



# CRAFT

## Equator Seeds Limited (ESL): Overcoming climate challenge with the Power of Seed

[Encouraging the production of climate-resilient Sesame to stimulate sustainable markets]



### Sesame in Uganda

Although Sesame (*Sesamum indicum*) is a tiny seed, it possesses an immense commercial potential for its edible oil. However, the crop's production quality and quantities are often inconsistent with the market demands, making it difficult for premium processors to meaningfully invest in the sector.

The insufficiencies can be attributed to challenges farmers face, such as inadequate input supply, poor production techniques, and poor post-harvest management. Then erratic changes in climate further shock and discourage farmers from producing sesame.

To encourage a consistent sesame production is the CRAFT business champion Equator Seeds Limited. The company is taking a step down to assist farmers through climate-smart sustainable production methods; and linking them to sustainable markets.

CRAFT, also Climate Resilient Agribusiness for Tomorrow, is a project committed to capacitating Agro-based Small and Medium Scale Enterprises (SMEs) to ably support smallholder farmers develop key crop value chains that can survive the impact of extreme climate now and in the future.

### About Equator Seeds Limited (ESL)





ESL is a registered limited company since 2011 trading in the production, processing and distribution of farm seeds and related farm inputs and services. The business was established to rejuvenate northern

Uganda agriculture, improve food security, exports, enable better livelihoods and help households generate income. The core business of ESL is to produce, process, and market improved farm seeds. The company has planned to pursue both short-term and long-term business goals over the next three years as a strategy to establish itself as the leader in the smallholder farmer segment of the Uganda input market.

### Climate Smartness

ESL is promoting the adaption of scalable climate-smart agricultural practices by providing access to climate-resilient and sustainable seeds. The sesame seeds that farmers receive are drought tolerant, high yielding, and early maturing as well. Through its community-based facilitator network, village agents and agro-dealers the company also trains farmers on climate-smart agricultural practices and is exposing them to associated technologies. Furthermore, ESL is offering tractor services to farmers to make the land opening more efficient and prevent the retrogressive practice of bush burning that is harmful to the environment. The company is also offering reliable markets for farm produce (seed and grains) and are creating linkages with financial services to support the smallholder farmer production process.

## Targets

| Smallholder Farmers   | Producer groups   | Value-chain Actors  | Yield   |
|---|---|---|---|
| 14,386<br> | 50<br> | 50 Aggregators, 6 Extension providers, 50 Input suppliers, 4 Financial Service providers (Equity, Stanbic & Centenary and Post Bank)<br> | 7000 MT (Metric tons per year)<br> |

## Target market segments and consumers

ESL serves a wide range of customers: from institutions, associations to individuals. These include local governments, NGOs, CBOs, and farmers' associations. The company is also targeting the cooperatives of about 33,000 farmers from the Acholi, Lango, and West Nile sub-regions, seeing ESL achieve a 30% control of the corporate market share in the north and north-eastern regions of Uganda.

With the target of achieving a 70% market share in the mentioned regions, the company will widen the

distribution network, expand the out-grower seed production scheme to ensure sufficient raw material for seed production, and establish a fully-fledged seed processing plant to maintain consistent and reliable supply to the market.

## Partners

ESL's main partners under CRAFT are: the Ministry of Agriculture Animal Industry and Fisheries (MAAIF), Yield Harvest Uganda, National Semi-Arid Resources Research Institute (NaSARRI) or NARO, Agro dealers, Farmers, Stanbic Banks, Community Based Facilitators (CBFs), M-omulimisa, PAAT Soil Clinic, and Pinnacle.

## Key Objectives and Outcomes

|   |  |                |
|---|--|----------------|
| Enhance the capacity of 33,000 smallholder farmers to improve sesame output by 15% through climate-smart agronomy, linkages to input suppliers, and mechanized farming by 2022. | <b>33,000 SHF contracted and capacity build to adopt CSA practices.</b>  |                |
|   | <ol style="list-style-type: none"> <li>1) Mobilize and engage farmers on scheduled contract farming agreements.</li> <li>2) Facilitate and mentor leadership, business management skills, marketing, and financial inclusion.</li> <li>3) Facilitate and Link farmers to Input and mechanization service providers.</li> <li>4) Recruitment and train 50 TOTs on CSA ultimate to train the SHFs and follow up on the adoption of CSA.</li> </ol> |                |
| Improve resilience to climate Change amongst targeted farmers through the promotion of appropriate climate-smart agricultural practices.  | <b>Adoption of CSA practices for increased productivity</b>  |                |
|   | <ol style="list-style-type: none"> <li>1) Facilitate and Set up 50 demo farms to showcase CSA practices and technologies.</li> <li>2) Profile and link TOT service providers and SHFs to extension and business developments services.</li> </ol>  |                |
| Improve efficiency in sesame inputs delivery, agronomy, and markets access  | <b>Facilitating inputs, production, financial, and marketing services</b>  |                |
|   | <ol style="list-style-type: none"> <li>1) Mapping strategic and establishing inputs delivery channels</li> <li>2) Organized inputs sourcing, accredited suppliers and link with financial service providers.</li> <li>3) Conduct farmers deal-making business workshops for VC actors interaction and farmers exposure</li> </ol>  |                |
| Improve business turnover by at least 10% through developing new market channels and increasing volumes of sesame marketed.   | <b>Increased supply of volume and sales of Sesame</b>  |                |
|   | <ol style="list-style-type: none"> <li>1) Increase working capital to increase the volume of procured grains.</li> <li>2) Widens customer base to include the North and Northeastern markets.</li> <li>3) Establish a processing plant to maintain consistent and reliable supply to the market.</li> </ol>  |                |
| Business case budget  | Total: € .16,967,942   | Own funds; 65% |

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