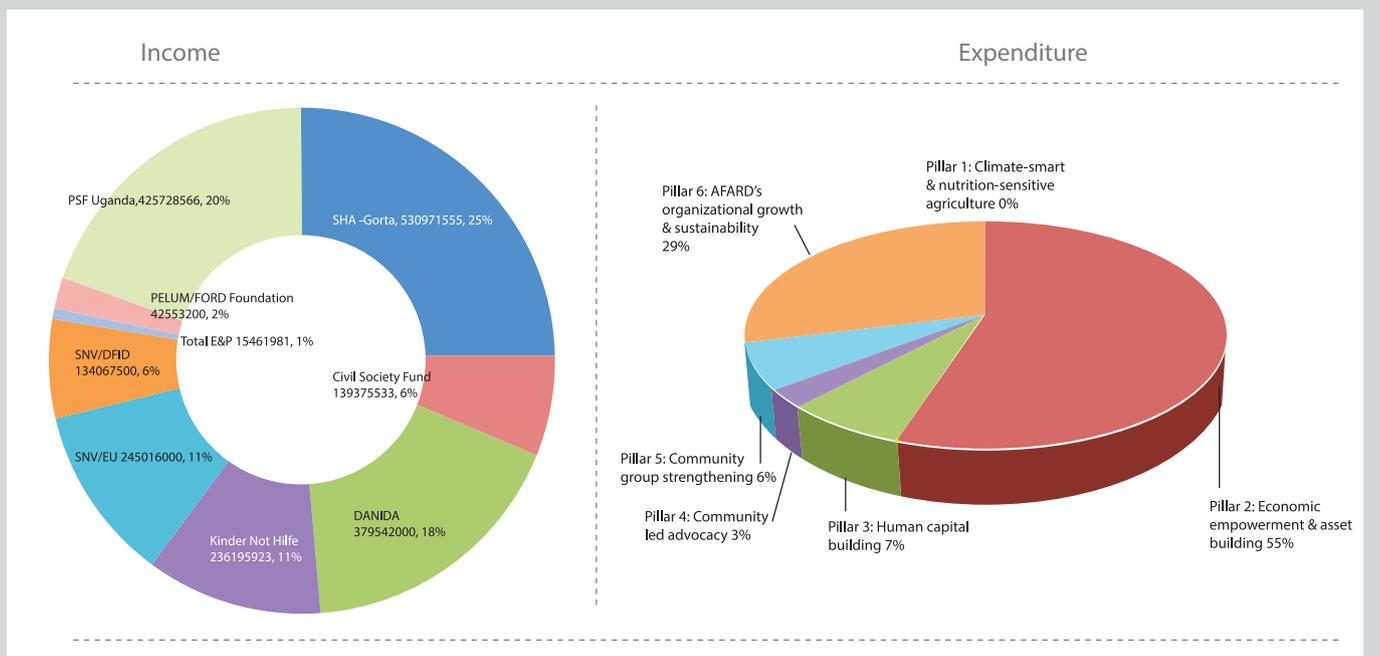
In the year, the following were achieved:

- AFARD's total revenue amounted to UGX 2.45 billion. While 88% was grants, local contributions accounted

for 12%. Equally, CEEP beneficiaries co-funded their start-up input costs to the tune of UGX 41 million.

- AFARD registered AHL as its subsidiary social enterprise arm and allocated total of UGX 2.5 billion as equity capital fund.
- Of the total revenue, 97% was spent largely on economic empowerment pillar (55%) that targeted farming as a business and youth employment. No project funding was secured for climate-smart and nutrition-sensitive agriculture. Farmers used their own income to invest in food production.
- KPMG audited our 2015 Final Accounts and found a prudent management system.

Figure 6: Income & Expenditure statement in 2015



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AFARD

Report on the Fund Accountability Statement

We have audited the accompanying fund accountability statement of AFARD, which comprise the income and expenditure statement for the year ended 31 December 2015 and a summary of significant accounting policies and other explanatory notes set out on pages 6 to 11.

Management's Responsibility for the Fund Accountability Statement

The management of AFARD is responsible for the preparation and fair presentation of the Fund Accountability statement in accordance with the obligations as per donor requirements, and for such internal control management determine is necessary to enable preparation of the fund accountability statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

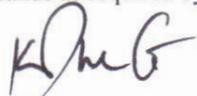
Our responsibility is to express an opinion on the Fund Accountability Statement based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Fund Accountability Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Fund Accountability Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Fund Accountability Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the AFARD's preparation and presentation of the Fund Accountability Statement 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 internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Fund Accountability Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the Fund Accountability Statement presents fairly, in all material respects, of the income and expenditure statement of AFARD for the year ended 31 December 2015, in accordance with the accounting policies set out under note 7.2.1 and comply with the rules and conditions governing the use of funds as required by the donor agreements.



KPMG
Certified Public Accountants
P O Box 3509
Kampala, Uganda

Date: 23 March 2016

Annex 1:

Number of people served by projects and Strategic Plan Pillars, 2015

Name of project	Funders	No. of groups	Target households	Indirect population	P1	P2	P3	P4	P5	P6
Community Economic Empowerment Project (CEEP)	SHA	28	1,047	6,300	⊙	⊙			⊙	
Danish Assistance to Refugee Hosting Areas phase 3 (DAR 3)	Danida	195	5,520	33,200		⊙			⊙	
Erussi-Ndhew Community Development Project	KNH	106	5,900	41,300		⊙	⊙	⊙	⊙	
Youth Employability through Skills Development (YES)	EU	29	1,200	3,600		⊙				
Linking Smallholders to Market	PELUM	10	494	2,964		⊙		⊙		
Fisher Community Anti-AIDS Project (FAP)	CSF	14*	658	40,100			⊙		⊙	
Safe Sanitation and Hygiene for All (SSH4A)	SNV	0	9,256	52,482			⊙			
Nebbi Inclusive Development Project (NIDP)	INclusion	0	40	280		⊙				
TOTAL		382	24,115	180,226						

Note: * Only refers to Post Test Clubs and their members; P1 = Climate-smart and nutrition-sensitive agriculture; P2 = Economic empowerment and asset building; P3 = Human capital development; P4 = Community-led advocacy; P5 = Strengthening community groups; and P6 = AFARD's organizational growth and sustainability.

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