

### **Accessible Finance set to change the lives of Uganda's smallholder farmers**

“Sourcing our raw materials from smallholder farmers at grass root level and providing these farmers with a ready and reliable market to improve their livelihoods is our company’s core business,” says executive director of Farmers Centre Uganda Limited (FACE) Janet Akello. Based in Lira, Uganda and in operation since 2005 the company deals in soya beans, maize, sunflower and sorghum (epuripur used in beer production).

“Over the years, FACE has worked with over 10,000 farmers and an input/output distribution network of 40 agents in different locations of the Lango sub-region,” says Akello. The company’s core business involves assisting small scale farmers in the production and marketing of selected staple foods. This includes supplying agricultural inputs to farmers such as improved seeds, fertilizers, ox-ploughs, chemicals and crop pesticides. Furthermore, FACE trains farmers in agronomic practices e.g. thinning, weeding, crop spacing, protection of seedlings and good farming practices like mulching, transplanting and planting in rows. “We not only buy the final product from the farmers but also assist with the on- and -off farm processing of products as well as value adding,” says Akello.

In previous years the company has supplied grains to the World Food Programme, United Nations and BIDCO Uganda Limited amongst others. FACE recently facilitated the formal registration of 193 of its farmers into a producer organization called Apyen-nyang producer group and then contracted this group to produce soya beans. In addition to the formation of Apyen-nyang producer group, FACE has been awarded a contract by a large corporate off-taker for a third consecutive year. The latest contract involves FACE supplying the off-taker with an initial 1,500 tons of sorghum and then a further 3,000 tons of sorghum in 2011.

The Agricultural Guarantee Fund Scheme, a partnership between Standard Bank, the Alliance for a Green Revolution in Africa (AGRA), OPEC Fund for International Development (OFID) and Kilimo Trust, has partnered with FACE to supply finance that will allow producer group Apyen-nyang to purchase inputs and will allow FACE to increase their capacity in order to supply a large consignment of sorghum as per the recent contract they have been awarded. The Agricultural Guarantee Fund Scheme is an innovative fund for Africa’s smallholder farmers that was initiated in January 2010 and is operating in Uganda as well as in Ghana, Mozambique and Tanzania. FACE is an example of one of the many businesses that are benefiting from the fund. Akello says, “The supply of finance by the Agricultural Guarantee Fund Scheme to our company will directly improve the livelihoods of the 10000 small farmers that will now have a market for their sorghum.”

Jacques Taylor, Director of Agricultural Banking, Standard Bank Africa says, “Assisting businesses such as Farmers Centre Uganda Limited is exactly why The Agriculture Guarantee Fund Scheme was formed. Each farmer or agricultural company that benefits from the fund contributes to raising agricultural output across the continent and brings Africa one step closer to achieving a green revolution.”

