

## Project Amudat Agro Store 2021

### Voortgang Amudat Agro Store.

De Amudat Agro Store is in 2021 officieel van start gegaan. Dat ging mede door de Corona pandemie niet eenvoudig zo hebben we vastgesteld. De vergunningen zijn nog niet op order maar er is ook nog weinig assortiment. Wel zijn er i.s.m. ZOA Amudat jonge mannen opgeleid als service monteur speciaal voor de Solar pompen en trycycles.

De doelstelling voor de winkel is m.n. boeren, tuinders en bijenhouders te voorzien van hun werk behoeften zoals; zaden, gereedschappen, pompen, bijenkasten, emmers voor honing, dier geneesmiddelen (een van de ondernemers beschikt over een vergunning), kortom van alles wat nodig is om je business te kunnen runnen. DE winkel kan in de toekomst een centrale rol spelen binnen de regio voor alle agrarische ondernemers. Nu moeten alle boeren vaak nog dagen op pad om hun zaden en gereedschappen te kopen. Voor vele is dat niet mogelijk vanwege slechte infra structuur en of gebrek aan vervoer.

Voor de aansturing maken we gebruik van Kufan Agri-consult. Hij bezoekt een aantal keren per jaar de winkel, traint de ondernemers, houdt ons op de hoogte van de voortgang en adviseert ons. Zijn verslag van het bezoek is onderstaand weergegeven.



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### AMUDAT AGRO-STORE TRAINING AND FIELD SUPPORT VISIT

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#### **Introduction.**

As a routine and professional practice, it is important first and foremost to acknowledge that entrepreneurship among others is a central pillar in economic development and livelihood improvements. Pushing the agenda of entrepreneurship in the remote places of sub-Saharan Africa and particularly in peripheral hard-to-reach areas of North-Eastern Uganda demands careful and well-planned step-by-step strategies. Amudat Agro-Stores is one and only Agro-stores being established in the remote District of Amudat following the professional step-by-step strategies.

Main focus in this process is being directed toward; Knowledge development, creation of valuable business network, building a reliable market-linkage and providing financial credit facility directly to the selected local entrepreneurs. Therefore, as part of implementation process, KUFAN AGRI-Consult carried out a mix of primary business activities, which included, but not limited to, interactive

business training and general field support visit from 19<sup>th</sup> to 28<sup>th</sup>, November, 2021 in Amudat District. Within this timeline, I focused on a number of issues;

- I. Discussed progress and challenges surrounding Amudat Agro-Stores.
- II. Discussed and created a list of priorities entrepreneurs agreed to work on and get them all done by January, 2022. Details are provided in this report.
- III. Updated the entrepreneurs about the valuable business network being made on behalf of Amudat Agro-Stores elsewhere and emphasized about the network they need to create by themselves locally.
- IV. Performed an interactive training for the entrepreneurs on identified practical topics as you will come across them later in the report.

To this end, it is important to be reminded that in this brief report, you will come across a number of different issues performed at the same time and are equally relevant to the core activities of Amudat Agro-Stores business.

#### **I. Discussed progress and challenges surrounding Amudat Agro-Stores.**

##### **Progress:**

- The Agro-Stores is stocked with: Salon items, Animal drugs, fridge and rent is paid to the end of the year.
- Business runs or open to the public, but not full time due on-going acquisition of operating Licence. So, most sells are done behind closed doors!

##### **Challenges:**

- Doubled transport costs, high exchange rate for UGX/Kesh (Uganda shillings/Kenya shillings). All these high costs are attributes of Corona pandemic effect. Some essential items need to be purchased from Kenya.
- Getting Amudat Agro-Stores registered as a business entity is a slow process as well due to the same reason of Corona pandemic.
- The process of acquiring drugs operating licence is very slow, though being followed closely. Same reason as above.

#### **II. Discussed and created a list of priorities all from January, 2022.**

- Buy goods and services from high quality suppliers to build a reputable business brand name.
- Open the Agro-Stores full time.
- Make a business entity visible in the community by writing 'Amudat Agro-Stores' name on the face of the business premise.
- Make a sign post and place it in front of the business premise for easy location of the business.
- Complete the registration of the business with the registrar of business companies.
- Organize a public official opening of the business with a low-cost public event. Good for marketing and networking.
- Establish/identify potential trainees to be skilled in repair and maintenance of solar water pumps, three-wheel motorbikes etc. Solar Now is willing to provide the training.
- Setting up of a demo water pump/mini-pivot irrigation system at the stores.
- Establish the most needed and common spare parts of the solar water pumps, three-wheel motorbikes etc. Solar Now is willing to help in this process.
- Visit to ZOA and other organizations for business networking and introduction about the services Amudat Agro-Store provides.

### **III. Updated the entrepreneurs about valuable business network being made on behalf of Amudat Agro-Stores.**

In this section, KUFAN AGRO-Consult and Piet on behalf of ZBA, are engaging Solar Now about the possibility to work with Amudat Agro-Store Entrepreneurs in partnerships on various fronts. The discussions are centered on advocating for the entrepreneurs through Amudat Agro-Stores to be considered sub-distributors within the Solar Now distribution chain. Also, good progress is being made on the percentage discount Amudat Agro-Stores would receive while stocking Solar Now commodities in the shop. Currently, the percentage stands at 20%, though Piet on behalf of ZBA and Ronald on behalf of KUFAN AGRI-Consult, are still pushing to 30% or about.

Solar Now is being convinced to establish a demo-solar pump at the business premise in Amudat for purposes of demonstrative marketing. Also important is that, Solar Now is fully engaged to come on ground in Amudat to carry out an assessment about the most and frequently needed spare parts for solar water pumps so that on the basis of this assessment, the entrepreneurs can stock the right parts in the shop.

Finally, there is also need for skilling 1 or 2 identified individuals that may carry out the repair and maintenance tasks on behalf of Amudat Agro-Stores. This process is prioritized by the entrepreneurs to identify such individuals come 2022.

To this end, the process described above is being undertaken carefully with minimum risk of avoiding to overstock expensive items or other items that may not be sold easily due to low demand.

### **IV. INTERACTIVE TRAINING.**

This section is aimed at strengthening the entrepreneurs' practical insights and critical areas of focus in the course of executing their day-to-day business duties. Through the following selected topics, entrepreneurs' theoretical and practical knowledge are revitalized.

#### **i. Bookkeeping.**

Key information herein, comprises of;

- Clear record of financial daily transactions.
- Posting debits & credits daily.
- Issuance of invoices.
- Preparation of financial statements (balance sheets); cash flow statements and income statements). On the basis of the information provided herein; informed decisions are made and prioritized expenditures carried out.

#### **ii. Stock Management.**

This is the practice of;

- Ordering
- Storing
- Tracking
- Controlling of inventories.

Stock management applies to all processes or procedures a business entity employee or uses to acquire/manufacture items/products or services needed by those who need them. Therefore, it is very important to maintain and make products and services a business trades in available at all times or available on short notices.

### iii. **Business Priority Setting.**

Business priorities are short term goals or selection of day-to-day activities that are undertaken in order for a business to create financial value and relevancy. The core reality is for a business to provide high quality goods and services in a competitive environment by so doing while creating a trusted brand name as an entity. Therefore, innovativeness and timely availability of information about the business environment is of paramount importance.

### V. **Business Network.**

This is creation of business and personal connections that directly or indirectly are valuable to the business. These values could be in the following ways:

- a) Accessing new business customers or niche market.
- b) Access to greater business advice and knowledge.
- c) Learning about the presence of competitors and alternative other players (suppliers, manufacturers, Distributors etc.) in the sector.

Ways to network for your business:

- Professional/trade associations
- Social media
- Community service clubs
- Friends and associates
- Business associates.

### VI. **Business partnership Agreement.**

Legal documents that bind and define among others;

- Roles and responsibilities between two or more individual or entities acting as business partners.

These partnerships vary in form and shape depending on the roles of each partner. This can vary from form of financial capital investment, running of the day-to-day business core activities, professional capital contribution etc. Amudat Agro-Stores bears all the above attributes in its nerves.

- Some basic examples of partnership agreements.
  - i. General partnership
    - ✓ This is most basic form of partnership.
  - ii. Limited partnership (LPs)
    - ✓ This type is state authorized.
  - iii. Limited Liability partnership.
    - ✓ Financial risk is limited to the amount of initial capital investments.

### **Conclusion.**

Having read through this report with great interest, it is important to finally be reminded again that all the detailed work that was done as described herein, will be followed to the later come January, 2022. This report is very critical in that it lays out all the important points and areas of the Amudat Agro-Stores project which must be achieved in short term so that business can be established on a firm foundation. Therefore, it is an open call to all stakeholders to ensure that all the activities laid out in this report are fully and successfully undertaken.