

MPTF OFFICE GENERIC ANNUAL PROGRAMME¹ FINAL NARRATIVE REPORT

REPORTING PERIOD: 26 MAY 2021 – 31 AUGUST 2022

<div style="background-color: #f2f2f2; text-align: center; padding: 5px;">Programme Title & Project Number</div> <ul style="list-style-type: none"> Programme Title: Scaling up the Small Business Recovery Fund (SBRF) to Increase Access to Finance for Gender and Youth Responsive Micro, Small and Medium Enterprises to enhance recovery from COVID -19 Impact across the country. Programme Number <i>(if applicable)</i> MPTF Office Project Reference Number:³ 127013 <div style="background-color: #f2f2f2; text-align: center; padding: 5px;">Participating Organization(s)</div> <ul style="list-style-type: none"> United Nations Capital Development Fund <div style="background-color: #f2f2f2; text-align: center; padding: 5px;">Programme/Project Cost (US\$)</div> <p>Total approved budget as per project document: US\$ 144,626.09</p> <p>MPTF /JP Contribution⁴:</p> <ul style="list-style-type: none"> UNCDF: US\$ 144,626.09 <p>Agency Contribution</p> <ul style="list-style-type: none"> <i>by Agency (if applicable)</i> <p>Government Contribution <i>(if applicable)</i></p> <p>Other Contributions (donors) <i>(if applicable)</i></p> <p>TOTAL: US\$144,626.09</p> <div style="background-color: #f2f2f2; text-align: center; padding: 5px;">Programme Assessment/Review/Mid-Term Eval.</div> <p>Assessment/Review - if applicable <i>please attach</i></p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Date: dd.mm.yyyy</p> <p>Mid-Term Evaluation Report – if applicable <i>please attach</i></p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Date: dd.mm.yyyy</p>	<div style="background-color: #f2f2f2; text-align: center; padding: 5px;">Country, Locality(s), Priority Area(s) / Strategic Results²</div> <p><i>(if applicable)</i></p> <p>Country/Region: <i>Northern Region - Uganda</i></p> <div style="background-color: #f2f2f2; text-align: center; padding: 5px;">Priority area/ strategic results</div> <p>2.1.1 Shared prosperity in a healthy environment</p> <div style="background-color: #f2f2f2; text-align: center; padding: 5px;">Implementing Partners</div> <ul style="list-style-type: none"> National counterparts (government, private, NGOs & others) and other International Organizations <div style="background-color: #f2f2f2; text-align: center; padding: 5px;">Programme Duration</div> <p>Overall Duration <i>(months)</i>: Fifteen (15) Months</p> <p>Start Date⁵ (26.05.2021)</p> <p>Original End Date⁶ (31.05.2022)</p> <p>Current End date⁷ (31.08.2022)</p> <div style="background-color: #f2f2f2; text-align: center; padding: 5px;">Report Submitted By</div> <ul style="list-style-type: none"> Name: Jenifer Bukokhe Title: Deputy Director a.i. Participating Organization (Lead): UNCDF Email address: jenifer.bukokhe@uncdf.org
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¹ The term “programme” is used for programmes, joint programmes and projects.

² Strategic Results, as formulated in the Strategic UN Planning Framework (e.g. UNDAF) or project document;

³ The MPTF Office Project Reference Number is the same number as the one on the Notification message. It is also referred to as “Project ID” on the project’s factsheet page the [MPTF Office GATEWAY](#)

⁴ The MPTF or JP Contribution, refers to the amount transferred to the Participating UN Organizations, which is available on the [MPTF Office GATEWAY](#)

⁵ The start date is the date of the first transfer of the funds from the MPTF Office as Administrative Agent. Transfer date is available on the [MPTF Office GATEWAY](#)

⁶ As per approval of the original project document by the relevant decision-making body/Steering Committee.

⁷ If there has been an extension, then the revised, approved end date should be reflected here. If there has been no extension approved, then the current end date is the same as the original end date. The end date is the same as the operational closure date which is when all activities for which a Participating Organization is responsible under an approved MPTF / JP have been completed. As per the MOU, agencies are to notify the MPTF Office when a programme completes its operational activities.

NARRATIVE REPORT FORMAT

EXECUTIVE SUMMARY

- In ¼ to ½ a page, summarise the most important achievements of Programme during the reporting period and key elements from your detailed report below. Highlight in the summary, the elements of the main report that you consider to be the most critical to be included in the MPTF Office Consolidated Annual Report.

At least Sixty-Eight agribusiness SMEs (Annex 3) accessed general pre-investment Business Development Services (BDS) support and encouraged to apply for MPTF financing. Twelve (12) of the SMEs were developed into full financial and transformative proposals to access both reimbursable grants under MPTF and concessional loans from UDB. All the 12 SMEs received reimbursable grants in form of working capital to support them to navigate the severe impact of COVID-19. The annex 1 shows the reimbursable grant funding to the SMEs – 480,000,000 that was disbursed in form of reimbursable grants to the 12 SMEs while leveraging over UGX 250,000,000 in owner contributions.

The twelve projects so far developed will access over UGX 2.5billion in additional funding from Uganda Development Bank (UDB) under the START (Support to Agricultural Revitalization and Transformation) facility arrangement in concessional loans for value addition and agro-processing – Annex 2.

I. Purpose

- Provide the main objectives and expected outcomes of the programme in relation to the appropriate **Strategic UN Planning Framework (e.g. UNDAF) and project document (if applicable) or Annual Work Plan (AWP).**

This programme will contribute to Window 2: Mitigate the Socioeconomic Impact and safeguard people and their livelihoods, and Pillar 3, Economic Response and Recovery of the United Nations Emergency Appeal and facility for the impact of COVID-19 in Uganda.

The main intervention of the project is to increase access to finance to contribute to support of at least 40 gender and youth responsive Micro Small & Medium Enterprises access to finance to enable recovery from the impacts of COVID-19 pandemic.

II. Results

- This section is the **most important in the Report** and particular attention should be given to reporting on **results / and changes** that have taken place rather than on activities. It has three parts to help capture this information in different ways (i. Narrative section; ii. Indicator based performance assessment; and iii. A specific story).

i) Narrative reporting on results:

From January to December 2021, respond to the guiding questions indicated below to provide a narrative summary of the results achieved. The aim here is to tell the **story of change** that your Programme has achieved in 2021. Make reference to the implementation mechanism utilized and key partnerships.

- **Outcomes:** Outcomes are the strategic, higher level of change that your Programme is aiming to contribute towards. Provide a summary of progress made by the Programme in relation to **planned outcomes from the Project Document / AWP**, with reference to the relevant indicator(s) in these documents. Describe if any targets were achieved, or explain any variance in achieved versus planned results during the reporting period. Explain who the main beneficiaries were.

During the period, twelve SMEs were approved to receive reimbursable grants for working capital purposes. A detailed schedule of projects developed is attached to the report as annex 1. Currently, repayments by the SMEs are at 34% (UGX 161m) of the total disbursed funds (UGX 480m) and all the SMEs are up-to-date with their repayments. Repayments by SMEs are expected to be completed by December 2023.

- **Outputs:** Outputs are the more immediate results that your Programme is responsible for achieving. Report on the key outputs achieved in the reporting period, in relation to **planned outputs from the Project Document**, with reference to the relevant indicator(s) in these documents. Describe if any targets were achieved, or explain any variance in achieved versus planned results during the reporting period. If possible, include the percentage of completion of the outputs and the type and number of beneficiaries.

Twelve SME proposals were fully developed and submitted for approval to the START Management Board and virtual UNCDF investment Committee to access reimbursable grants and concessional loans against the planned forty projects. The number is still below the initial target although more SMEs are lined up as part of the pipeline. The initial concept was prepared on assumption that the project will be implemented until 2024 and more SMEs would access the funds as the initial beneficiaries start paying back – revolving fund. However, the project period was later clarified to be much shorter. Given more time, more SMEs will be approved to benefit.

- **Describe any delays in implementation, challenges, lessons learned & best practices:** If there were delays, explain the nature of the constraints and challenges, actions taken to mitigate future delays and lessons learned in the process. Provide an updated risk analysis (have any of the risks identified during the project design materialized or changed? Are there any new risks?). Were there any programmatic revisions undertaken during the reporting period? Please also include experiences of failure, which often are the richest source of lessons learned.

The implementation of the project faced delays while UNCDF was negotiating to get on board the commercial banking partner. The bank was un-willing to provide better terms for the de-risked SMEs to access credit and the protracted negotiations did not achieve much.

The biggest lesson from this challenge was that negotiations with commercial banks require a lot of time. Changing the terms normally offered by the bank requires approval at the highest levels of the bank and this usually takes a lot of time.

With the commercial bank unable to join the implementation, UNCDF reverted bank to Uganda Development Bank (UDB), an existing partner of UNCDF to continue providing credit to de-risked SMEs under the START facility concessional terms

- **Qualitative assessment:** Provide a qualitative assessment of the level of overall achievement of the Programme. Highlight key partnerships and explain how such relationships impacted on the achievement of results. Explain cross-cutting issues pertinent to the results being reported on. For Joint Programmes, highlight how UN coordination has been affected in support of achievement of results.

The project is around 50% in the achievement of the set targets / objectives. The failed negotiations with the commercial bank contributed to the slow start of the project while the long standing relationship between UNCDF and Uganda Development Bank helped to push forward the project after the disastrous failure to get a commercial bank on into the partnership.

ii) Indicator Based Performance Assessment:

Using the **Programme Results Framework from the Project Document / AWP** - provide an update on the achievement of indicators at both the output and outcome level in the table below. Where it has not been possible to collect data on indicators, clear explanation should be given explaining why, as well as plans on how and when this data will be collected.

	<u>Achieved Indicator Targets</u>	Reasons for Variance with Planned Target (if any)	Source of Verification
Outcome 1⁸ : Increased access to and use of innovative Financing and online trading platforms for Women and Youth Economic Empowerment Indicator: Baseline: 0 Planned Target: 25	12	The number is still low due to the delays and eventual failure to sign a partnership agreement with a commercial bank partner.	Project Reports
Output 1.1: Enhanced access the capacity of gender-responsive Businesses Enterprises through BDS support Indicator 1.1.1: Number of gender responsible MSMEs identified, selected and given business development services support Baseline: 0 Planned Target: 50	68		Project Reports
Output 1.2 Provide reimbursable grants to gender responsive MSMEs to enable them survive the short and long-term effects of COVID-19 pandemic Indicator 1.2.1: Number of gender responsible MSMEs Supported with reimbursable grants Baseline: 0 Planned Target: 40	12	The number is still low due to the delays and eventual failure to sign a partnership agreement with a commercial bank partner	Project Reports
Output 1.2 Link supported MSMEs to development and commercial banks to access medium and long term funding for future growth and expansion. Agribusiness MSMEs from northern Uganda will also be linked to START facility funding. Indicator 1.2.1: Number of MSMEs linked to development and commercial banks and other providers of medium- and long-term capital including START facility concessional loans where applicable Baseline: 0 Planned Target: 20	12	The number is still low due to the delays and eventual failure to sign a partnership agreement with a commercial bank partner	Project Reports

⁸ Note: Outcomes, outputs, indicators and targets should be as outlined in the Project Document so that you report on your actual achievements against planned targets. Add rows as required for Outcome 2, 3 etc.

iii) A Specific Story (Optional)

- This could be a success or human story. It does not have to be a success story – often the most interesting and useful lessons learned are from experiences that have not worked. The point is to highlight a concrete example with a story that has been important to your Programme in the reporting period.
- In ¼ to ½ a page, provide details on a specific achievement or lesson learned of the Programme. Attachment of supporting documents, including photos with captions, news items etc, is strongly encouraged. The MPTF Office will select stories and photos to feature in the Consolidated Annual Report, the GATEWAY and the MPTF Office Newsletter.

Problem / Challenge faced: Describe the specific problem or challenge faced by the subject of your story (this could be a problem experienced by an individual, community or government).

One of the biggest challenges was related to the on-boarding of the financial Service Provider (Bank) to provide semi – concessional loans to the SMEs. Discussions with one of the banking partner failed after six months of negotiations. The commercial bank was adamant and unwilling to significantly revise downwards the terms for accessing finance even after UNCDF has de-risked the projects. At the end, UNCDF took a decision to drop the commercial bank which was a huge set back in terms of time.

Programme Interventions: How was the problem or challenged addressed through the Programme interventions?

The challenge of not having a commercial banking partner six months after the START of the project was very critical and required a quick solution. Therefore, UNCDF decided to drop the lengthy and fruitless negotiations with the commercial banking partner and reverted to linking de-risked SMEs to Uganda Development Bank to access concessional loans under the START facility.

Result (if applicable): Describe the observable *change* that occurred so far as a result of the Programme interventions. For example, how did community lives change or how was the government better able to deal with the initial problem?

The SMEs that accessed financing have continued to operate and employing staff who earn wages and salaries – this was threatened during lockdowns as SMEs closed down operations due to liquidity challenges. The SMEs also purchase produce from smallholder farmers for processing thus affecting the communities directly, thus providing ready market.

Lessons Learned: What did you (and/or other partners) learn from this situation that has helped inform and/or improve Programme (or other) interventions?

Negotiations with commercial financial institutions to form partnerships for development is a lengthy and painful experience. With the commercial banks main goal of profit maximization, many concessions must be provided for these banks to extend credit to marginalized segments of society like women and youth.

III. Other Assessments or Evaluations (if applicable)

- Report on any assessments, evaluations or studies undertaken.

N/A

III. Programmatic Revisions (if applicable)

- Indicate any major adjustments in strategies, targets or key outcomes and outputs that took place.

N/A

V. Resources (Optional)

- Provide any information on financial management, procurement and human resources.
- Indicate if the Programme mobilized any additional resources or interventions from other partners.

Annex. 1: Reimbursable Grant Proposals.

Company Name	District	Value Chain	Project Value (UGX)	Owner Contribution (UGX)	Financing Gap (UGX)	Project Status
1. Honey Pride Arua Limited	Arua	Honey	60,000,000	20,000,000	40,000,000	Disbursed
2. TAF Assured Mixed Enterprises	Lira	Honey	60,000,000	20,000,000	40,000,000	Disbursed
3. Gabhome (U) Ltd	Adjumani	Livestock	60,000,000	20,000,000	40,000,000	Disbursed
4. Agro-based Enterprises Ltd	Apac	Sunflower	60,750,500	20,750,500	40,000,000	Disbursed
5. Waribe (U) Ltd	Omoro	Food Processing	65,000,000	25,000,000	40,000,000	Disbursed
6. UGP Traders Limited	Nakapiripirit	Simsim	70,000,000	30,000,000	40,000,000	Disbursed
7. Kalongo Investments Ltd	Agago	Maize , Rice & Sunflower	60,000,000	20,000,000	40,000,000	Disbursed
8. Tropical Honey Ltd	Amuru	Apiary	60,000,000	20,000,000	40,000,000	Disbursed
9. Capital Commodities Ltd	Arua	Sesame	56,000,000	16,000,000	40,000,000	Disbursed
10. CH Group Limited	Kotido	Livestock	65,000,000	25,000,000	40,000,000	Disbursed
11. Stella Keitirima Enterprises Ltd	Gulu	Sesame	60,000,000	20,000,000	40,000,000	Disbursed
12. Kana Grain Millers Ltd	Omoro	Grain Processing	60,000,000	20,000,000	40,000,000	Disbursed
TOTAL			736,750,500	256,750,500	480,000,000	

Annex 2: Concessional Loan Applications to UDB

	Company Name	District	Value Chain	Project Value (UGX)	Owner Contribution	Financing Gap (UGX)	Project Status
1.	Honey Pride Arua Limited	Arua	Honey	420,000,000	250,000,000	170,000,000	Disbursed
2.	TAF Assured Mixed Enterprises	Lira	Honey	309,462,483	115,962,563	193,499,920	Disbursed
3.	Gabhome (U) Ltd	Adjumani	Livestock	335,942,137	98,000,000	237,942,137	Approved for disbursement
4.	Agro-based Enterprises Ltd	Apac	Sunflower	322,350,000	98,100,000	224,250,000	Under Appraisal
5.	Waribe (U) Ltd	Omoro	Food Processing	254,286,746	134,286,746	120,000,000	Approved for disbursement
6.	UGP Traders Limited	Nakapiripirit	Simsim	1,215,820,390	475,000,000	740,820,390	Disbursed
7.	Kalongo Investments Ltd	Agago	Maize , Rice & Sunflower	563,623,000	140,000,000	423,623,000	Approved for disbursement
8.	Tropical Honey Ltd	Amuru	Apiary	249,543,685	71,906,969	177,636,717	Under Appraisal
9.	Capital Commodities Ltd	Arua	Sesame	1,182,500,000	754,860,000	427,640,000	Under Appraisal
10.	CH Group Limited	Kotido	Livestock	782,843,840	632,843,840	150,000,000	Under Appraisal
11.	Stella Keitirima Enterprises Ltd	Gulu	Sesame	559,419,500	180,828,000	378,591,500	Disbursed
12.	Kana Grain Millers Ltd	Omoro	Grain Processing	636,000,000	165,442,500	470,557,500	Disbursed
	TOTAL			4,053,281,256	1,517,619,809	2,535,661,447	

Annex 3 – List of SMEs

No	Name of entity	Legal Status	District	Value Chain
1	K.S Obba and Sons Limited	Partnership	Yumbe	Livestock
2	Classic Projects Limited	Company	Yumbe	Honey
3	Kubezio Company Limited	Company	Adjumani	Rice
4	Fraisha Multi Youth Project Limited	Company	Yumbe	Sesame
5	Grand Millian (GM) Limited	Company	Madi-Okollo	Vegetables
6	Mara Brothers (U) Ltd	Company	Lira	Sesame
7	Aywee United Brothers & Sons Limited	Company	Agago	Sunflower
8	KEDE company Limited	Company	Arua	Livestock
9	Mega Blizz Enterprises (U) Limited	Company	Arua	Soyabean
10	Agric-care Uganda Limited	Company	Adjumani	Soyabean
11	Lugali Bees Farmers	Sole Proprietorship	Omoro	Honey
12	Muzuri Services Ltd	Company	Omoro	Honey
13	kwera young oil seed farmers cooperative society ltd	Cooperative	Dokolo	Soyabean
14	Oasis Agribusiness Limited	Company	Abim	Rice
15	Atoori general Enterprises (U) Limited	Company	Katakwi	Vegetables
16	Owere Agro Innovate Limited	Company	Pakwach / Zombo	Irish potatoes
17	Kirombe Christian Youth Association	Association	Gulu	Apiary
18	Youth For Life Tree planting Uganda	Company	Lira	Soyabeans
19	PIT KACEL PRODUCE DEALERS COMPANY LIMITED	Company	Kitgum	Cassava
20	Community Development Foundation Farmers Group	Cooperative	Yumbe	Cassava
21	Nile Highland Arabica Coffee Farmers' Association (NIHACOFA)	Company	Zombo	Coffee
22	Munguchi Medical Center	Company	Arua	Rice
23	Northern Farm Masters U Limited	Company	Amuru	Maize
24	Jac Commodities & Export Limited	Company	Gulu	Livestock
25	Alo- Cero Village Cooperative Society Limited	Cooperative	Oyam	Maize
26	Atar Foundation Limited	Company	Abim	Maize
27	Karamoja Agribusiness Company Limited	Company	Abim	Cassava
28	Tii ki komi Cassava Commercial Growers Ltd	Company	Lamwo	cassava
29	Capital Commodities and Beverages Company Limited	Company	Arua	Sesame
30	Raymonds Integrated Ventures	Sole proprietorship	Moyo	Maize
31	Tick Feeders Investments	Company	Gulu	Maize
32	GLOFORD Institute of Innovation	Company	Lira	Soyabean
33	Gulu Uganda Country Dairy Limited	Company	Gulu	Livestock
34	Wodma Investments Limited	Company	Gulu	Maize
35	Wilo Uganda Limited	Company	Gulu	Rice
36	HEAVYYIELD UGAND LIMITED	Company	Otuke	Apiary
37	King of kings multi-investments& consultancy farm ltd	Company	Kitgum	Sesame
38	Doroon Cottage	Sole proprietorship	Nebbi	Shea butter
39	Kweyo Growers Cooperative Society Ltd	Cooperative	Omoro	Groundnuts
40	HakwaLine Co. Ltd	Company	Nwoya	Soyabeans
41	Wilo Uganda Limited	Company	Gulu	Rice
42	Bright Consults Africa Limited	Company	Arua	Apiary
43	Jabeel International Company Ltd	Company	Yumbe	Rice
44	Pale and Sons Enterprises (U) Ltd	Company	Adjumani	Apiary
45	Laking Enterprises Limited	Company	Amuru	Groundnuts
46	Paicho Kal Growers Cooperative Society Limited	Cooperative	Gulu	Maize
47	Smart Agricultural Solutions Limited	Company	Kole	Maize
48	Kaato Agro-Forestry	Company	Karenga	Rice
49	BSI Commodities Limited	Company	Nakapiripirit	Rice
50	Usuk Homelands Limited	Company	Katakwi	Rice
51	Tropical Honey Limited	Company	Amuru	Apiary
52	Agali Farmers' Cooperative Society Limited	Cooperative	Lira	Sunflower
53	Amolatar Agro Produce Company Limited	Company	Gulu	Rice
54	Oslo city Limited	Company	Lira	Soyabean
55	Kalongo Investments Limited	Company	Agago	Maize
56	Ag-Plutos Company	Company	Kitgum	Sesame
57	Waribe Uganda Limited	Company	Omoro	Sorghum
58	CH Group of Companies Limited	Company	Kotido	Livestock
59	Landmark millers Limited	Company	Amuria	Sorghum

60	West Nile Private Sector Development Promotion Center Ltd (WENIPS)	Company	Nebbi	Soyabean
61	Adept Agribusiness Development (AGRID) Limited	Association	Amuru	Rice
62	StriveAgric (U) Limited	Comapny	Nwoya	Rice
63	koch Goma Apiculture Development Association	Farmers Association	Nwoya	Apiary
64	Apala Area cooperative Enterprises Limited	Cooperative	Alebtong	Cassava
65	Wapisol Impact Investments- SMC	Company	Arua	Livestock
66	MEJOB COMPANY LTD	Company	Abim	Cassava
67	Growfront Enterprises Limited	Company	Arua	Fruits
68	Approaches to Rural Community Development Limited	Company	Yumbe	Rice