



FEED THE FUTURE EAST AFRICA FOOD SECURITY THROUGH ENHANCED REGIONAL TRADE (FOSTER-TRADE) ACTIVITY

End of Project Evaluation Report

Submitted to

AGMARK

Final Report

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Table of Contents

<i>List of Acronyms and Abbreviations</i>	4
<i>Executive Summary</i>	6
<i>1.0 Introduction</i>	8
<i>1.1. Background and Rationale</i>	8
<i>2.0 Evaluation Objectives and Scope</i>	9
<i>2.1 Specific Objectives</i>	9
<i>3.0 Methodology and Approach</i> -----	10
<i>3.1 General approach</i>	10
<i>3.1.1 Desk top reviews</i>	10
<i>3.1.2 Surveys</i>	10
<i>3.1.3 Key Informant Interviews (KII)</i>	10
<i>3.1.4 Focus Group Discussion</i>	10
<i>3.2. Sampling Procedure and Sample Size</i>	10
<i>3.2.1 Simple Random Sampling</i>	11
<i>3.2.2 Purposive and snow ball sampling</i>	11
<i>3.3 Survey tools and procedure</i>	11
<i>3.4 Data collection and field visits</i>	11
<i>3.5 Data analysis and presentation</i>	12
<i>3.6 Limitations of the evaluation</i>	12
<i>4.0 Evaluation Results and Discussions</i> -----	13
<i>4.1 Characteristics of Sampled Cross-Border Trader (CBTs)</i>	13
<i>4.2 Project Outcomes and Impacts</i>	15
<i>4.2.1 Building traders capacity to enhance cross-border grain trade</i>	16
<i>4.2.2 Sources of Commodities traded and Mode of delivery</i>	18
<i>4.2.3 Volumes traded between Nov 2015 – Oct 2016</i>	18
<i>4.2.4 Source of Market Information</i>	19
<i>4.2.5 Duration of Payments for commodity purchases</i>	20
<i>4.2.6 Main Source of revenue in grain trade before and after the project</i>	21
<i>4.3. CBTs operating formally (%)</i>	21

<i>4.4 Proportion of informal traders that declare their goods</i>	22
<i>4.5 General Impediments to cross-border trade</i>	22
<i>4.6 General Characteristics of Agrodealers</i>	23
<i>4.7 Foster-Trade Activity Outcomes among Agrodealers</i>	23
<i>4.7.1 Proportion that reported change in Agri-inputs sales in the past 2 years</i>	23
<i>4.7.2 Major source of income in Agri-Inputs Business</i>	24
<i>4.7.3 Main source revenue by seed type sold</i>	24
<i>4.8 Constraints Faced by Agrodealers</i>	25
<i>5.0 Assessment on Relevance, Effectiveness, Efficiency, Impact and Sustainability of FOSTER Trade</i>	26
<i>5.1 Overall Relevance</i>	26
<i>5.2 Overall Effectiveness and Efficiency</i>	26
<i>5.3 Challenges experienced in project implementation</i>	27
<i>5.5 Sustainability</i>	27
<i>5.7 Lessons Learnt</i>	28
<i>6.0 Conclusions</i> -----	29
<i>6.1 Recommendations</i>	29
<i>Annex</i>	31
<i>References</i>	41

List of Tables

<i>Table 1: General characteristics of CBTs</i>	13
<i>Table 2: Traders Consciousness when sourcing grains</i>	18
<i>Table 3: Sources of commodities and mode of delivery</i>	18
<i>Table 4: Major sources of income from commodity trade before and after FOSTER-Trade Activity</i>	21

List of Figures

<i>Figure 1: Commodities traded by cross-border traders</i>	14
<i>Figure 2: Business nature and direction of trade</i>	15
<i>Figure 3: Services received by CBTs during FOSTER-Trade Activity</i>	16
<i>Figure 4: Benefits of participating in FOSTER-Trade Activity</i>	17
<i>Figure 5: Volumes traded among CBTs by Border-Point</i>	19
<i>Figure 6: Market information sources</i>	20
<i>Figure 7: Payments for commodity purchases</i>	20
<i>Figure 8: CBTs operating formally</i>	22
<i>Figure 9: CBTs Operating Informally but recording transactions</i>	22

Annex

<i>Annex 1: Cross-border Survey Questionnaire</i>	31
<i>Annex 2: Agrodealer Survey Questionnaire</i>	36
<i>Annex 3: Focus Group and Key Informant Guides</i>	39
<i>Annex 4: List of Key Informants Interviewed</i>	40

List of Acronyms and Abbreviations

AGMARK	Agricultural Market Development Trust
CAADP	Comprehensive Africa Agricultural Development Program
CBTs	Cross Border Traders
CBTA	Cross Border Traders Associations
FOSTER	Feed the Future East Africa Food Security through Enhanced Regional Trade
JBCs	Joint Border Committees
KEBS	Kenya Bureau of Standards
KEPHIS	Kenya Plant Health Inspectorate
KRA	Kenya Revenue Authority
M&E	Monitoring and Evaluation
TFDA	Tanzania Food and Drug Authority
TRA	Tanzania Revenue Authority
UBS	Uganda Bureau of Standards
URA	Uganda Revenue Authority
USAID	United States Agency for International Development

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Executive Summary

Agricultural Markets Development Trust (AGMARK) implemented a two year Feed the Future East Africa Food Security through Enhanced Regional Trade (FOSTER-Trade) activity whose overall goal was to increasing access to and utilization of staple foods in Eastern Africa, to increase formal cross border trade flows of sorghum and beans across the borders of Namanga (Kenya-Tanzania), Busia and Malaba (Kenya-Uganda), Katuna/Gatuna (Uganda-Rwanda) and Isebania/Sirare (Kenya-Tanzania). The objectives of FOSTER Trade activity directly contribute to the realization of the CAADP goal of integrating regional markets and reducing the cost of doing business across the borders (Pillar II), facilitating access to inputs and yield enhancing technologies (Pillar IV) and directly contributing to the goal of the Feed the Future initiative of increased access, availability and utilization of African grown staple foods in regionally integrated markets.

The external evaluation was meant to assess the level of achievements of the activity's objectives, to assess the extent to which Feed the Future FOSTER-Trade Activity has impacted the cross-border grain traders and whether the anticipated changes have been realized, to examine which factors have proved critical in promoting or hindering change and draw lessons for planning of future projects.

The consultant designed survey instruments to capture socio-economic characteristics of the cross border traders, the nature and coverage of their business operations, effectiveness of traders. participation in capacity building activities, participation in one stop border post (OSBP) activities, level and direction of trade operation in terms of quantities traded, market segment as well as supply sources and progress made in their performance since they started participating in FOSTER activity. Additionally, checklists were developed to capture feedback on impact of the activity from traders in a group discussion set up and finally Key informant guides were also designed to solicit additionally information particularly from activity implementers, government agencies, financial institutions and agro dealers.

Overall, the activity is credited with an upward surge in sales of beans and sorghum in the last two years. 80% of traders reported that they sell beans. Another 79% reported that they also trade in maize and 35% in sorghum alongside beans. Other commodities stocked by these traders included *green grams, ground nuts, cowpeas and cassava*. The trends were similar across the border-border-points where beans and maize were the most commonly stocked and traded commodities. The major market segment is consumers at 52%. This could be a pointer towards achieving the objective of increasing access to and utilization of staple foods, although 100% attribution to the activity is difficult. Another 29% said they sell to traders. Except at Gatuna/Katuna border, the general trader to trader flow of commodities was such that it was always flowing into Kenya which is a net grain deficit destination

In terms of the activity outcomes, the following had been achieved through this intervention: Firstly, training of traders to engage in a structured registered cross-border grain trading. This has tremendously increased transparency, efficiency and reliability among traders; reduced cost of doing business and guaranteed quality of traded commodities.

In addition, the training to cross border traders has ensured that they efficiently manage their working capital and profits by employing business management techniques. Secondly, demand creation activities through trade fairs to link famers and traders of beans and sorghum in the project areas. This has greatly smoothed demand and supply aspects of these commodities while at the same time improving efficiency of cross border trade as well as saving costs along the commodities value chains.

FOSTER activity stakeholders were also interviewed to assess the general performance of the activity in terms of its relevance, efficiency, effectiveness, impact and sustainability. Overall relevance, efficiency, impact and sustainability of the project can be summarized as satisfactory.

On relevance, the traders indicated that the project had come in handy to solve some of their key problem in the market. The project was said to be efficient given that it undertook most of its planned activities in time and the approach of training and networking of the cross border traders was particularly hailed to have worked so well.

On sustainability, most stakeholders felt that the project worked with every willing individual in the community. The women were mainly involved in the project since they form the majority of grain traders across the borders. This evaluation therefore hopes that CBTs will continue to use formal channels to trade while leveraging services delivered through the government agencies and new skills acquired through the FOSTER activity. However, the positive score on sustainability will to some extent be masked by a number of constraints among them being limited access to credit to expand their business. Another factors that may hamper sustainability of the FOSTER-Trade activity is failure by AGMARK to implement some activities that were promised at the inception of the project.

Finally, it is the conclusion of this evaluation that FOSTER activity has had some desired outcomes on the cross-border trade and traders as was envisaged at inception. Results in this report indicate that gains have been made in areas such as; knowledge and skills on cross border trade, knowledge and skills on basic business management, volumes traded have also increased, the costs of doing business have reduced and business relationship with border officials improved. However, given the short project period, it may be a little too early to realize significant project impacts

1.0 Introduction

1.1. Background and Rationale

An estimated 1.2 million MT of staple food commodities were informally traded within the eastern Africa countries (Kenya, Tanzania, Uganda, Rwanda, South Sudan, Ethiopia and Burundi) between October 2011 and September 2012. Among these countries Uganda and Tanzania are generally food secure generate most of the surplus staple food commodities traded informally in the region whereas as Kenya and Rwanda are food deficit countries importing informally about three quarters of surpluses from Kenya and Uganda¹ The nature of trade in these countries is informal and characterized by low efficiencies, high transaction costs and low competitiveness which are a reflection of existing barriers to formal trade, poor enabling environment and restrictive trade policies and practices. Existence of such significant informal trade, impacts negatively on the food security situation in the region as food commodities do not flow efficiently and competitively from the surplus to the deficit countries. Improving regional trade in food staples could have a direct and positive effect on food security in the deficit countries, reducing price volatility in the region, enhancing producer incentives and accelerating agricultural growth.

Regional trade integration, food security and agricultural sector development are central themes in all the eastern Africa countries who ascribe to Comprehensive Africa Agricultural Development Program CAADP Compacts and Investment plans. Additionally, the East African Community (EAC) has signed the Agriculture and Rural Development Policy which engenders regional integration, food security and agricultural sector growth.

Feed the Future is the United States Government global hunger and food security initiative which establishes a foundation for lasting progress against global hunger. The Foundation initiatives supports partner countries in developing their agriculture sectors to spur economic growth that increases incomes and reduces hunger, poverty and undernutrition. The efforts of the foundation are driven by country-led priorities and rooted in partnership with governments, donor organizations, the private sector and civil society to enable long-term success. A keystone activity of Feed the Future East Africa strategy is *'opening up integrated regional markets for staple commodities with a focus on selected regional value chains'*.

Agricultural Markets Development Trust (AGMARK) received funding from United States Agency for International Development (USAID) under the African Institutions Innovation Mechanisms (AIIMs) to implement a two year Feed the Future East Africa Food Security through Enhanced Regional Trade (FOSTER-Trade) activity. The activity had the overall goal of increasing access to and utilization of staple foods in Eastern Africa, to increase formal cross border trade flows of sorghum and beans across the borders of Namanga (Kenya-Tanzania), Busia and Malaba (Kenya-Uganda), Katuna/Gatuna (Uganda-Rwanda) and Isebania/Sirare (Kenya-Tanzania).

AGMARK proposed to contribute to the above goal through enhancing: better integrated regional markets for sorghum and beans; increased access to improved seeds and yield enhancing technologies and increased private sector investors' participation in cross border trade. To achieve better integrated markets, the traders require knowledge on the cross border trade environment, trade opportunities and contractual agreements as well as the goodwill of the broader stakeholder to address non-tariff barriers to

¹ FEWS NET/FAO/ WFP October 2012 Report

trade encourage formal trade. These activities were expected to enhance efficiencies and cost reduction in the cost of doing business across the borders.

The objectives of FOSTER Trade activity directly contribute to the realization of the CAADP goal of integrating regional markets and reducing the cost of doing business across the borders¹¹), facilitating access to inputs and yield enhancing technologies (Pillar IV) and directly contributing to the goal of the Feed the Future initiative of increased access, availability and utilization of African grown staple foods in regionally integrated markets.

2.0 Evaluation Objectives and Scope

The overall objective of this end of project evaluation is to assess the extent to which Feed the Future FOSTER-Trade Activity has impacted the cross-border grain traders and whether the anticipated changes have been realized, to examine which factors have proved critical in helping or hindering change and draw lessons for future projects.

2.1 Specific Objectives

The main objectives of the evaluation were to:

1. Evaluate the outcomes and impact of FOSTER project against its objectives.
2. Assess progress made towards the achievement of results at the outcome and output levels.
3. Assess performance in terms of the relevance of results, sustainability, shared responsibility and accountability, appropriateness of design and informed timely action.
4. Identify lessons learned and provide recommendations for increasing knowledge on cross border procedures and regulation, interventions to reduce barriers to cross border trade, enhanced access to improved seeds and private sector investor linkages.

3.0 Methodology and Approach

3.1 General approach

The study involved four main approaches for data and information gathering. These included: desk top review, Semi structured questionnaire surveys, Key Informant Interviews and Focus group discussions.

3.1.1 Desk top reviews

This included reviewing all relevant project documents including programme plans, annual monitoring reports and relevant published literature. The aim of desk review was to gain an understanding of the project objectives, implementation strategies and envisaged milestones. These information is vital for development of survey tools and scientific procedures, selection of respondents and planning the evaluation process

3.1.2 Surveys

The consultant developed Semi structured questionnaires in conjunction with the client's monitoring and evaluation team and administered the same to FOSTER-Trade Activity beneficiaries including cross border traders and agro dealers. Surveys were administered face to face to the majority of these two groups while phone interviews were conducted where face to face was not possible. Even in situations that necessitated phone interviews the same scripts were followed strictly. A simple random sampling methodology for data collection from participating cross-border traders and agro dealers was agreed upon with the client during the initial assignment planning stages.

3.1.3 Key Informant Interviews (KII)

Check list were prepared and used for Key Informant Interviews (KIIs) with diverse activity stakeholder groups including; government agencies (Revenue Authorities, Standards, Port health and Inspectorates), Cross Border Traders Association (CBTA) officials, clearing agents and project implementing staff. Information gathered from opinion leaders greatly aid in filling gaps and triangulating inferences from quantitative data and focus group discussions.

3.1.4 Focus Group Discussion

Focus Group Discussion (FGDs) were conducted with Cross-Border Traders Associations Members. Interview guides were prepared and used to guide FGD sessions which comprised between 8 to 12 CBTs each. A total of 8 FGDs were conducted comprising of 2 FGDs per border. Put in other words, we conducted 1 FGD per Country at each border.

These techniques and tools were used to assess the cumulative progress towards realization of planned results at various activity levels of process, output, and impact. Achievement was measured as percent realization of the planned targets for the activities and results based on the predetermined key outputs and outcome indicators as well as periodic milestones set in the project proposal and reviewed in the annual work plans. Matched comparisons were also made with baseline data where such was available.

3.2. Sampling Procedure and Sample Size

This section explores and outlines data collection methods used in this evaluation. The sampling plan comprised randomized selection technique as well as Purposive and snow balling. Foster Trade project was implemented in five border-points in four countries. The border points were; (Katuna/Gatuna border

along Rwanda-Uganda, Busia and Malaba borders along Kenya-Uganda, Namanga and Sirare /Isebania borders along Tanzania-Kenya, while the four countries include Kenya, Uganda, Tanzania and Rwanda. Four of the five border points (Busia, Malaba, Namanga and Gatuna/Katuna) were randomly selected for this evaluation study. A total of eight CBTA's were sampled. The sampled CBTA's and Agrodealers were visited and interviewed by enumerators. Respondents who were unavailable for Face-to-face interviews were interviewed over the phone.

3.2.1 Simple Random Sampling

A simple random sampling approach was used to identify CBTA's and agro dealer respondents. Membership list of CBTA and that of FOSTER activity agro-dealers beneficiaries from the selected border points were used as the sampling frames. In each case, proportion to size sampling approach was applied to arrive at the actual number of CBTA's and agro-dealers to be interviewed. Furthermore, between 8 and 12 members were randomly sampled from both the already surveyed respondents as well as those not sampled for quantitative interviews to participate in the FGDs. A total of 126 CBTA's and 40 Agrodealers were sampled from the four boarder points in the four project countries.

3.2.2 Purposive and snow ball sampling

Purposive and snowballing methods were used to sample Key Informants from among the stakeholders in the project. These methods involved approaching key opinion persons identified from desk top reviews, engaging them on the evaluation but also asking them to help identify other key persons who were also involved in the FOSTER activity. This snow ball rolling continued until such a time as when all key persons had been reached and interviewed or no new information was forthcoming. A total of 31 key informants were interviewed across the four sampled borders.

3.3 Survey tools and procedure

Three sets of survey questionnaires were designed by the consultant, shared with client's monitoring and evaluation department and approved for collecting relevant data from Cross-border traders, agro dealers, Key Informants as well as for Focus Group Discussions. Data collection through face-to-face interviews with cross border traders and agro dealers was done using semi structured questionnaires while an interview guide and a check list were prepared and used for FGDs and KIIs respectively. Selected field supervisor and enumerators with relevant experience and qualification were trained for three days to familiarize themselves with data collection. All enumerators conducted a role play, which is a practical mock interview that mimics actual face to face interviews to further grasp required interviewing skills and elicit deliberations and a standard agreement on areas that were still grey before embarking on the data collection exercise. The training mainly focused on common understanding of each question on the instrument to ensure all team members were administering the questions in similar manner so as to meet the highest quality data collection standard, evaluation findings and validity.

3.4 Data collection and field visits

Quantitative data was collected in both sides of Kenya/Uganda in Busia and Malaba borders, Kenya/Tanzania in Namanga border and Uganda/Rwanda in Gatuna/Katuna border through a survey of randomly sampled Cross border traders who were mainly women. As already mentioned in this report, a sample of 126 traders was selected from CBTA member lists from these four project areas. Using CBTA members list as the sampling frame, the proportion to size sampling criteria was employed to arrive at the statistically sufficient number of beneficiaries to be interviewed at each border point. Each cross border

trader was visited by an enumerator and a face to face interview conducted, the field supervisor conducted spot and back checks to ensure the right respondents were being interviewed, completeness of tools and flow of responses. Where a face to face interview was not possible, respondents were reached and interviewed over the phone. 40 agro dealers were also sampled from lists of beneficiary across the four countries. Given their sparse distribution and the numbers involved, it was not possible to interview sufficient numbers by border. The 40 agro dealers were therefore drawn from all the four countries.

Qualitative data on the other hand, was obtained through Focus group discussions conducted with between 8 and 10 cross border traders in each of the four countries, as well as with Key informants. Key Informants were drawn from diverse border officials ranging from government agencies responsible for Revenues, Standards, Port health and Inspectorates, Cross Border Traders Association (CBTA) officials and leaders, clearing agents and project staff. A total of 8 FGDs (one per country) were conducted and opinions of 29 Key informants collected and documented.

3.5 Data analysis and presentation

The quantitative data collected during field work was entered in SPSS entry program, cleaned and analysed by parameters of interest. SPSS was mainly used to analyse the quantitative data to determine frequencies, means and percentages; the findings are presented in tables and charts in the next section. Qualitative data, lessons learnt, best practices and project gaps was analyzed by cross tabulation, content analysis and interpretation. For reporting purposes data was summarized in tables, graphs and flowcharts. Finding from quantitative data was triangulated with insights from qualitative engagements to provide a nuanced position and feelings elicited by project beneficiaries. Conclusions and recommendations were based on the analysis, data comparison with baseline and other project documents and included consideration of issues raised by both internal and external resource persons.

3.6 Limitations of the evaluation

The main limitation of the evaluation was the limited time, and the geographical vastness of the study area.

4.0 Evaluation Results and Discussions

4.1 Characteristics of Sampled Cross-Border Trader (CBTs)

To better understand the cross border traders involved in the FOSTER-Trade activity, the evaluation established some general characteristics of CBTs. Findings indicate that majority (97%) of the cross-border cereal and pulses traders were women. Most of these traders are young adults with an average of 40 years. In addition, 77% were above 35 years of age, the rest being youths between the ages of 21 and 35 years. In terms of levels of education, a higher percentage are within the primary and secondary schooling brackets, the results show that 52% of these traders had some secondary education while 31% had some primary level. Only 10% had attained post-secondary education.

Majority of these businesses (94%) are individually owned and operated by individual cross-border traders and only 25 percent of them had some employees. The main source of startup capital to most of the cross-border grain traders in the project area was found to be individual's own savings which accounted for 72 percent, those who received credit capital were 17 percent while only a mere 3 percent reported obtaining their capital from both own savings and credit. These findings on business ownership, presence of employees and source of capital, point to small scale traders, a fact that is further explained by the over reliance on own savings as a source of startup capital especially among the majority women cross-border grain traders. Business startup capital is particularly a major impediment to entrepreneurship and is even more pronounced among women who are faced with discrimination in property ownership, access to basic services as well as unfair market place competition from their male counterparts.

Most women traders noted that the financial services providers were inaccessible given their stringent requirements and products available were too expensive for their operational sizes. Majority of them are therefore excluded from participating in the financial service sector as currently structured. These sentiments notwithstanding, about 70% of the traders had a saving account with the highest proportion being in Busia border while Namanga border reported the lowest proportion with savings account (Table 1).

Table 1: General characteristics of CBTs

Characteristics		Busia	Malaba	Namanga	Gatuna/ Katuna	Overall
Female traders (%)		97	100	100	89	97
Age (years)		40	42	42	36	40
Adults (%)		73	79	84	70	77
Education (%)	None	0	3	3	15	5
	Primary	27	26	56	30	35
	Secondary	63	53	38	54	52
	Post-Secondary	10	18	3	2	8
Type of Business	Sole Proprietor	90	91	100	98	95
	Partnership	7	9	0	0	4
	Family	3	0	0	2	1
% with employed staff in their business		40	26	9	6	20
Source of capital	Own saving	73	70	72	78	72
	Credit	10	21	19	16	17
	Both	0	0	9	2	3
	Donations	17	9	0	4	3
	Account	80	71	59	67	69

- **Commodities traded**

Cross-border grain traders were also asked to list all the grains they traded in between November 2015 and October 2016. Overall, 80% of traders reported that sell beans. Another 79% reported that they also trade in maize and sorghum 35%. Other commodities stocked by these traders included *green grams, ground nuts, cowpeas and cassava*. The trends were similar across the border-border-points where beans, maize and the most commonly stocked commodities. Sorghum also featured prominently in Busia, Malaba and Gatuna/Katuna border points (Figure 1).

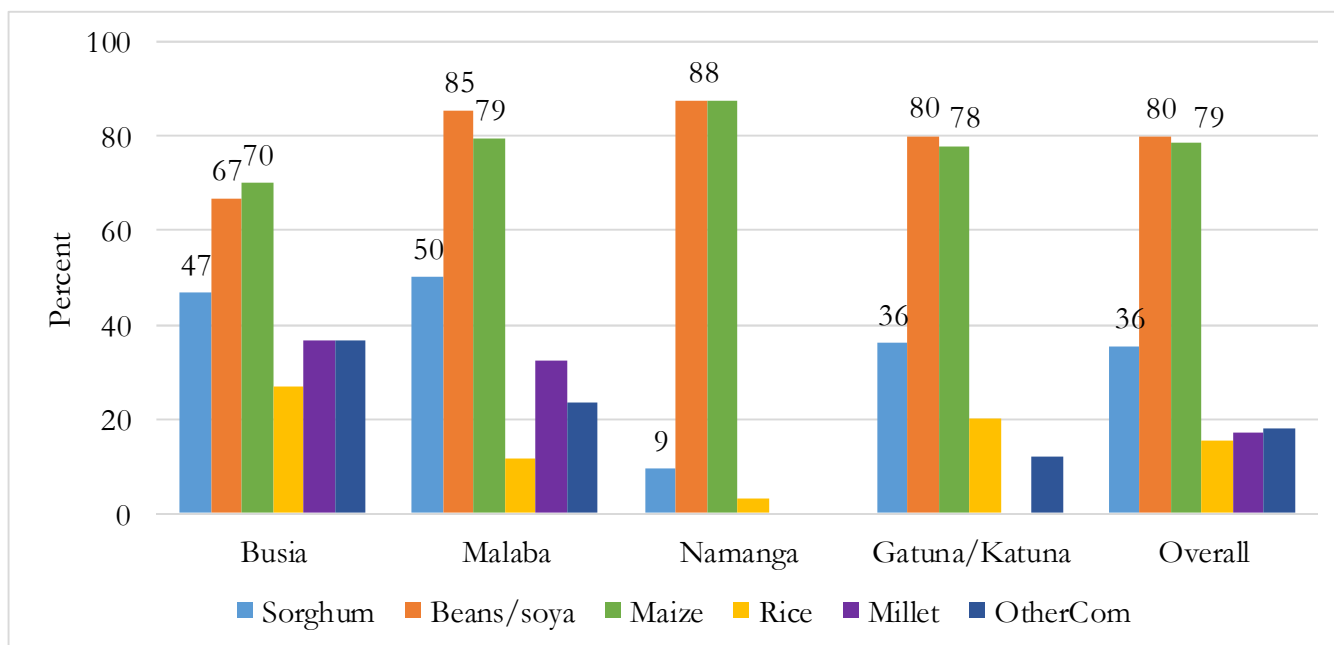


Figure 1: Commodities traded by cross-border traders

- **Nature and Direction of trade between Cross-border Traders (CBTs)**

The evaluation also sort to establish FOSTER-Trade activity beneficiaries’ market segment. 52% of the traders reported that they sell to consumers either within the country or across the border. Another 29% sold to traders. The general trader to trader flow of commodities was such that it was always flowing into Kenya. Put differently, traders from Uganda and Tanzania sell to their counterparts in Kenya which is a net grain deficit destination. One cross-border transactions between traders from Kenya with their counter-parts from Uganda and Tanzania featured prominently. Overall, 32% and 37% percent of traders from Uganda and Tanzania reported selling to traders from Kenya respectively.

At Gatuna/Katuna border, trade was said to be a two way activity with commodities flowing from and to either Uganda or Rwanda depending on the season and on who holds surpluses at a given time. Only 1% of the traders sold to millers, another indication of the nascent nature of the cross border businesses. By border point, 67% of the traders in Busia Uganda sold commodities to consumers from Kenya. Similarly, in Malaba and Namanga 53% and 38% of traders reported that they mainly sell to consumers from Kenya respectively.

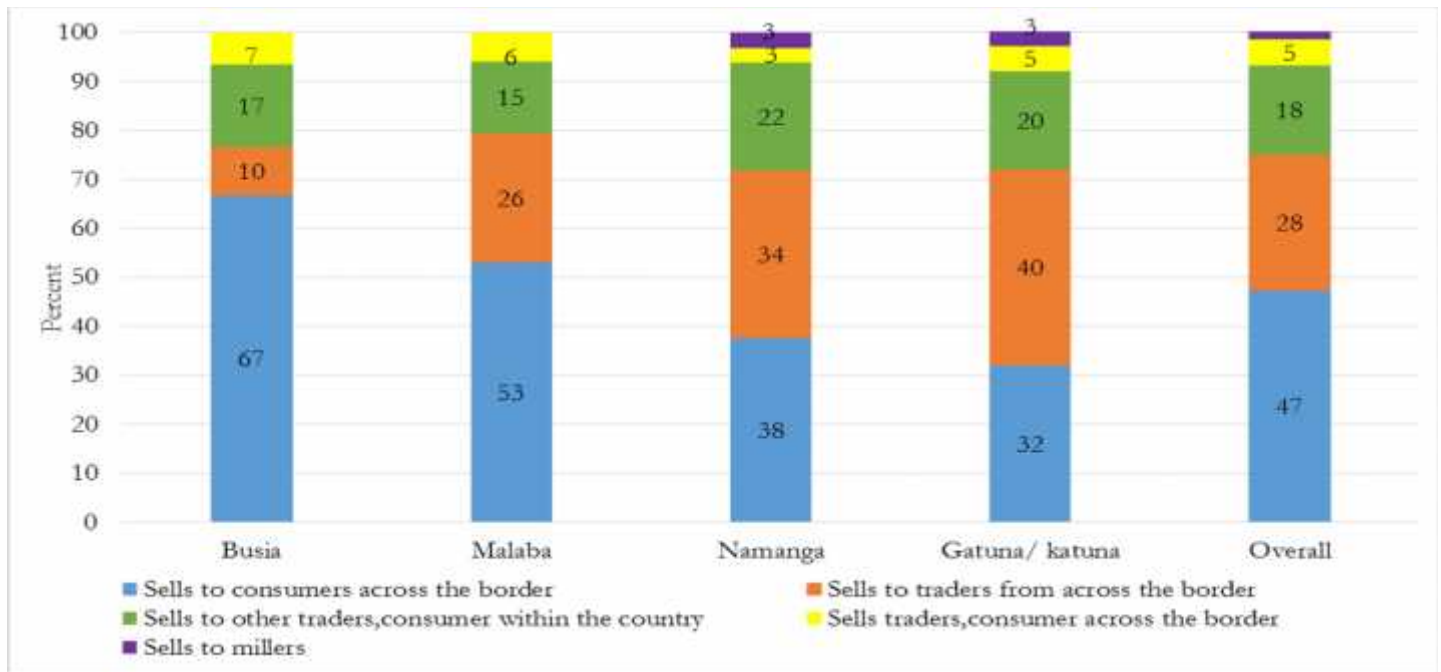


Figure 2: Business nature and direction of trade

4.2 Project Outcomes and Impacts

Feed the Future East Africa Food Security through Enhanced Regional Trade Project (Foster Trade Activity) had the primary objective of increasing formal cross border trade flows of sorghum and beans in Eastern Africa borders. The project promoted formal trade of beans and sorghum from countries of surplus (Uganda and Tanzania) to countries of deficit (Kenya and Rwanda). The project activities included training to CBTs and Agrodealers, linking traders to larger buyers and farmers through trade fairs, linkages to financial institutions. Linking agrodealers to input suppliers, convening Joint Border committee meetings to enhance cooperation among stakeholders in cross-border trade. These activities were expected to enhance to encourage structured trading in cereals, enhance efficiencies and reduce cost of doing business across the borders.

Some outcomes have been achieved through the interventions. These include; training of traders to engage in a structured registered cross-border grain trading. This was expected to increase transparency, efficiency and reliability among traders; reduce cost of doing business and guarantee quality of traded commodities. In addition, the training to cross border women traders was to ensure that they efficiently manage their working capital and profits by employing business management techniques.

Alongside capacity building for efficient business operations, Foster-Trade activity also engaged in demand creation activities through trade fairs to link famers and traders of beans and sorghum in the project areas.

4.2.1 Building traders capacity to enhance cross-border grain trade

AGMARK’s main areas of focus under FOSTER-Trade activity has been to increase formal cross border trade flows of sorghum and beans in Eastern Africa borders. To achieve this, AGMARK has been developing capacity of Cross-border women traders through training and business linkages, trade fairs to enhance trade and utilization of sorghum and beans. In addition, AGMARK facilitated the joint border committee meetings that brought together traders and the government officials to establish a positive and seamless working relationships among all stakeholders to efficiently manage formal trade across the borders

- **Services received by CBTs during FOSTER-Trade Activity**

In order to improve the quality of grains traded, business incomes and reduce cost of doing business, training of Cross-border women traders formed major components of FOSTER-trade Activities. Capacity building targeted areas of; Structured cross border trade, basic business management, Linkage to commodities suppliers and financial institutions.

Overall, about 83% of the traders interviewed had received some training in basic business management which included but was not limited to; managing working capital, recording keeping, tracking inventory and profit and loss. Further, 82% of traders reported that they had received training on structured cross-border trade requirements, processes and procedures. Another 27% reported to have been linked with commodity suppliers whereas only a meagre 9% reported a linkage to financial institution but that the linkage to financial intuitions had little or no impact on their business.

The little or no impact from linkage to financial institution was attributed to the high unaffordable cost of credit from the mainstream banks in respective activity countries as well as the restrictive requirements to access credit. Recommendations were brought to the fore to consider linkages with other financial service providers (Micro finance institution, strengthening Informal groups like chamas) other than mainstream banks

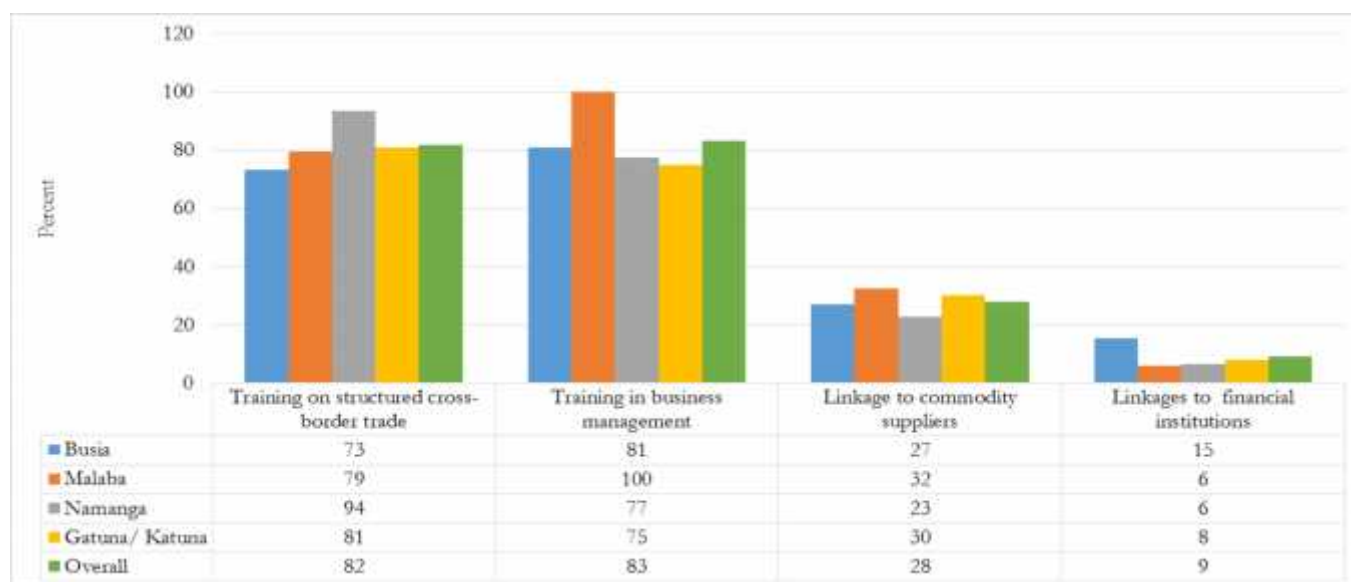


Figure 3: Services received by CBTs during FOSTER-Trade Activity

- **Benefits of participating in FOSTER-Trade Activity**

In order to determine the impacts of FOSTER-Trade activity in the project areas, traders were asked to outline any benefits they believed spanned out of working with AGMARK. Overall, 46% of the traders noted that the business advice through training was the greatest benefit they received followed by reduced cost of doing business across the border at 39%. 30% of traders interviewed reported that there was marked increase in profits whereas 29% believed that their relationship with border authorities had improved immensely. Other respondents (24%) believed that buyer confidence had improved while only 9% of the respondents thought that supplier confidence had improved (Figure 4). Noted marked increase in profits partly due to reduced cost of doing business, was attributed to a radical shift from moving goods through illegal routes to going through the border points. Traders alluded to the fact that using designated border points greatly reduced cases of losing trade commodities, exorbitant informal payments were eradicated and sexual harassment minimized (Figure 4)

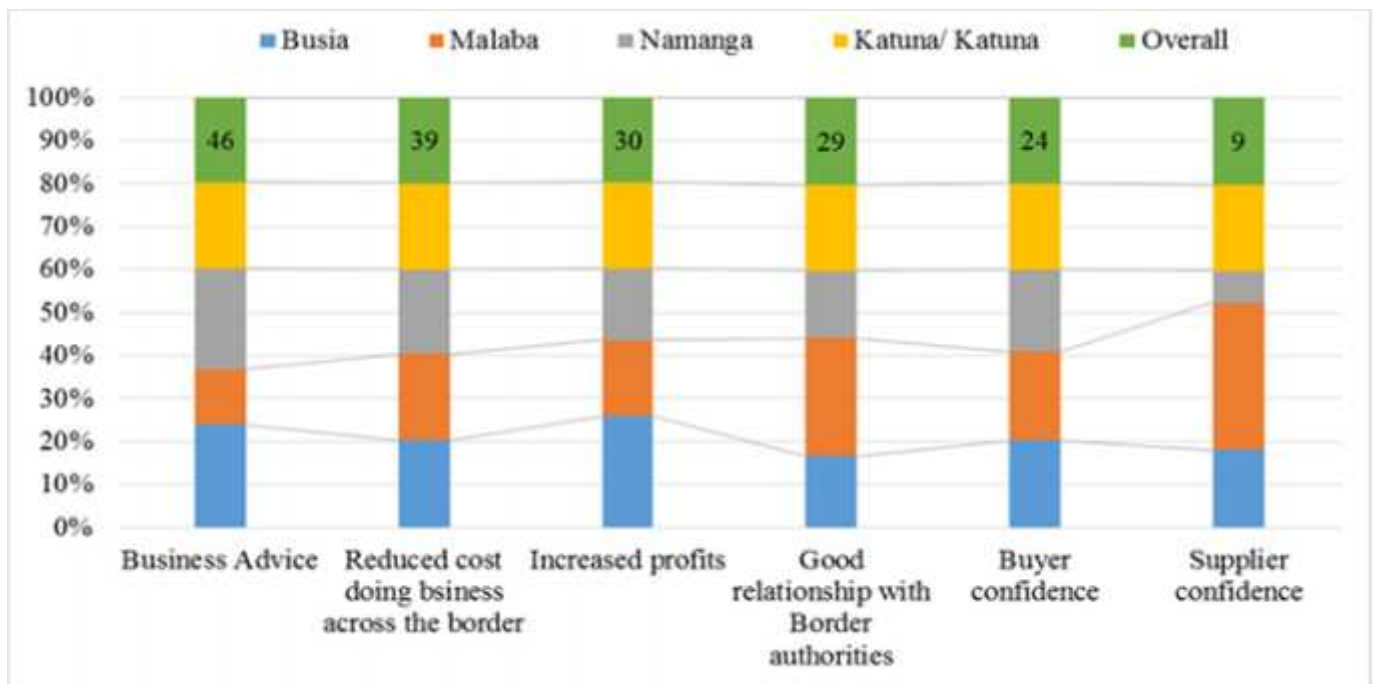


Figure 4: Benefits of participating in FOSTER-Trade Activity

- **Quality of grains traded.**

Value addition to cereals and pulses traded made up a substantial component of the training on quality of grains traded and so the evaluation sort to the gains made in this front by inquiring from traders what quality parameters they considered when sourcing commodities from suppliers. Overall, it emerged that traders were well aware of the importance of trading in quality grains. 99% of the traders noted that the moisture content was very important since high moisture content could not only lead to sprouting of aflatoxins on the grains but also losses in revenue emanating from further drying of the grains to meet acceptable moisture levels. By border-point, Namanga traders were more conscious about the quality standards as compared to the other borders (Table 2).

Table 2: Traders Consciousness when sourcing grains

Quality Parameters	Busia	Malaba	Namanga	Gatuna/Katuna	Overall
Moisture content of grains	100	100	97	99	99
Presence of broken grains	93	100	100	100	98
Presence of lives pest	97	100	100	99	99
Presence of foreign matter	97	100	100	100	99
Presence of discolored grains	90	100	100		97
Type and size of package	80	79	91		83

4.2.2 Sources of Commodities traded and Mode of delivery

Having looked at the market segment for beneficiary cross border traders, this evaluation completed the demand and supply curves by engaging traders on their source of traded commodities as well as preferred modes of delivery. Over half of the traders (51%) obtain commodities from fellow traders, middlemen and agents. Another 30% source from small scale farmers, these are probably in-country traders who are able to traverse their country and buy from rural interior production zones, while 15% of the traders reported sourcing from large scale farmers. It is noteworthy that only 7%, 6% and 3% sourced from certified warehouses, Food reserve agency and Farmer organizations respectively. This again speaks to majority of cross border traders being small scale in operation and who may benefit from grain bulking interventions by way of reduced time and transportation cost to and from commodity sources.

The most preferred mode of delivery is self-collection, a channel that was reported by 89% of the respondents. Variations were noted across the borders but overall, only 11% reported having most of their goods delivered by suppliers. Busia border led in reporting that most goods were delivered by suppliers, perhaps indicating a higher concentration of medium and large scale traders compared to the other border points. Table 3 depicts the various commodity sources and modes of delivery.

Table 3: Sources of commodities and mode of delivery

Source of commodities	Busia	Malaba	Namanga	Gatuna/ Katuna	Overall
Other traders, middlemen, agents	55	48	59	41	51
Small-scale farmers	11	29	31	50	30
Larger farmers	21	13	10		15
Certified warehouses	11	3			7
Farmer organizations	1	4			3
Food Reserve Agency		3.0		9	6
Mode of Delivery (%)					
Collect most by myself	86	90	93	97	89
Suppliers deliver most	14	10	7	3	11

4.2.3 Volumes traded between Nov 2015 – Oct 2016

Apart from commodity source and market, volumes traded is another key aspect whose change indicates success or otherwise of an outcome oriented activity. This necessitated the need to investigate volumes of

various cereals and pulses moved and or traded in the sampled borders between November 2015 and October 2016 (one year into working with FOSTRE –Trade activity). Overall, about 120 tons of sorghum was traded within that period by the CBTs surveyed while approximately 90 tons of beans was traded across the four borders. The same traders reported that they moved 240 and 178 tons of maize and rice in the reference period respectively. Millet and other commodities traded was 76 and 174 tons in that order.

It is imperative however, to note that these are quantities reported by only those traders dealing in these commodities among the project beneficiary respondents, and not the total quantities moved by all traders in the respective borders. Also, notice should be given to seasonality of trade and that a one year reference period does not necessarily imply 12 months of active trading. The quantities notwithstanding, findings indicate that sorghum was prominently traded at Busia while beans featured mostly at Malaba. both borders moving goods from Uganda into Kenya. Just as at baseline, Maize and beans still dominate commodities traded across all the borders. Gatuna/Katuna border however, moved the most maize within the reference period. Figure 5 shows volumes traded by border point.

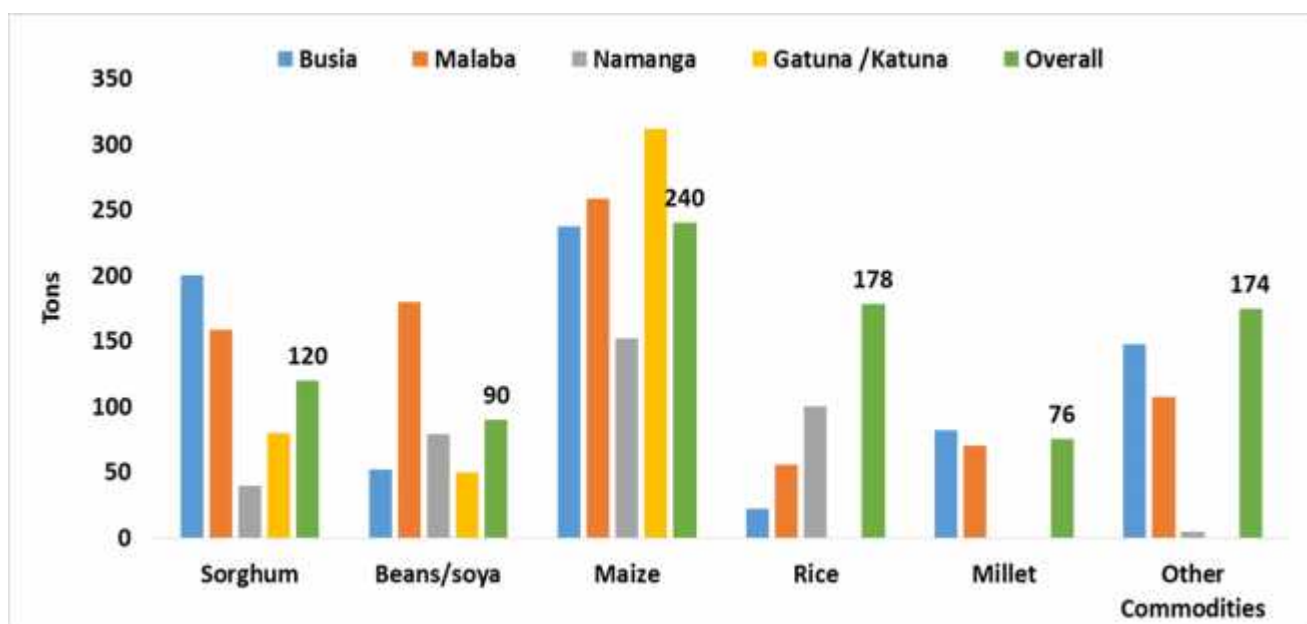


Figure 5: Volumes traded among CBTs by Border-Point

4.2.4 Source of Market Information

Market information is paramount for trading activities not only because it aids decisions into what commodities to purchase, in what quantities and at what time within the trading cycle, but also management of investment, capital cash flow as well as predicting probable market behavior. This evaluation therefore sort to understand the various channels through which cross border traders obtained market information. Majority of the traders reported that personal knowledge of the market was their major source of market information. Personal knowledge here implies discussions with fellow traders during trade activities, at CBTA meetings or through friendly phone calls. Publicly available information which includes among others radio adverts and programs, online platforms and posters came in second as a source of market information while a very small majority reported prices set by the sellers as their way of determining market activities.

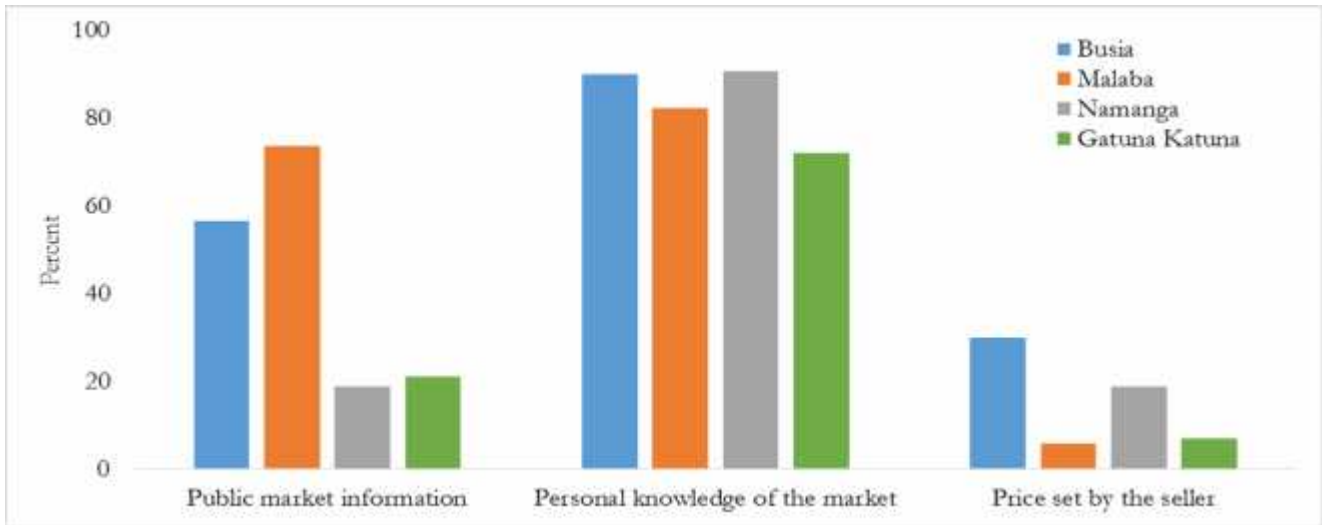


Figure 6: Market information sources

4.2.5 Duration of Payments for commodity purchases

Another important aspect of trade that the evaluation established was duration of payment and contractual obligations. A large proportion of CBTs (92%) surveyed reported that they pay for their purchases within the same day, this shows that the cross border business' operations are heavily cash based and that majority of the operators are concentrated within the 'small scale' bracket. Only about 7 percent of the respondents showed some level of contractual agreement for payments, perhaps implied or based on trust, this is so because even the few who reported paying after delivery of goods only do so within a week. Again a characteristic of small scale, cash based, non-contractual business operation among the majority. Figure 7 depicts the duration of payments as reported by the cross border traders.

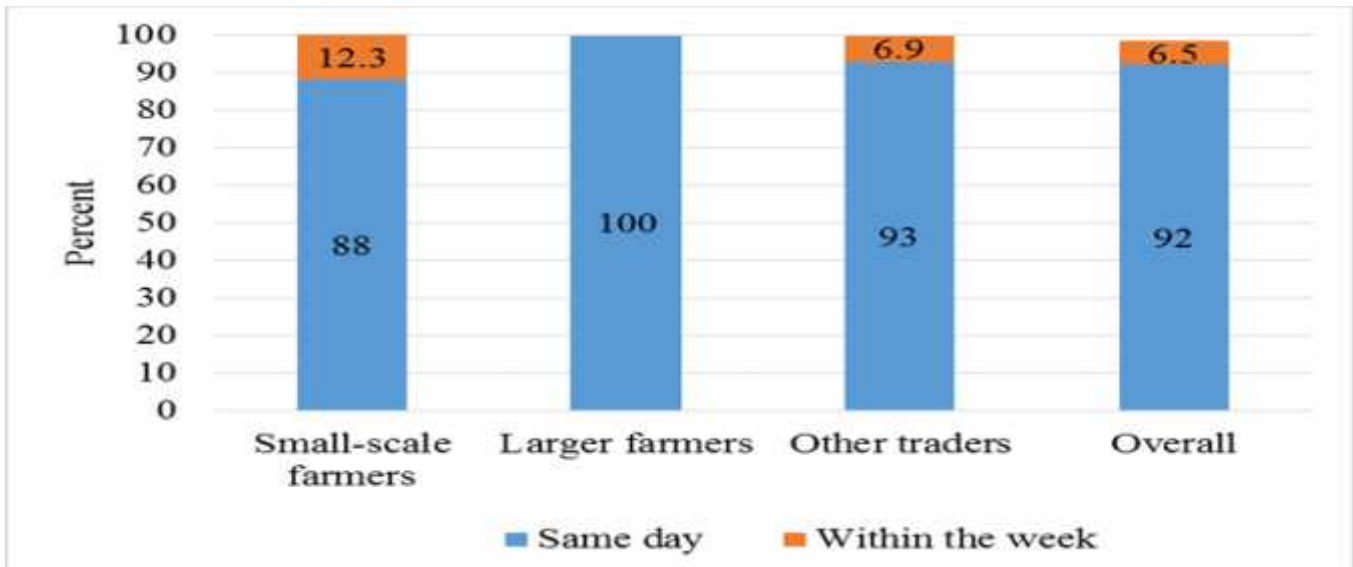


Figure 7: Payments for commodity purchases

4.2.6 Main Source of revenue in grain trade before and after the project

Major sources of revenue to the traders were also analysed. The results show a 2% increase in the proportion of traders who reported that sorghum is now their major source of revenue from trading grains. However, there was significant 6 percent increase in the proportion of traders who consider beans as major source of revenue in their grain trading business now compared to before the FOSTER-Trade activity was implemented. It is noteworthy that those who consider maize as major source of revenue reduced by 11%. This could perhaps be a spin off from the reduced amount of maize imports from the East African regions to Kenya due to the various interventions by Kenya government targeting input subsidy as well as irrigated maize production which may have resulted in increased local production of maize, increased supply to the local markets and hence reduced prices.

Table 4: Major sources of income from commodity trade before and after FOSTER-Trade Activity

Commodity	Busia		Malaba		Namanga		Gatuna / Katuna		Overall	
	Before	After	Before	After	Before	After	Before	After	Before	After
Sorghum	0	7	11	9	7	6	2	6	5	7
Beans/Soya	36	30	39	59	57	63	53	57	46	52
Maize	41	37	39	18	36	31	45	37	40	31
Rice	5	7	0	0	0	0			2	2
Millet	14	13	7	12	0	0			8	8

4.3. CBTs operating formally (%)

One pillar within the overall objective of FOSTER-Trade is to increase formal cross border trade flows of sorghum and beans across the border; operational word being ‘formal’. Trade policy disciplines has no universal definition of informal cross-border trade. It generally refers to trade which may be legal imports or exports on one side of the border and illicit on the other side and vice-versa, on account of not having been subjected to statutory border formalities such as customs clearance.

It is upon this premise that this evaluation established from the CBTs surveyed whether they considered their trading across the border as formal or informal, and to give reasons for categorization and their understanding of informal trade. Overall, only 37% said they were operating registered businesses, had trading license and were paying annual business levies to their respective governments. Busia border recorded the highest percentage of businesses operating formally at 57%. Namanga border on the other hand reported the lowest number of formal businesses at only 17%. Malaba and Gatuna/Katuna borders reported 30 and 35% formal businesses operations respectively. Figure 8 outlines proportions of CBTs operating formally by border point.

When asked why they considered their trade to be formal, majority of them noted that they declare the commodities they import for verification and recording at the customs (Figure 8).

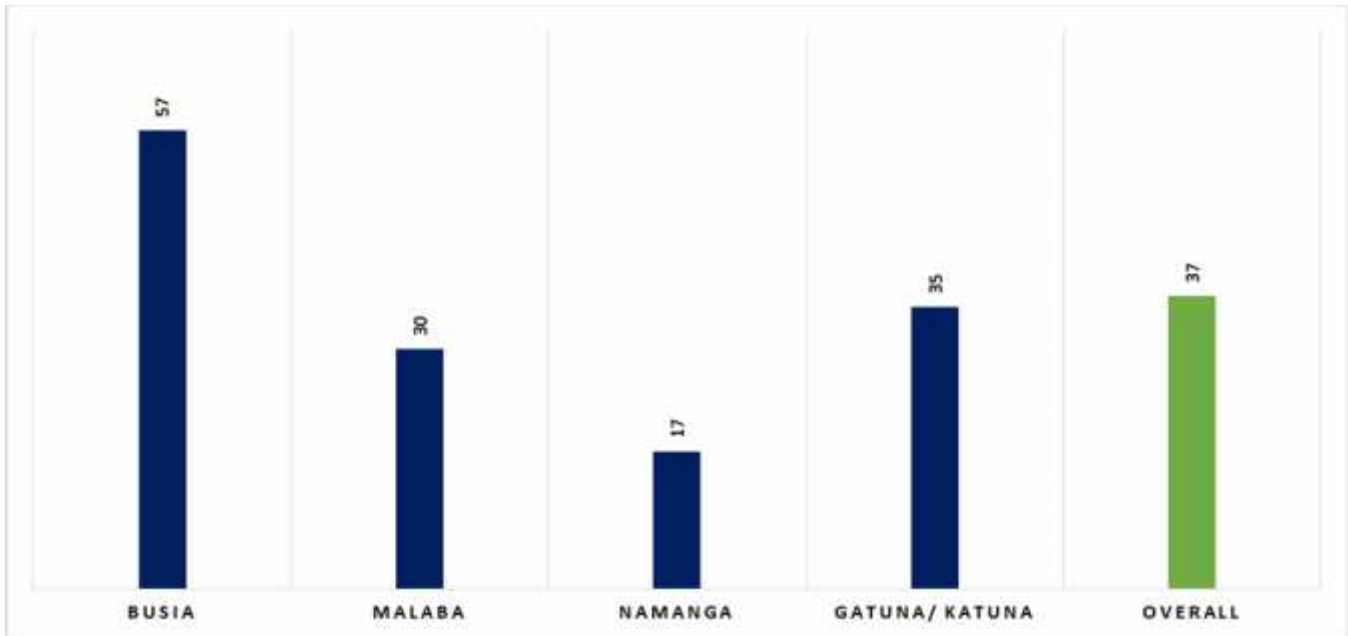


Figure 8: CBTs operating formally

4.4 Proportion of informal traders that declare their goods

The study also established from those who responded that their cross-border trade was informal whether they declare their merchandise at the customs for verification. Overall 9.7% of these informal traders reported that they occasionally declare their goods for verification and recording at the customs.

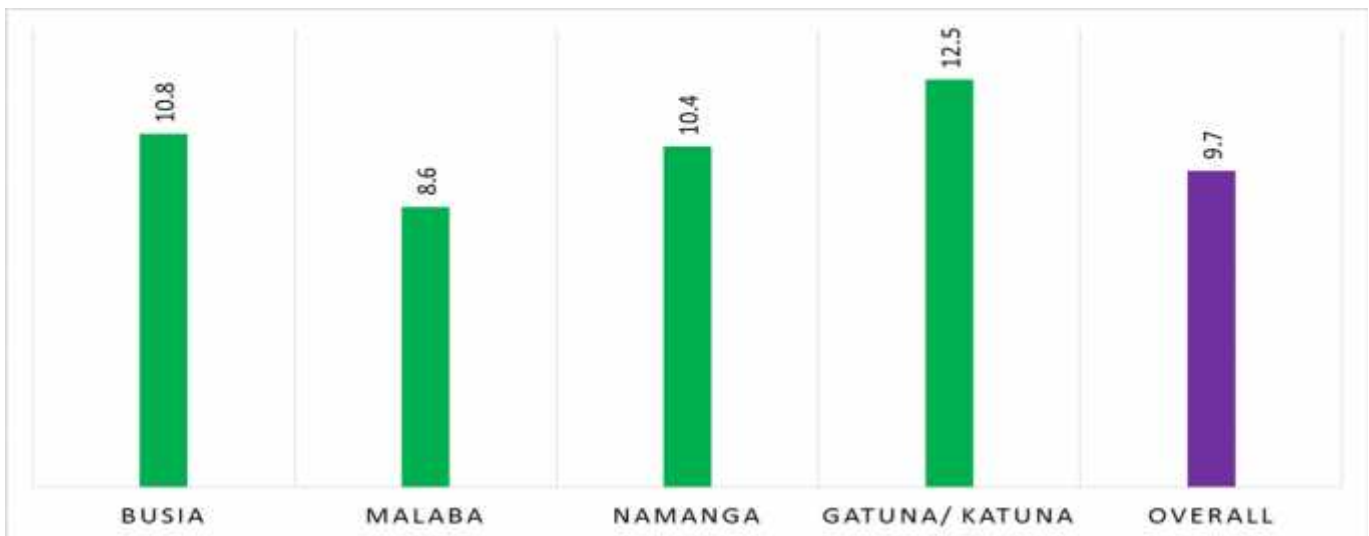


Figure 9: CBTs Operating Informally but recording transactions

4.5 General Impediments to cross-border trade

Cross-border traders and women traders in particular are faced by a number of challenges some of which are unique to the nature of business. The challenges range from: seasonality in supply of commodities

because agricultural system in these regions are largely rainfed; political willingness to develop cross border cooperation by neighbouring countries; extortion and bribery; limited information market opportunities and misinformation on trade rules and protocols leading to exploitation; delays at the border post during peak periods and crime-cross border traders without proper documentation often resort to crossing illegally (theft of cash or goods). Women traders also complained of stigmatization, sometime referred to as smugglers.

Additionally, some most cross-border traders majority of whom are women, lack credit or financial services with attractive interest rates for the nature of their businesses. This was blamed for the smaller volumes of commodities traded and sometimes on the low quality of products. Language barriers was also mentioned to impede trade but more importantly the complexities of cross border trade rules and regulations. Some also complained that they lack proper documents to enable them benefit from paying little or no customs duty. Finally some agro-dealers lack knowledge and technical skills in business management, safe product handling. Most traders complained of high costs of transporting goods due to poor infrastructure from the farms to the markets. Lack of market linkages that translate into actual business transacted. As noted my many traders, they were linked to large buyers who never bought from them even after aggregating to the volumes required. However this cannot be blamed on the project.

4.6 General Characteristics of Agrodealers

A random sample of 40 agrodealers was surveyed. 69 percent of the agro-input businesses were owned by males. The average age of the owners surveyed was 45 years and 66% of these business had some employees. These business mainly sold agro inputs (62%) whereas 38% of agro-input business survey sold both agro-inputs and farm aggregate farm outputs.

4.7 Foster-Trade Activity Outcomes among Agrodealers

One of the objectives of Feed the Future FOSTER-Trade activity was to increase access to improved seeds and yield enhancing technologies to increase productivity. The agrodealer survey therefore sort to establish if there has been any changes in level of input sales among agrodealers who participated in the project.

4.7.1 Proportion that reported change in Agri-inputs sales in the past 2 years

Most of the Agrodealers reported that their sales had increased in the past two years. By Agri-input type, seed sales increase by 90%, 82%, 70% and 67% for others seeds, maize, beans and sorghum seeds respectively. Additionally, over 70% of agrodealers interviewed reported that fertilizer sales increased. (Figure 10). However, we cannot attribute these wholesomely these increases to the FOSTER-Trade activity since there could be so many other projects in these countries which could also be promoting use of yield enhancing inputs.

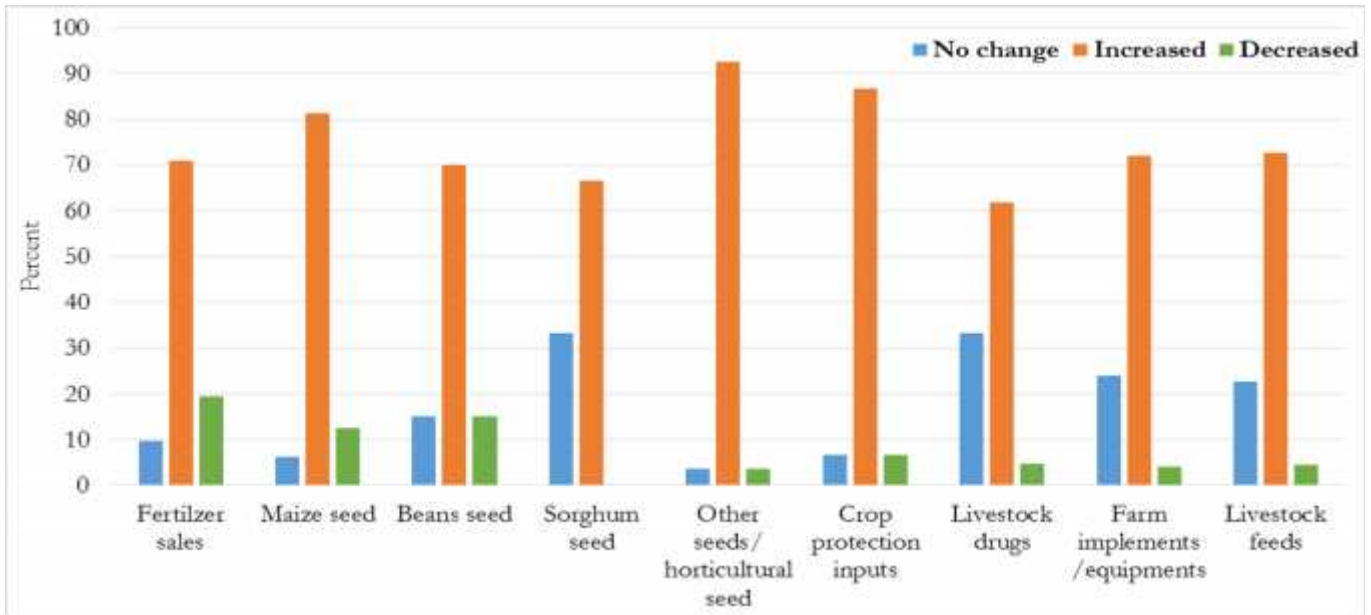


Figure 10: Proportion reporting changes in Agro-inputs sales

4.7.2 Major source of income in Agri-Inputs Business

The evaluation asked the respondents their major source of income from Agro-inputs business. Similar trend to sales increases above was noted where 62% of the respondents reported that their major source of income was from seeds followed by fertilizer and Crop protection inputs at 25% and 13% respectively. Again this cannot wholly be attributed to the project activity since prices of various inputs vary and so are the use of the specific inputs.

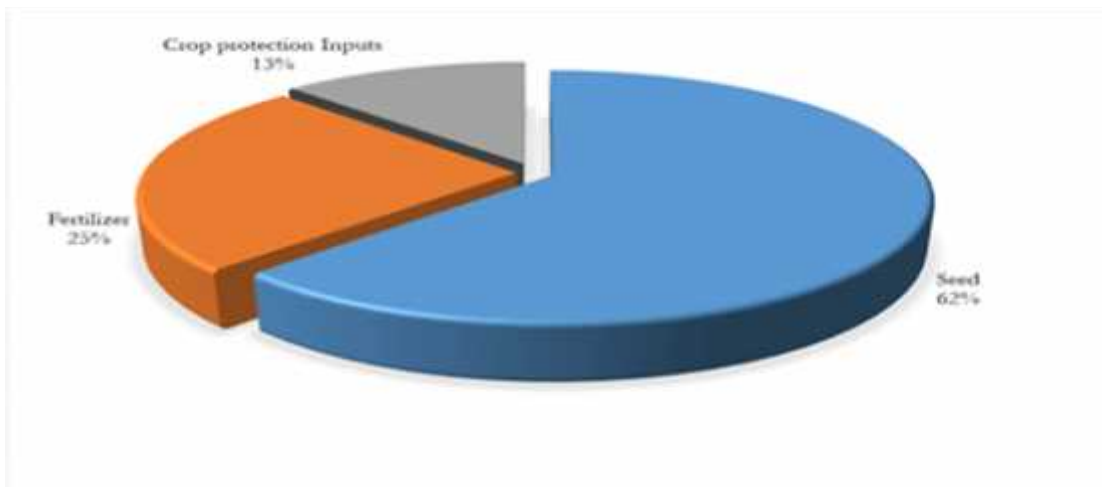


Figure 11: Major income sources in Agri-input business

4.7.3 Main source revenue by seed type sold

Major sources of revenue from seed sales to the agrodealers were also analyzed. It is noteworthy that 39% of the dealers reported that maize contributed the most to seeds sales revenue followed closely by

beans and horticulture seeds at 30 and 27 percent respectively. Only 4% reported that their source of revenue from seed sales was sorghum.

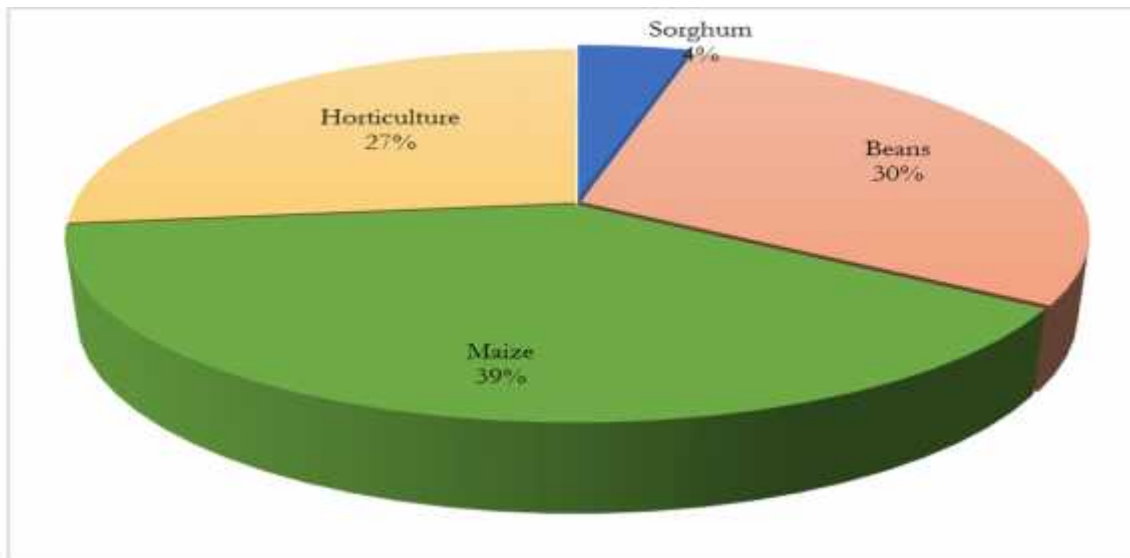


Figure 12: Main revenue source from seed sales

4.8 Constraints Faced by Agrodealers

Agro-input businesses and their operators face a number of constraints some of which are unique to nature of business. The challenges range from low business capital, to low demand for products due to seasonality in use. Additionally, some agro-input businesses lack credit or financial services with attractive interest rates. Finally some agro-dealers reported that product expiry and inconsistent supply of preferred seeds and bad debts also affect their businesses. Generally low and seasonal demand because agricultural systems in these countries are largely rainfed (Figure 13).

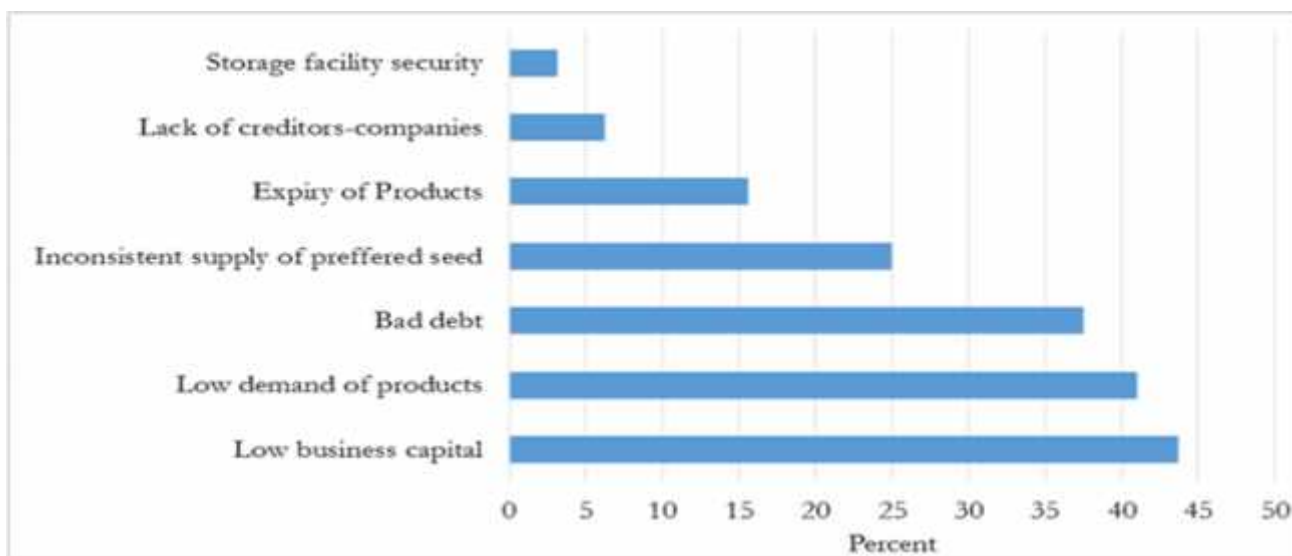


Figure 13: Constraints faced by Agrodealers

5.0 Assessment on Relevance, Effectiveness, Efficiency, Impact and Sustainability of FOSTER Trade

Cross-border grain traders, Agrodealers, government agencies, Clearing agents, CBTAs officials and project implementing staffs were interviewed to assess the general performance of the activity in terms of its relevance, efficiency, effectiveness, impact and sustainability. Based on the information collected through the interviews, overall relevance, efficiency, impact and sustainability of the project can be summarized as satisfactory.

5.1 Overall Relevance

To get information on this question the cross-border women traders and other stakeholders were interviewed. The traders indicated that the project had come in handy to solve some of their key problem in the market that included

1. Use of illegal routes (due to unawareness of border procedures and processes) whose ills were;
 - Police Harassment
 - Exorbitant informal charges (Bribes) making trade very expensive
 - Being taken advantage of and taxed heavily and unnecessarily.
 - Loss of goods and trade equipment
 - Sexual harassment among female traders and not feeling self-worth
 - High transportation cost as goods have to be moved in bits
 - Restricted movement of goods (as sometimes they were forced to cross the border only at night)
 - Delays in crossing the border
2. Low or no networking among both the traders, customers and the suppliers.
3. Informal or unregistered businesses – no trade certificate leading to high cost of doing business owing to the high bribes paid to continue in business without business permits.
4. Loss of cereals due to improper storage, preservation and general post-harvest handling given the lack of knowledge on handling and preservation products/chemicals to use.
5. Poor business record and general documentation e. g receipts, invoices, debts, sales and purchases leading to losses that are un-accounted for.
6. Poor management of investment capital, poor planning and fear due to lacking knowledge on rights and privileges at the borders
7. Lacking market information and no sharing of market information amongst the traders
8. Constant conflicts with border officials

They therefore felt the project as designed tackled most of their key challenges by providing them with solutions to these pressing issues.

5.2 Overall Effectiveness and Efficiency

According to stakeholders interviewed the project undertook most the planned activities in time. The approach of training and networking of the cross border traders worked so well. AGMARK activities were well managed and communication was well channeled from the CBWTA leaders to members. All

supposed activities were organized and completed in time and challenges dealt with succinctly and with a participatory approach where members or the leaders were consulted before any radical steps made.

As one respondent puts it *“yes, AGMARK empowered us through targeted trainings in financial management, management of investment capital, understanding border processes and procedures, networking and the need to be sensitive to operational costs so as maximize margins. All these were key and a priority as you will notice, sales volumes have increased and so is profit. We have also expanded our markets, the border officials are friendly to us and we seldom lose our goods through informal routes”*---Treasurer, Malaba Kenya CBWTA.

There was networking with traders across the border through trade fairs, thus growth of business leading to increased profits and expansion of market opportunities. Given the nature of the project and the resultant benefits involved it was not possible to undertake cost benefit analysis to establish its efficiency.

5.3 Challenges experienced in project implementation

High turnover of both border officials and clearing agents creating a training ‘break’ which sometimes resulted in periodic old ways of relationships between traders and border officials. Although EAC member countries zero rated farm produce traded amongst themselves, country specific taxation regimes made it a challenge to apply most training themes. For instance road user levy and market access or cess levy made it expensive to legally utilize such public services especially for foreigner traders.

Given perhaps the concern on holding sufficient cereal reserves to feed her citizens, Tanzania imposed a temporary burn on maize exports, a move that made it a challenge to traders in a net cereal deficit country like Kenya to conduct their trade FOSTER activity not withstanding

5.5 Sustainability

Sustainability of any form of interventions has been and is still one of the major concerns in development projects. The evaluation approaches the issues of sustainability at the institutional level and separately at the level of project results. The interventions helped CBTs grain traders by improving efficiencies and reducing costs of doing business at the border crossing points through training of CBTA members, facilitating and easing cross-border trade that encourages a shift from informal to structured formal trade. This impacted positively on the profitability and long term sustainability of businesses involved. This approach enhances self-sustaining strategies even after project has ended.

Additionally, AGMARKS’ facilitated Joint Border Committee meetings (JBC) to sensitize CBTs on cross border procedures and processes in order to nurture the right culture through empowering target population to demand the rightful services from the relevant offices at the cross border points. This approached ensured ownership of the project by the CBTs and government agencies for various countries, and other actors in the project area, a requirement for sustainability. In general, most stakeholders felt that the project worked with every willing individual in the community. The women were mainly involved in the project since they form the majority of grain traders across the borders. The evaluation therefore hope that CBTs will continue to use formal channels to trade good services delivered through the government agencies new skills acquired through the project.

However, the positive score on sustainability will to some extent be masked by a number of constraints. A number of traders cited limited access to credit to expand their business because the financial products in the market are not tailored to their needs coupled with high interest rates pose a threat to financial sustainability of the project.

The evaluation has also found out among the factors that may hamper sustainability of the FOSTER-Trade activity include failure by AGMARK to implement some activities that were promised at the inception of the project. A number of farmers claim that the linkages to large buyers did not translate to actual business transactions as some large buyers signed contract to purchase from them but failed to turn up to collect the commodities after the traders aggregated. Some CBTs also claim that certain government agency officials at the borders still harass them.

5.7 Lessons Learnt

The main lesson learnt in the process is that although many stakeholders and the EAC talk of reducing tariff and non-tariff barriers to trade the impact of the same has not been felt by the smallholder cross border traders in the region. This lack of awareness on most of the cross border trader hampers the free flow of good as corrupt official use the same to exploit vulnerable traders who was originally meant to enjoy the benefits of the common market.

Although cross border trade capacity building was originally viewed as a straight forward activity, the challenges of the ground are numerous and hence projects meant to achieve such an aim should never be viewed as short one time activities.

6.0 Conclusions

From the findings of quantitative analysis, FGD sessions and KIIs, it is clear that FOSTER-Trade Activity has had some desired outcomes on the cross-border trade and traders as was envisaged at inception. Results in this report indicate that gains have been made in areas that include but are not limited to; knowledge and skills on cross border trade, knowledge and skills on basic business management, volumes traded have also increased, the cost of doing business have reduced and business relationship with border officials improved.

As a result, cross border transactions and trade are more efficient and effective compared to the period before the activity. Again, one of the main pillars of FOSTER-Trade activity was to increase formal cross border trade flows of sorghum and beans. There was marked improvement in trade of these two commodities among cross border traders which further supports the assertion that positive impacts are being realized. On the same breadth, agro-dealers, who were also beneficiaries of the project, recorded some increase in sales of most inputs. Although it may not be easy or even accurate to fully attribute this increase in sales to FOSTER activity, it is all the same an indications that the intervention contributed to positive change.

FOSTER-Trade activity has certainly made headways and shifts to more efficient cross border trade is being achieved. However, certain challenges still abound among the cross border traders; top in the list is access to capital credit. Even though linkages to financial institutions was done, the financial sector and mainstream financial services providers as currently structured, excludes such small scale traders (as most of the cross border traders) by their stringent and sometimes strict collateral requirements to access a loan facility.

Other challenges include; differences in units of measure in different countries, Language barrier, lacking knowledge on cross border trade among some traders and high turnover of some of the cross border trade stakeholders such as custom and other border officials and clearing agents. Cross border trade thrives on creation of good working relationships between traders and border officials, such high turnovers therefore imply a break in seamless flow of trade activities.

Finally, in recognition of the project outcomes and the challenges thereof, it is the conclusion of this evaluation that given the short project period, it may be a little too early to realize significant project impacts. Giving some more time for follow up and monitoring could go a long way in consolidating possible intervention gains as well as any spin offs.

6.1 Recommendations

Given the findings of this evaluation together with the conclusions, it is best for the client (AGMARK) to put in place concrete sustainability structures so as to ensure full realization of the intended project impacts. Areas of immediate focus would include; Strengthening cross-border traders associations and creation of linkages with other existing cross-border trade initiatives.

There is also a need for continued capacity building of cross-border traders to not only achieve an all-inclusive intervention but also to take advantage of the existing opportunities as well. Access to investment capital was identified as a major challenge and a barrier to cross border cereal trade and entrepreneurship. Working with Micro-finance institution (MFIs) and encouraging them to develop tailor made products for cross border traders may act to mitigate financial access challenges.

Strengthening informal financial services such as Chamas and ROSCAS by way of fortifying activities of cross border traders associations, may be another avenue within which to heal the business capital access malady.

This evaluation found that positive outcomes were being realized and that significant project impacts were only subject to time, considerations should therefore target putting in place a follow on activity to take advantage of the existing partnerships already created.

Annex

Annex 1: Cross-border Survey Questionnaire

FOSTER CROSS-BORDER TRADERS QUESTIONNAIRE

END OF PROJECT EVALUATION (Nov 2016)

A. Business Products and service information

Name of enumerator

Date

Business Name.....

Owner (Proprietor) name: **GENDER** (1=male 2=female)

AGE (Years)

Country: 1=Kenya 2=Uganda 3=Tanzania 4=Rwanda

Border: 1=Busia 2=Malaba 3=Namanga 4=Sirare 5=Gatuna/Katuna

Trading Centre:Telephone

1 Education level of the owner:

EDUC _____

0=None 1= Primary 2. Secondary 3=College or Diploma 4= University

2(a) Have you employed staff in the shop? 1. Yes

2. No.

EMPLOYEE _____

2(b) How many persons are employed in your grain-business? (Male) **MALEM** _____ (Female) **FEMALEM** _____

2(d) How many of these workers are family members?

(Family male) **FAMAL** _____ (Family female) **FAMFE** _____

3. (a) Business and Finance Related Information

Type of Business Ownership	Commodity Traded	Main grains traded	What is the nature of your business	Year you started	Starting Capital Amount (Ksh)	Currency unit	Source of Investment capital	If CSOURCE=2 Amount of loan received (use country currency)
1=Sole Proprietor 2=Partnership 3=Family 3=Cooperative Society 4=Company	1=Sorghum Only 2=Beans Only 3=Most grains	(e.g sorghum)	1=Sells to consumers across the border 2. Sells traders from across the border 3. Wholesaler– sells to other traders 4. Wholesaler – sells to millers			1=Kenya shillings 2=Tanzania Shilling 3=Uganda Shilling 4=Rwandese Franc	1 =Own saving 2=Credit 3=Both 4= Donations	
BUSTYPE	COMMDTY	MNCMDTY	BUSNAT	STATYR	CAPITAL	CUNIT	CSOURCE	CREDAMNT

7. Please indicate the commodities you traded in over the past 12 months (Nov 2015-October 2016)

Commodity	On average, about what quantity do you buy at one time from an individual seller		Average price per unit	Currency unit	How often do you buy this quantity	Duration 1=Day 2=Week 3=Month 4=Year	From whom did you buy most of this commodity?	How do you collect most of the commodities you buy from the sellers	About how many days after receiving the commodities did you usually pay	Main Mode of payment for purchases from this source 1=Cash 2=Mobile money 3=Cheque	When selling this commodity, who is your main buyer of this commodity	Main Mode of payment for sales to this source 1=Cash 2=Mobile money 3=Cheque
	Quantity	unit										
COMM	PQNTY	UNIT	PUNIT	PCUNIT	FREQ	PDUR	SOURCE	CMDCLT	PAYDUR	PUCHMOD	MBUYER	SALEMOD
1=Sorghum												
2=Beans												
3=Maize												
4=Rice												
5=Other Specify												
Codes for UNIT 1=90kg bag 2=50kg bag 3=100kg bag 4=Tons	Codes for SOURCE 1=Small-scale farmers 2=Larger farmers 3=Farmer organizations 4=Other traders /middlemen /agents 5=Food Reserve Agency 6=Certified warehouses				Codes for CMDCLT 1=Collect most by myself (80% or more) 2=Suppliers deliver most (80% or more)		Codes for PUCHMOD, SALEMOD 1=Same day 2=Within the week 3=Within the month but after a week 4=Over a month		Codes for MBUYER 1=Consumers 2=Retailers 3=Millers/processors 4=Other large traders/warehouse operators 5=Government food reserve agency 6= International development agencies 7= National/international NGOs 8= Farmer organizations 9= schools, colleges			

8 (a). What has been your major source of income from the commodity trade in in your shop in the last 3 years **INCNOW** _____

1=Sorghum 2=Beans 3=Maize 4=Rice 5= Other specify _____

8c.) What was your major source of income in your commodity trade three years ago **INCPREV** _____

1=Sorghum 2=Beans 3=Maize 4=Rice 5= Other specify _____

Marketing information

In the past 12 months, which **TWO MAIN SOURCES** of market information did you mainly rely on to determine the price at which you sold commodities? **MKTINFO1**_____ **MKTINFO2**_____

1=**Publicly available market information** (e.g., radio/TV, commodity exchange, SMS, newspapers, etc.) 2= **Personal knowledge of market** (e.g., talking with other traders/buyers, friends, etc.) 3= **Price set by the buyer you sold to** (e.g., set by buyer you represent) 4= **Extension workers/warehouse operators**

D. TRAINING & AFFILIATIONS

9(a) Are you a member of any grain trading association? 1=Yes 2=No **GTRDMEM**_____

9b. If YES to Qn. 9a. What are the **three** most important benefits you find most valuable from being a member.

BENF1_____ **BENF2**_____ **BENF3**_____

1=Training 2= Business advertisement 3=Access to credit/loan 4=Business linkages 5=Market information 6=Marketing 7=Commodity bulk sourcing 8=Supply linkages

9 (c) Has anyone in this business received any kind of **training** related to grain trade **in the last 3 years**? 1=Yes 2=No **TRAIN**_____

9 (d) If 11(c)=Yes, which **type of training**? **TRAINON**_____

1=Cross border trade requirements 2=Business management 3=Both

9.f) if 11d=1 or 3, how do you use **knowledge/skills** that you gained from **Cross border trade requirements training**?

USES KIL1_____ **USES KIL2**_____ **USES KIL3**_____

0=None 1=Reduced losses due to theft 2=Reduced time for commodity procurement 3=increased sales 4=better relationship with commodity suppliers 5= 6=other (specify)_____

E. AFFILIATION WITH AGMARK

10. (a) Do you **work in collaboration** with AGMARK? (1=Yes 2= No) (if no, Go to 10. f)

WAGMARK_____

10. (b) If yes, **since when** have you been working with AGMARK **AGMARKYR**_____(year) **AGMARKMN**_____(month)

10c. (d) What **services** does AGMARK render to your business since you started working with them?

SERVICE1_____ **SERVICE2**_____ **SERVICE3**_____

1=Training on cross-border trade 2=Training in business management 3=Linkage with commodity supplier

4=*Linkages with financial institutions* 5=*Other (specify)* _____

10. (e) What **benefits** do you get from working with AGMARK? BENFT1_____ BENFT2_____

1=*Buyer confidence* 2=*Supplier confidence* 3=*Business Advice* 4=*Reduced cost of moving commodities across the border*

4=*Increased profits* 5=*Good relationship with Border authorities* 6=*Other (specify)*

10. (f) What challenges did you experience in working with AGMARK?

FOSTER AGRO-DEALERS QUESTIONNAIRE
END OF PROJECT EVALUATION (Nov 2016)

A. Business Products and service information

Name of enumerator Date

Business Name.....

Owner/agro-dealer (Proprietor) name: **GENDER** (1=male 2=female) **AGE** (Years)

Country: 1=Kenya 2=Uganda 3=Tanzania 4=Rwanda

Border: 1=Busia 2=Malaba 3=Namanga 4=Sirare/Isebania 5=Gatuna /Katuna

Trading Centre:Telephone

1 Education level of the owner: **EDUC**_____

0=None 1= Primary 2. Secondary 3=College or Diploma 4= University

2(a) Have you employed staff in the business? 1. Yes 2. No. **EMPLOYEE**_____

2 (b) Number of Permanent Employees **EMPLYNUM**_____

3 (a) Business Related Information

Type of Business Ownership	Type of Business	Is the business registered ?	What licenses does the business require to operate?	Apart from inputs do you also trade in cereals and pulses	If yes, what are the Main grains traded	What is the nature of your business	Year you started	Starting Capital Amount (Ksh)	Currency unit	Source of Investment capital	If CSOURCE =2 Amount of loan received (use country currency)
1=Sole Proprietor 2=Partnership 3=Family 3=Cooperative Society 4=Company	1= Agrovet 2= Agrovet – Chemist 3=Agrovet-hardware 4=Agrovet and farm produce 5=Veterinary Products only 6=Other (Specify)	1= YES 2=NO	1=Trade license 2=Business registration certificate 3=Public health Certificate 4=Any other licenses (specify)	1=Yes 2=No	(e.g sorghum) 1=Sorghum 2=Beans 3=Rice 4=Maize 5=millet 6=Other (specify)	1=Sells to farmers directly 2. Sells to farmer directly & Rural based agrodealers 3. Wholesaler–sells to other Rural based agrodealers and farmers 4. Wholesaler –sells to Rural based agrodealers only			1=Kenya shillings 2=Tanzania Shilling 3=Uganda Shilling 4=Rwandese Franc	1 =Own saving 2=Credit 3=Both 4= Donations	
BUSOWNTYPE	BUSTYPE	BUSREG	BUSLICEN	GRNSAL	MNGRNTRADE	BUSNAT	STATYR	CAPITAL	CUNIT	CSOURCE	CRDAMNT

3 (b) other business Information and services offered

What business records do you keep 1=Sales 2=Purchases 3=Debtors ledger 4=Creditors Ledger 5=Cash Book 6=Stock cards/Records 7=Customer Records 8=Profit and loss accounts 9= Other specify	How do you source your products and how do you pay for them		What are the means you use to create demand for your products 1=Handbills / Leaflets 2=Radio 3=Agricultural Shows 4=Agricultural Exhibitions 5=Trade Fairs 6=Over the counter advice 7= Demonstration Plots 8=Other Specify	What are three major challenges, related to trade in farm inputs 1=Lack of input Suppliers 2=Low Business capital 3=Transportation of Products 4=Low demand of products 5=Storage facilities Security 6=Lack of Creditors - Companies 7=Expiry of Products 8=Bad Debts 9= inconsistent supply of preferred seed 10=Lack of output market 11=Lack of information on cross border trade			What other services do you offer customers 1=Transportation of products 2=Training on products use 3=Over the counter advice 4=Credit to customers 5=Demonstrations of products 6=Purchase of grain produce 7=Other - specify	Are you a member of any association/Co operative/Group 1=YES 2=NO	If YES, what type of group are you a member 1=Agro dealer association 2=Cooperative 3=Joint border committee 4=Women Association 5= Other Specify
	Source 1=other agro-dealers 2=Input suppliers 2=Input manufacturers	Pay 1=Cash 2=Credit 3=Both							
BUSREC	PRODSOUC	PPAY	DDPROD	TCHA L1	TCHA L2	TCHAL3	SERVOTHER	GRPME M	GRUPTYP

C. SALES input Acquisition & INFORMATION

4(a) What is your annual sale on average?

SALVAL _____ CURR _____

4(b) Do you sell inputs on credit? (1=Yes 2=No)

CREDSAL _____

4(c) If 4b=Yes, What percent of the farmers you serve do you give credit to?

CREDPERC _____

4(d) Trend in sales of Agri-inputs in your shop since in the past 2 years

Inputs	Direction of change 0=No change 1=Increased 2=Decreased
	CHANGE
Fertilizer Sales	
Maize Seeds (Hybrid)	
Beans	
Sorghum	

Other seed including horticulture seed	
Crop protection chemicals (CPC)	
Livestock Drugs	
Farm Implements and equipment's	
Livestock feed	

4e.) What has been your major source of income in your agro dealer business in the **last 2 years** **INCNOW**_____

1=Seed 2=Fertilizer 3=Crop Protection Chemical 4=Farm tools

4f.) If **INCNOW=1** Specify the type of seed in order of importance **INCNOW1** _____ **INCNOW2** _____ **INCNOW3** _____

1=Sorghum 2=Beans 3=Maize 4=Horticulture

4g.) What was your major source of income in your shop two years ago **INCPREV**_____

1=Seed 2=Fertilizer 3=Crop Protection Chemical 4=Farm tools

E. AFFILIATION WITH AGMARK

5. (a) Has the Owner or any of the staff been trained by AGMARK? (1=Yes 2= No) **WAGMARK**_____

5. (b) If yes, **since when** have you been working with AGMARK **AGMARKYR**_____(year)

5. (c) What **trainings** did AGMARK render to your business since you started working with them?

SERVICE1_____ **SERVICE2**_____ **SERVICE3**_____

1=Training on basic business management 2=Linkage with input suppliers 3=Linkages with financial institutions

5. (d) What **benefits** do you get from working with AGMARK? **BENFT1**_____ **BENFT2**_____ **BENFT3**_____

1=Buyer confidence 2=Supplier confidence 3=Business Advice 4=Reduced cost of moving commodities across the border

5=Increased quantities sold and profits 6=Good relationship with Border authorities 7=Other

(specify)_____

5. (e) What challenges did you experience in working with AGMARK?

1.

2.

3.

5. (f) What are some of the recommendations you would advise to improve on such affiliations in the future?

1.

2.

3.

FOSTER TRADE Project _KII, FGD Guide

PROJECT EVALUATION

Checklist for Stakeholders

1. Relevance

- What were the main problems/challenges facing cross-border traders initially before the project commenced?
- How did the project respond to these problems/challenges/needs?
- What did the project do to solve these problems/challenges?
- In which specific activities did you collaborate with the project and how was the collaboration initiated and implemented?
- Were the activities/strategies implemented by project in line with your priorities?
- What, if anything, do you think should have been done differently?

2. Efficiency and Effectiveness

- What were the main achievements of the project to this community?
- What were the main challenges to the implementation of the project?
- What is your view on the overall management of this project? How did the project team respond to any issues arising in the field?
- Were all plan activities accomplished in time? *Probe further, If yes, what do you think enabled the good performance of the project? If no, why?*
- What if any, do you think should have been done differently?

3. Outcome and Impact

- What major changes have you experienced through your involvement in the project? *Probe for changes in quantities traded, understanding of cross-border trade procedures, income for the traders, reduced conflicts)*
- What have you been doing differently following the support received from the project? *Can you attribute the positive changes entirely to project?*
- How has the project enabled you to better engage with potential clients (buyers of your product)?
- What, if anything, do you think should have been done differently?

4. Sustainability

- What do you think will happen to the activities/initiatives started by the project ones it phases out?
- What do you think should have been done to ensure the continuity of the activities/initiatives started by the project even after phase out?

Annex 4: List of Key Informants Interviewed

	Name	Organization	Contact	Border	Country
1	Evelyn Walela	Port Health	-	Busia	Kenya
2	Charles Cheruiyot	KeBS	-		
3	Mr. Nyaga	KEPHIS	-		
4	Florence Atieno	CBTA-Kenya	+254725204013		
5	Wabukho Joseph	KRA			
6	Simon P. Lwanga	URA	+256780031971		Uganda
7	John Mark	UNBS	-		
8	Daniel	Phytosanitary	-		
9	Washington	CBTA-UG	+256774340012		
10	Annet	Clearing	+256777054993		
11	Justine Kiprono	KeBS	+254729252770	Malaba	Kenya
12	Edgar Ocharo	KEPHIS	+254721447697		
13	Veronica Mweu	KRA	+254722629109		
14	Charles Magomere	Public Health	+254711197117		
15	Lorna Okutoi	CBTA-Kenya	+254728914728		
16	Rahuka Milton	URA	-		Uganda
17	Francis Lakonyi	UNBS	+256772958550		
18	Janet Ashepat	CBTA-UG	+256738913660		
19	Christine Amoit	Clearing	+256789960974		
20	Edmund Rutebembewe	Phytosanitary	+256772354464		
21	Zahord Makame	TRA	-	Namanga	Tanzania
22	Domician Leonardo	TBS	-		
23	Ali Baraza	MoA	-		
24	Salome Paul	CBTA-TZ	+255754971255		
25	Aisha Salum	CBTA	+255796238003		
26	Margaret Muleti	KEBS	-		Kenya
27	Silas Mbuvi	Port Health	+254712503056		
28	Kennedy Moteti	KEPHIS	+254723954245		
29	Jacky Kisavi	CBTA	+254728754338		
30	Jean Bayere	CBTA		Gatuna	Rwanda

References

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3. Baseline Report Feed the Future East Africa Food Security through Enhanced Regional Trade Project April 2015
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