

The Market Linkage Role of the FFS Network in Uganda

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The Market Linkage Business

In the FFS we are working towards becoming a business unit supporting better market links for our members. We are expanding our current work in market research and carrying out pre-season planning and enterprise selection for members. We will do more work in ensuring quality controls and negotiating with potential buyers as well as organising storage and transport for the products of our members. Our new market linkage work is based on our past achievements in:

- Formalised structure of members
- Successful FFS operational manual
- Growing number of savings & credit pass books issued
- Emerging commodity associations
- Access to agro-processing & storage structures
- Contracts to supply sorghum to Nile Breweries in Jinja
- Ongoing negotiations to supply maize to WFP

Information Brokerage Service

Most FFS are established where there is minimal contact with potential markets and inadequate information along the market chain. We now provide information to the FFS on:

- Prices of commodities in different markets
- Quantities, quality and related conditions
- Potential markets of what is available

A Revolving Fund Service

The disbursement process for the fund is that members must apply for the loan which must be repaid with interest of 5%. A loans committee verifies and identifies beneficiaries; these must have at least 10% of the amount requested in savings. Each member guarantees the loan. The beneficiary

group must have an operational savings plan in place, viable income generating activities and a member co-guarantee.



One of our multi purpose buildings

Capacity Building Service

We have carried out the following training for our FFS members:

- Farming as a business
- Enterprise selection
- Record keeping
- Financial management
- Revolving fund management
- Savings and credit
- Marketing and market information

Challenges and Opportunities

But we still have challenges. Some farmer groups are still sceptical about the revolving loan. Farmers themselves are engaged in many programmes which sometimes leads to confusion and conflicts of interest. Information flow is still a problem with limited ICT infrastructure and capacity. Insecurity is yet another challenge. On the other hand we do have opportunities that we can benefit from:

- NAADS support for higher level farmer organizations
- Possible collaboration with initiatives like LLL, RKN, Firstmile, NUSAF and ICIPE
- New Government drive to promote savings and loans organizations

Reliable market linkage is vital to our members. The FFS Networks in Uganda are trying to improve farmers' links to markets but potential for investment in FFS Networks has not yet been fully exploited and documented.

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