

Strengthening Agribusiness Ethics, Quality Standards, & ICT Usage in

Uganda's Value Chains

AGRI-QUEST 'End of Project Business Conference /Symposium Report.'

THEME: 'Agriculture Value Chains for Sustainable Competitiveness.' VENUE: Lake View Hotel, Mbarara -Uganda; 11th - 14th SEPTEMBER 2018



Report Author: **M/s. Janet Namuddu (Esq)** Senior Advocate, M/S Kibeedi & Co. Advocates Advocate, Commissioner for Oaths, & Notary Public

Report Editors: Dr. David Katamba; Dr. James K. Ssemwanga; and, Mr. Andrew K. Sseruma

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Background

This year (in September 2018), the Food and Business Applied Research Fund (ARF) project, "Strengthening Agribusiness Ethics, Quality Standards & ICT usage in Uganda's value chains" (AGRI-QUEST) partnered with Makerere University Business School (MUBS) in organizing the 23rd Annual International Management Conference (AIMC) between Tuesday 11th and Friday 14th September 2018 under the theme "The Knowledge Society". It took place at Lake View Hotel, Mbarara District of Uganda.

This conference gave the AGRI-QUEST Research Project an opportunity to engage a broader array of stakeholders to build synergies and maximize dissemination impact as well as to reach a wider audience. The AIMC brought together various stakeholders from academia, practice, NGOs and governments. The AIMC is one of the largest gatherings of its kind in Uganda.

During AIMC, a business conference /symposium was organized. AGRI-QUEST co-organized and coordinated all activities leading to having the 'Business Symposium Day' on Friday 14th, September 2018. The day's Theme was: **Agriculture Value Chains for Sustainable Competitiveness**. It attracted over 150 delegates.

SUMMARY OF CONFERENCE ACTIVITIES

The conference kicked off at 8:30AM with the arrival and registration of delegates. The Day Chairperson was Prof. Moya Musa, the Dean of the Faculty of Computing and Informatics at MUBS. The following were the conference Panel presentations:

The very first presentation this day was titled *Strengthening Agribusiness Ethics and Quality Standard in the Value Chains* made by Dr. David Katamba, the AGRI-QUEST Lead Researcher, also doubling as the Head of Department, Marketing and International Business, at MUBS at 9:00am.



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Dr. David Katamba commenced his presentation with a short video which played for 5 minutes featuring an overview of the AGRI-QUEST project findings. The video also showed the project objectives, key output, research findings and recommendations.

Thereafter the presenter explained that the AGRI-QUEST project had tried to find out what drives people to behave unethically in agribusiness for example:

- Why white stones are added in white rice to conceal the stones while increasing the weight of the rice;
- Why brown water is added to milk to dilute the milk and increase its quantity while maintaining the creamy milk look;
- Why a heap of potato has a void/space at the bottom or in the middle to create an impression that much potato is sold cheaply whereas in fact the purchaser is cheated;
- Why a piece of fried chicken has a considerable amount of wheat paste around it to create an impression that it is a sizeable piece of fried chicken whereas not, and the purchaser is cheated;
- Why food is hidden/withheld to create scarcity, increase its demand and thus increase its price;
- Why cassava meant for floor is dried on bare soil, walked upon and birds allowed to feed on it while dirt, dust and chicken/duck droppings mix in it?

Findings in the line of answering those questions included ignorance of the agribusiness standards by the value chain players and the inaccessibility of the agricultural standards to the rural farmers who complain that these standards are expensive to purchase and when they are purchased, the standards are scientific in nature which makes it hard for the illiterate farmers to comprehend.

Among the recommendations was the use of wooden stalls for drying cassava meant for human consumption as well as the use of drying houses.



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David ended his presentation at 9:33am by introducing the present members of the AGRI-QUEST Project (in-set). From Right to Left: Dr. James Ssemwanga, Dr. David Katamba, Mr. Andrew Sseruma and Ms. Janet Namuddu.

Other project staff include: Prof. Christopher M.J. Wickert (VU University Amsterdam), Dr. Cedric Nkiko, Ms. Thecla Nakibuuka, Ms. Catherine Tindiwensi, Mr. Denis Kikonyogo. He referred the audience to more of our policy briefs, videos and write-ups on our website:

Prof. Moses Muhwezi (in-set), the Deputy Principal of MUBS made the welcome remarks from 9:35am to 9:43am. He remarked that today we have academicians on one hand and the business community on the other but at MUBS, there is a belief in turning academic work into business ideas. That they did not have the socomplicated not-understood academics at MUBS. He emphasized the need to have a connection between academics and business.

Shortly after that Dr. Robert Mwesigwa, the Chairman of the NRM Entrepreneurs' League

made the keynote Address between 9:44am and 10:55am. He underscored the need to see further than the rest of the people around us, to take risks and to invest accordingly. He noted that many people have a misperception of the word 'capital' thinking that it is money or material possessions, yet it originated from the Italian work 'capitali' which means 'head'. He reminded the audience of the famous Tamale Mirundi's continual tapping on the head. That since our heads are 'capital' and we all have heads, we should use our capital appropriately. He defined business as the investment of capital to get profit and further said that business keeps you busy otherwise you are not in business. That to achieve much in business, we need the following:

- 1. Research
- 2. Dialogue and

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3. Informing policy (loby to inform policy)

That in Africa, we have opportunities and we should utilize them for business. These are:

- i) Labour/human resource since the youth comprise 60% of our population;
- ii) Land which we can use for agriculture and
- iii) Minerals such as oil and gas- There are mining companies that need drivers, there is boda-boda business, and the Standard Gauge Railway will also bring business. That we should invest in the Albertine region now.

He informed that at the present, Uganda is in the 'take-off' stage and encouraged the audience to participate in the public procurement process. That where a tender is advertised, we should respond by bidding. A lost tender is lost money. That people from the West are striving to come to Uganda. That it is no longer fashionable to go to the US. He concluded by encouraging more interaction between academics and practical business.

From 10:55am to 11:11am, there was a question and answer session and thereafter the second paper titled *The MUBS Entrepreneurship, Innovation and Incubation Centre: Supporting entrepreneurship through nurturing innovations and start-ups* and it was made by Prof. Arthur Sserwanga of the Accounting Department, Faculty of Commerce, MUBS, from 11:01am to11:23am.

He started with a 5 minutes video showing a lady who sells tea take-away in her roadside van while doing a side shoe cleaning and shining business for office goers. He encouraged the audience to think of those small businesses like making mama bags and urged them to encourage the youth to engage in innovation and productivity.



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After that presentations, there was a health break which was followed by a practical experience at 11:50am shared by Dr. Barya Muhumuza on How to retire early and managing family business. He shared that most people retire at 55, after 2 to 3 years they go to the village and turn beggars. That for his case he retired at 40 and is managing well long after his 62nd birthday. That it is all about accepting and taking up the risk.

About family business, his advice was that

it is not good for parents to force children to do the work that their parents do but rather it is smart to interest them during holidays. That during that interaction, the parents can identify the children's interests and those who wish to do what their parents do can take it up from there. That for his case he works with his wife, his 3rd and 4th borns. His 1st born is self-employed and Dr. Barya gave him free space to do his hardware business. That the 2nd born is employed elsewhere. That children need to be trained and given powers to manage the family business.

That like other businesses, family business needs time for planning and nurturing. That we don't just open and expect customers to come. We have to ask ourselves this question-why should customers come to your shop and not go to the other shops? That one needs techniques to attract and retain customers.

About raising capital, he advised that one does not need a lot of money to start business. That in his case he started with 8 million for the hardware and expanded with a 40 million loan. That when financiers lend you money, ensure that you pay it as agreed at all costs in order to retain their trust.

The other business success tips that he gave were:

- Remember God. That in all the busy schedules, we should set apart time to go for prayers and fellowships. i)
- Hard work. That God does not give free money. We should go to church and pray but afterwards, we should ii) go and work.
- iii) Business should mind their health. That they should not be too busy for their health. They should exercise to keep fit.

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The third presentation titled *Tension between competencies, sustainability and responsibility in selected value chains* was made by Dr. James Ssemwanga (in-set), the Coordinator of the AGRI-QUEST Research Project and Managing Director of The Ssemwanga Centre of Agricultural and Food Ltd. It took place from 12:10pm to 12:32pm.

He made a slides presentation emphasizing that we make various decisions at different levels and faulty decisions

are as damaging as faulty equipment. That decisions are crucial when we are faced with the following:

- i) Imperfect form (levels, etc)
- ii) Non-uniform growth rate and other unexpected events
- iii) Temperament

That quality decisions are determined by core competency, competency interacts with sustainability.

That farms are not just businesses. First, they are the lowest unit of sovereignty as a country, they are our cemeteries and they are also family archives. That competencies need to be developed in a way that enables agribusinesses to be profitable and responsible to their stakeholders hence sustainable in the long run.

His concluding remarks were that laws are enforced by countries, but ethics should be in everyone's heart. That there are however weak enforcement mechanisms for ethical standards but luckily, ethical standards can be voluntarily enforced.

The conference activities continued at 12:34pm with the fourth presentation titled *Stakeholder Involvement for sustainable Competitiveness in the Tea Sector*. It was made by Mr. Jackson Byaruhanga from Igara Growers Tea Factory. This presentation was an overview of tea growing as a sustainable business in Uganda. That tea is a plantation crop and if given the right treatment, tea is a sustainable crop because it can last for more than 10 years while giving yields. That the challenge is that it takes 2 years to grow to a point where harvest can start and that it requires much labour yet payment to the workers for their service is very low so there is a high labour turn-over in the tea growing sector.

The final presentation of the day was made between 12:59 and 1:20pm by Dr. Charles Nsubuga, the Managing Director of SESACO Ltd. It was titled *Soy Milk: An intervention in Uganda's school feeding challenges*. He started by show-casing some of the soya products like daddies, yoghurt, soy cup, BS Floor, Soy milk, etc. He encouraged the audience to buy soy products because of their nutritious value and offered a glass of milk to all the conference delegates.

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A 5 minutes question and answer session followed and thereafter the closing remarks of the conference were made by His Worship the Mayor of Mbarara Municipality. The Delegates were then treated to lunch starting at 1:35pm and they departed thereafter.



About the AGRI-QUEST Research Project

This Food and Business Applied Research Fund (ARF) project, is set to find answers to one central question: <u>How</u> <u>can we have a better business climate in Uganda?</u> In answering this question, AGRI-QUEST provides state-of-theart analyses and policy recommendations on topics related to ethics, quality standards, sustainability, and Corporate Social Responsibility (CSR) in agriculture in the context of Uganda. AGRI-QUEST research project is funded by The Netherlands Organization for Scientific Research (NWO-WOTRO).

For more AGRI-QUEST details, contact:

Dr. David Katamba, AGRI-QUEST Lead Researcher Website: <u>www.agriquestuganda.com</u> Email: <u>info@agriquestuganda.com</u>; <u>dkatamba@uccsri.com</u> Tel: +256 774 972532; +256 752 794612

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