

Summary Findings of the YETA Value Chain Assessment (VCA)

The main purpose of the YETA Value Chain Assessment (VCA) was to obtain clear information and knowledge of the opportunities, gaps and challenges in the production, storage, processing and marketing of agricultural commodities in Masindi, Kiryandongo, Dokolo and Kole districts, taking a youth lens. It assessed the interface, relationships, linkages, and segments that connect the various players along key value chains offering livelihood pathways for youth.



The assessment revealed critical factors necessary for establishing and managing successful agricultural enterprises among the young people. Such factors include but are not limited to the cost and quality of inputs, quality of products, production and processing skills, market demand, product competitiveness, market access and trends, and the risk of climate shocks which calls for innovative adaptation and coping mechanisms against climate change effects.

The VCA used both qualitative and quantitative methods. Diagnostic workshops were held in each of the districts to determine their respective top three priority value chains that provide opportunities for youth for further analysis. Field data were collected through household surveys, key informant interviews and focus group discussions (FGDs) with male and female youth and adults, district officials, input dealers, traders, financial institutions, farmer organizations and cooperatives, processors, and big agribusinesses in the selected value chains.

Key Findings

Maize value chain

As a staple crop with readily available seeds and generally positive gross margins in all four districts, maize offers viable income-generating options for youth. Youth and adult farmers indicated that the most widely used input in maize production was improved seeds. Fertilizers, pesticides, and herbicides are used less frequently

Opportunities along the maize value chain:

- Building trust and relationships between youth and agro-input dealers and maize produce buyers coupled with training would provide youth the opportunity to become Community-Based Solution Providers (CBSPs) and engage in fee-based activities on behalf of their communities.
- As youth farmers are continuously trained by the YETA project and mentored by parents and the private sector to become commercialized farmers, there will be greater demand for chemical spraying services, creating a new market opportunity for spraying as a business.

- As demand grows to open-up more land, youth can offer ox-plough services which is being taken-up by youth association members under YETA who purchase animals and equipment using their VSLA funds as credit.
- Youth groups can be organized to offer on- and off-farm casual labor services, helping other farmers during harvest, weeding, or planting time. Youth generally have a negative perception of these types of jobs, however they present a pathway for youth who lack start-up capital.
- There is an unmet demand for processed maize in Northern, North Eastern, and Central Uganda. Youth groups can acquire basic processing machines (financed via their VSLAs or through existing government programs) to make and market well-packaged bags of flour in rural areas. Most maize transportation is through hired transport especially bicycles; this was identified as another potential youth service.
- Opportunities exist in promoting affordable and cost-effective hermetic technologies such as PICS¹ bags as well as jab planters. Youth may also provide services using motorized maize sprayers and promote small-scale irrigation.

Tomato, cabbage and onion value chains

Although gross margins were not universally positive in the tomato, cabbage and onion value chains, these crops provide youth opportunities in Masindi, Kiryandongo, and Dokolo districts. The main inputs used in the production of vegetables indicated by farmers were pesticides, improved seed, fertilizer, fungicides, and manure. However, there were significant variations in use between youth and adults and across districts. Interestingly, youth were much more active users of inputs in tomato and cabbage production than adults across all three districts.



Opportunities among youth engaged in selected vegetables:

- Youth can work with the local district governments to take advantage of funding opportunities through NUSAF phase 3 and other types of support including inputs from Operation Wealth Creation, the national government program.
- Youth can leverage loans from financial organizations, such as Post Bank and DFCU as well as their VSLAs to access vegetable seeds and inputs.
- Youth can work as marketing agents for agro-input dealers as CBSPs. YETA has established partnerships with Bakara Agro-Input dealers in Dokolo, Bweyale Vet Services in Kiryandongo and Agro-Vet farmers in Masindi. They offer positions to youth as marketing agents where they can get commissions on what they sell. These private sector partners facilitate and train youth to engage in spraying and other services.

Sunflower value chain

Given the opportunities to link production with demand and private sector partnerships, the sunflower value chain offers youth opportunities in Kiryandongo district. The most widely used inputs in sunflower production are pesticides, fertilizers, and seed. More than half of sunflower

¹ Purdue Improved Crop Storage (PICs)

farmers use hybrid seeds (84%) and fertilizer (58%), while less than one-third using pesticides. However, there were large gender disparities: about 75% of male youth use fertilizer and 33% of them use pesticides, while no female farmers indicated that they do so. Most of the inputs used in sunflower production are provided as loans by AK Oils on condition that the produce is sold to the company. Sunflower profitability/net income is better for the high input farmers.

Opportunities among youth engaged in sunflower farming:

- Youth can become marketing agents for AK Oils and Mt. Meru. These organizations have agents throughout the district. The youth could occupy some of the positions if they organize themselves into groups and marshal resources together to meet the requirements of becoming an agent.
- By gaining access to seeds, fertilizers, other inputs and a guaranteed market through AK Oils, youth can increase yields and have a ready buyer of sunflower.
- Smaller volumes are transported to aggregation centres using bicycles. There is an income generating opportunity for youth to offer transportation services from farmer bulking centres to AK Oils stores.
- The youth can also provide casual labour services to AK Oils at peak periods during processing.

Soybean value chain

Dokolo district was found to offer youth livelihood opportunities in the soybean value chain. There are two main improved soybean varieties used in this district: Maksoy 1N and Maksoy 2N. On average, more than half of soybean farmers grow Maksoy 2N, especially female youth. Production per unit area was highest among female youth.

Opportunities among youth engaged in soybean farming:



- Seed companies produce seeds through contractual arrangement with producers. Youth involved in soybean production could take advantage of arrangements to produce foundation seed for seed companies operating in the region for example Masindi Seed Company.
- Traders and processors such as Mt. Meru and Mukwano Industries are willing to purchase grains from youth farmer groups as long as they are organized and willing to enter into contracts to deliver agreed upon quantities.
- Food processors in dire need of plant protein for fortification of their products are willing to take advantage of partnerships with organized farmer groups. Among these food processing companies are East African Basic Foods, Kayebe Source Packers, SESACO, and Maganjo. Other companies including NUVITA, Ugachick Poultry Breeders, Formular Feeds Limited and Biyinzika International face soybean shortages to the extent of having to import from eastern DRC.

Poultry value chain

Given growing market demand and potential for flock growth, poultry offers youth opportunities in Kole district. Almost all households surveyed (95%) predominantly keep local chicken in a free-range system. Local chicken is in high demand and compared to other breeds easier to manage.

Keeping local chicken requires smaller plots, chicken feeds are available, and are less susceptible to diseases as compared to Kuroilers

Opportunities among youth engaged in poultry farming:



YETA groups are receiving solid support from the Kole district government where youth can leverage resources and technical assistance from the District Production Office

Youth can benefit from the working relationship between NCBA CLUSA and partner Financial Institutions to increase access to financial services to invest and expand their poultry businesses (e.g. individual and group loan products).

Poultry demand is growing and there is a ready market in Lira and Mbale towns and Kampala city. Youth should be encouraged to take up other roles within the value chain such as becoming brokers and wholesalers where margins are the highest in the value chain.

Pig value chain.

The piggery business has high potential for accelerating youth livelihoods in Masindi and Kole districts. Nearly all the pig farmers interviewed used local feeds in these districts. The use of supplementary feeds was common among the youth in Masindi (68.75%) but less in Kole district with 44% usage by the youth. Some of the youth kept pigs under the semi-intensive (backyard) system. The majority kept local pigs under a free-range system where pigs were either left to scavenge for food or tethered on ropes in specific locations

Opportunities among youth engaged in pig farming:

- The rapidly increasing production and consumption of pork within the country driven not only by population growth but by a combination of rising incomes and changing preferences associated with urbanization and changing production systems provides opportunities for youth in terms of both production and trading in the pig value chain.
- Opportunities exist to link piggery producing youth groups to processors to respond to growing demand in processed products (street food and supermarkets). The end markets of quality pork are Fresh Cuts, Quality Cuts, and My Choice among others.
- Opportunity exists at input level to provide appropriate levels of investment in housing and better management practices by organized youth to other smallholder pig farmers.
- Opportunity exists for skilled youth with recommended piggery husbandry training to conduct better selection within existing breeds, lower inbreeding index, and introduce improved genetic resources.
- Given the prevalence of maize and other foods in most of the YETA districts, opportunity exists for entrepreneurial youth to conduct better on-farm feed options and better use of local feedstuff in appropriately formulated amounts. These feeds can be locally produced feed rations with a balanced feed ratio and marketed to local smallholder pig farmers.