

UWEAL SUCCESS STORIES – Agnes Apea’s Doctoral Thesis Yields a Post-Conflict Women’s Rice Cooperative

Agnes Apea was an international development professional with over 15 years of experience in policy, research and program development. She had also worked as a gender and development consultant with the United Nations and Commonwealth in Africa and Asia when she decided to pursue a doctorate in rural development.

In 2012, she returned to Amolatar, Uganda from the United Kingdom to conduct her doctoral research. Little did she know that her research paper on participatory development in post-conflict areas would create a turning point for the women of her home district.



During the Joseph Kony-led war, the people of Amolatar were among those who fled from their homes to the safety of Internally Displaced People’s camps. After the war, they returned to what was left of their homes with government issued saucepans, blankets and hoes. They had to rebuild their lives from scratch. This is the picture of desolation that welcomed Ms. Apea upon her return. What she encountered challenged her to do something about the situation.

After conducting hundreds of hours of research, analysis and community mobilization, Ms. Apea put her research recommendations to the test. While working on her thesis, she assembled a group of 20 women who believed in her proposed approach and agreed to form a cooperative in order to pursue farming as a business. The cooperative would give them a collective voice and stronger bargaining power, ultimately increasing their incomes and enabling them to meet their social needs like paying school fees and accessing better health care, especially for expectant mothers.

Why rice?

According to Dr. Apea, rice was the crop of choice because it is a high value crop from which women farmers could earn a reasonable income. It was also traditionally associated with women’s exclusion and with gender-based violence. The crops that fetch higher market prices are viewed as “men’s crops.” Women are traditionally relegated to the farming of low value staples like cassava and millet. Additionally, “Women always struggle to find money for rice and meat for the family meal on special occasions like Christmas. When they prepare the meal however, they serve it to the men in the home first, to avoid being beaten. When the men have had their fill, the leftovers go to the children and women, in that order. Often, the

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woman who prepared the meal goes without. So we wanted to grow it ourselves, provide everyone in the family with enough to eat, prevent women from getting beaten over food shortages and provide women an income,” she says.

Getting started

Hope Development Initiative (HDI) Cooperative Society was launched in 2012 with a US\$250,000 (about Ushs70 million) grant from the USA African Development Foundation (USADF) and member contributions of Ushs300,000. Ms. Apea developed the proposal that USADF funded; and each of the 20 women founding members of the cooperative paid Ushs5,000 in membership fees and Ushs10,000 as share capital.

The funds were used to provide training in rice farming, set up demonstration plots, purchase rice seeds and a tractor to till the land and a rice mill. Some of the funds were banked in order to purchase rice from the farmers during the harvesting season. In 2013, the trained women farmers started growing rice on family farm holdings averaging one acre in size. Today, the average acreage has increased to five acres per farmer. HDI women farmers expand their farms by purchasing additional land, hiring farm land or obtaining more land from their families. As families realize the possibility of higher earnings from rice versus the traditional staples, they willing provide additional family land to the HDI women farmers.

The project became a chapter in Dr. Apea’s research and was the first doctoral thesis of its kind in her university – that is, a thesis where the recommendations were informed by and adapted to fit actual activities taking place on the ground, literally a live experiment.

HDI sources of revenue

The first harvest yielded 10 metric tonnes of milled rice which was sold at US\$2,000 per kilogramme and earned a total of Ushs20 million. Last year, the cooperative handled 1,050 tonnes of milled rice for its members and earned Ushs1.89 billion in gross sales revenue.

Rice milling: HDI provides rice milling services to its members at Ushs100 per kilogramme which adds up to between Ushs50 to 60 million in HDI revenue per year.

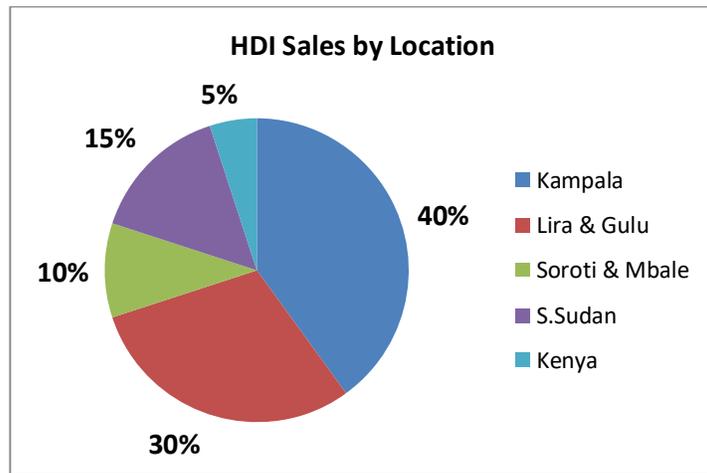
Rice purchase and sale: The cooperative buys a kilogramme of milled rice from members at Ushs1,500 to Ushs1,800, depending on the season and quality. After milling and packaging, the white rice is sold in 50 and 100 kilogramme gurney sacks under the **Mama Rice** brand at Ushs2,000 per kilogramme.

Tractor hire: HDI also earns income from tractor hiring services. Members pay Ushs70,000 for the preparation of an acre of land. Of that amount, Ushs50,000 covers tractor maintenance and driver costs while the cooperative retains Ushs20,000. Tractor hire services bring in about Ushs100 million a year. “We agreed that even though the tractor was bought with a grant, we needed to sustain it and also make some money from it to grow the cooperative; that is why we charge a fee for its services,” Dr Apea says.

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Customers in Uganda and beyond

80 percent of HDI rice is sold to Uganda-based customers. 20 percent is sold to customers from South Sudan and Kenya. HDI does not make deliveries. Rather, all customers travel to the HDI factory in Amolatar Town to make their purchases.



“We do not look for the market, people look for us. Lorries come to our factory and load the rice to whichever destination. We once tried to export to South Sudan but the experience was not good. They wanted to take our products for free and even insulted us! So we decided not to go back. If they are interested, they can pick the rice from our factory,” Dr. Apea says.

At this time, HDI sells rice in 50 kilogramme and 100 kilogramme gurney sacks which fetch an average of Ushs100,000 and Ushs200,000 respectively. Upon obtaining standards certification from the Uganda National Bureau of Standards (UNBS), HDI will begin packaging rice in smaller retail size packs, for sale to supermarkets.

Enterprise development support

Dr. Apea is a social scientist who launched HDI solely to provide women with an income that would enable them to meet their basic needs and combat social ills. To her surprise however, HDI has turned out to be a profit generating business that her team is not equipped to run. Dr. Apea is grateful to Private Sector Foundation Uganda (PSFU), for opening her eyes to world of business management and profit maximization. PSFU provided support for the development of the registered Mama Rice brand as well as the conducting of a market survey. HDI has recently applied for a grant from PSFU to support the standards certification process.

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Challenges

Growing member demand for services: Growth in cooperative membership outstrips the secretariat’s capacity to provide member services. “The numbers have grown from 20 to now over 10,000 members. If all of them want seeds and tractor services at the same time, we cannot meet the demand. We are struggling to identify partners to work with,” she says.

Dr. Apea adds: “During the planting season, farmers literally fight as they queue for a tractor to plough their farms. We wanted to solve a problem, which we have done in a small way, but now it’s a challenge. Even if we bought ten tractors, we would not be able to adequately meet demand.”

Resource constraints limit HDI purchases of rice seeds to 1,000 tonnes per season. This is sufficient to meet just 50 percent of HDI member needs. Each farmer requires 200 kilogrammes of rice seeds per sesason for 5 acres of land. HDI can only provide 100 kilogrammes per farmer at the affordable unit price of Ushs3,200. Farmers fill the gap with rice seeds that retail for Ushs4,500 to Ushs5,000 in the open market.

Managing quality: Dr. Apea says that farmers are like students in a classroom because not all of them learn at the same pace. As the number of HDI members grows, controlling the quality of rice they bring to the cooperative is becoming more and more of a challenge. “We

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have a capacity building and skills enhancement challenge. So far, we have trained less than 20 percent of the members because we are financially constrained. From the business perspective, we want to invest in seeds or a tractor to recoup our investment. We need a grant for large scale skills development.”

Developing a business mindset: HDI has grown incredibly fast. The cooperative has over 10,000 members who all require services. Furthermore, the project is now at a size where it requires skilled and professional business leadership and management to take it beyond the fulfilment of social goals. PSFU has helped fill some of HDI’s gaps in these areas. Dr. Apea is however, on the lookout for partners who can provide or support the provision of the required expertise.

Cultural practices and norms: Although the cooperative started as a women’s organization, cultural requirements later set in, forcing HDI to accept men as associates. In 2012, Dr. Apea was summoned to appear before the elders, only to be told that she had come back from Europe to corrupt the women. “In my community, women are not allowed to speak during meetings; we are supposed to sit behind our husbands and only listen in. So when HDI created a platform where women could discuss things like increasing crop productivity and incomes, the men in the community believed I was teaching their wives bad manners. We were forced to involve the men to prevent them from stopping their wives from participating,” she explains.

“Whenever we call a meeting, we ask the married women to come with their husbands. We however inform the husbands that they can only listen in and give advice. Decision-making must be left to the women. We also encourage husbands to accompany their wives for various cooperative activities like rice-milling, the purchase of rice seeds and the sale of rice at the cooperative’s factory,” she says.

Money-related conflicts: HDI gives counseling services to couples after the sale of rice to ensure joint decision-making on how to use money earned. “We have seen it work. We have examples of couples who have made decisions together to build brick houses, send children to school or send expectant mothers to deliver their babies in health facilities. There are, however, isolated cases where husbands beat their wives and take the money earned away from them,” she notes.

Achievements

Growing membership: Within a period of five years, HDI operates one of the largest rice cooperative in Uganda, focusing on production, agro-processing, value addition and trade in rice. Membership numbers have grown from 20 in 2012 to 10,900 today. 80 percent of members are women.

Increased production: HDI has posted an increase in annual rice production from 10 tonnes in 2013 to 1,050 tonnes in 2016. Additionally, from a rice mill with the capacity to process

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one tonne of rice a day, HDI now uses a mill that processes three tonnes of rice an hour. In 2013, one tractor was enough to meet farmer needs during the planting season. HDI now has two tractors which cannot fill demand and hopes to purchase three more by the end of 2017.

Affordable access to quality inputs, credit, training and a sure market: HDI facilitates the sale and distribution of high quality seeds and fertilizers to rice farmers in Amolatar. HDI purchases quality rice seeds from licensed wholesale suppliers in Kampala at Ushs3,000 per kilogramme, and re-sells the seeds to farmers for Ushs3,200. This provides quality seeds to farmers at an affordable price (the seeds retail for Ushs4,500 to 5,000 on the open market) and prevents farmers from buying poor quality seeds from unscrupulous traders.

Farmers also obtain affordable credit and training services from HDI. Recently, HDI approached Uganda Development Bank and secured technical support to train farmers in modern agricultural practices and good post-harvest handling practices. Finally the cooperative provides a sure rice market for its members.

Increased incomes: HDI’s women farmers have gone from being millet and cassava subsistence farmers with no disposable income, to farmers who earn an average of UGX 6 million (about US\$ 1,700) a year for the sale of 300 kilogrammes of milled rice to the cooperative. Farmers also have the option to sell “rice-in-paddy” to the cooperative. This earns a farmer an average of UGX 4 million (about US\$ 1,120) a year from the sale of 4,000 kilogrammes.

Employment: HDI has created jobs for 15 workers directly, up from two employees in 2012. Eighty percent of the workers are women. Dr. Apea’s target, however, is to have all of them women in future. “I employ men to operate tractors and the mill but am currently training female tractor drivers and mill operators because I want 100% women to run the cooperative,” she says.

Future Expansion: HDI acquired 2,000 acres of land in Apac district last year, where it will establish a cooperative rice farm. An irrigation system will be installed to guard against the effects of prolonged dry spells.

Efficient and effective systems: “I made sure that I installed proper systems. I have a fully-fledged secretariat of 15 staff, with all functions including finance, store, tractor operators and a governing council. Without systems, we would not have been able to achieve any of this success,” she explains.

Improved lives: HDI is a social enterprise which seeks to both change the lives of women in Amolatar by empowering them economically and also address social problems. “When a woman has money, she can do a lot of things. Women now pay schools fees for their daughters, which keeps girls in school and allows them to obtain an education. In the past, a father would have married those daughters off very early on. Mothers who previously delivered babies under mango trees now deliver them in health facilities, which has improved

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maternal health,” Dr. Apea explains. “Furthermore, some women have built houses, bought land and even motor cycle taxis (*boda bodas*) to diversify their sources of income.”

Changing traditional attitudes: Dr. Apea says running that a successful cooperative has earned her great respect in society from both women and men, including men who traditionally despise women. Men’s attitudes towards women are changing as they watch women become economically empowered enough to support their families financially. “Economic empowerment has led to a reduction in gender-based violence because men now value their wives,” Dr. Apea says.

Recognition and awards: She has received several accolades including the Uganda Women Entrepreneurs Association Ltd. (UWEAL) Honorary Award for her role in empowering women in Northern Uganda through agriculture, the Cordaid Home Based Care Award, the Columbia University’s Human Rights Advocacy Award for her work to engage women help them earn a decent income and fight injustice, and the University of Reading’s Social Science Studentship Award.

Grateful to UWEAL

Dr. Apea, joined UWEAL in 2013 and almost immediately participated in what she calls “A brilliant entrepreneurship training by UWEAL, in partnership with Uganda Investment Authority and the Netherlands Embassy.” Following the training, Dr. Apea was among those selected to go to Netherlands for a business trip. This provided an opportunity to network and share experiences with fellow women entrepreneurs on an international stage. She has also benefited from activities in UWEAL’s Business and Professional Women’s cluster. She commends UWEAL for their advocacy work and requests support in capacity building for farmers who belong to cooperatives.

Lessons learnt

Adopt modern farming methods: Uganda’s long dry spell in 2016 taught Dr. Apea the value of irrigation as a safeguard against fluctuation in rain patterns. It is also important to obtain crop insurance to protect one’s crops against unforeseen calamities.

Opportunities outside urban areas: Dr. Apea urges potential entrepreneurs to explore opportunities in rural areas instead of concentrating in towns. Initiatives in rural areas allow one to create profitable business enterprises while changing hundreds or even thousands of lives for good. She believes that entrepreneurship should be driven by a passion to solve an existing social problem.

Future plans

Dr Apea plans to use modern farming methods on HDI’s recently acquired 2,000 acres of land. This will include irrigation to ensure sustainable and reliable rice production. She also intends to establish a robust cooperative movement across the region with a significant

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market share, where women have a greater stake in the rice value chain. Finally, she is determined to run HDI like a business. She will lean heavily on PSFU and UWEAL for support.

