



## **Annual Bankers Conference (ABC) 2019**

### **Concept Note and Call for Papers**

#### **De-risking financing & investment in agriculture to promote youth employment and inclusive growth**

Agriculture continues to play a vital role in the development of the Ugandan economy by employing 70 percent of the labour force (UBOS, 2017), accounting for 23 percent of GDP and contributing to nearly 50 percent of total export earnings (UBOS, 2017).

Agriculture has the potential to play an ever-increasing role in improving food security as well as increasing Uganda's export volumes through sustainable supply of key agricultural commodities with the potential to transform the economy through the value chain & sector's linkages to industry and services as well as its effects on employment and income patterns.

Agriculture is therefore everyone's business and national independence depends on its development because it enables countries to escape the scourge of food insecurity and provides employment for the youth.

Despite its important role, the sector faces a number of challenges key among them being challenges at the farm level pre & post-harvest, the lack or limited access to and use of financial services, inadequate, inaccurate & untimely market information among others.

4.8 million of Uganda's 7.6 million households (63%) report subsistence farming as their primary source of income (UBOS 2014). These are predominantly smallholder farmers for whom agriculture growth has been sluggish. Productivity remains well below potential which undermines economic growth, export earnings, livelihoods and nutrition. Agricultural labour productivity measured by agricultural GDP per worker is just \$125 per year compared to total productivity per worker of \$687 economy-wide (UBOS 2018).

Most value chain actors, especially farmers and in particular smallholders (who make up the majority- estimated at 80 percent (NPA, 2013)) who wish to improve productivity and connect to

markets lack timely agronomic and market information, lack access to secure and affordable financial services and insurance to respond to shocks.

Limited access to the financial services is due to a number of factors including the high cost of delivering financial services in rural areas due to infrastructural deficits, poorly designed financial services and products that don't meet the requirements of agriculture especially smallholder farming, low levels financial literacy amongst sector actors and a reluctance of financial institutions to extend services to the sector due to the perceived and actual risks of agricultural activities.

Furthermore, limited access to market information such as price, post-harvest product handling and limited technology options, quantity needs, quality standards, locations, and timing of production deters the actors from fully engaging and participating in agriculture value and supply chains.

Today, technological innovations are however tearing down these barriers of access and use of financial services as well as access to information and are becoming a means of offering faster, more convenient, and more cost-effective financial services and market information. The rapid growth of digital infrastructure and the advent of agent/branchless banking (which offers the ability to transact outside of a traditional bank branch) offers an opportunity to expand access of the formal financial services to a wider proportion of the rural population.

The growth of ICT industry and mobile telecom revolution in Uganda has provided immense opportunities for targeting various nodes in the agricultural value chain; and in linking smallholder farmers to markets. By leveraging on the available technology, payment systems such as mobile based and card-based, digital finance can extend the convenience and revolutionize the transaction environment within the agricultural value chains. If the technological innovations and digital finance developments are managed effectively, they will continue to bring enormous benefits to agriculture and the economy at large.

This year 2019, Uganda Bankers Association is organizing the 3<sup>rd</sup> edition of the Annual Bankers Conference under the theme **'De-risking the financing & investment in agriculture to promote youth employment and inclusive growth'**.

The one-day conference will be held on **Tuesday, 16<sup>th</sup> July 2019 at Kampala Serena Conference Center, Victoria Hall, Kampala Uganda.**

The conference aims to facilitate a focused discussion among key players & stakeholders around making financing of agriculture attractive to financial service providers, leveraging on several

perspectives for mitigating risk including market incentives, technology, insurance, research, specific policy frameworks & a wider support & collaborative framework to ensure sustainable growth & investment in the agriculture sector of Uganda.

The objectives of the conference include

1. ***Making financing agriculture attractive to financial institutions.*** Despite its relative importance, agriculture only attracts 12.5 percent of the total credit from formal financial institutions compared to 35.8 and 51.7 percent advanced to industry and services respectively. The conference therefore, aims at encouraging financial institutions and investors to further develop agriculture credit risk mitigants, to support increased funding towards sustainable agriculture & value chains therein.
2. ***Leveraging on technology*** as an enabler to provide all manner of support information (be it weather, agronomic, market information or payment services) to unlock the potential of Uganda's Agriculture sector for increased productivity.
3. ***Promoting financial inclusion, youth employment & inclusive growth:*** Despite government and other stakeholders' commitment and efforts to improving financial inclusion, results from the FinScope 2018 Survey show that more needs to be done if targets set out the National Financial Inclusion Strategy 2017-2022 are to be realized. According to the 2016 African Agriculture status report, the region's rapid population growth is due to rising life expectancy and declines in death rates. Youth unemployment is at all time high meaning it must become a critical policy priority in most countries. This must be the focus for greater economic development. Economic transformation can only happen if productivity in the sector that employs & feeds the biggest proportion of the population is sustainably promoted as a business unusual.

### **Call for Papers**

UBA invites papers from scholars, policymakers, and practitioners on each of the topics below and any other topic of relevance to the conference theme.

- a) ***Making financing agriculture attractive to financial institutions.***
- b) ***Revolutionizing the agricultural chain through the use of digital infrastructure.***
- c) ***Improving overall agricultural productivity, youth employment and inclusive growth.***

In particular, we encourage the submission of papers that examine these topics from a practical, interdisciplinary, international and/or comparative perspective.

Papers should be well researched, rich and of high quality in content, practical in application and also relevant for policy development and deployment.

Papers that are finally selected for publication in the conference magazine and or presentation and discussion during the Annual Bankers Conference (ABC 2019) or in our subsequent working paper series will have their authors recognized both at the conference as well as by way of honorarium.

Papers should be within a range of 4 to 6 pages of typed material with a maximum of 1500 words) indicating motivation for the paper, the actual content/gist of the paper, findings, insights, proposals, recommendations and a brief biography of the writer(s).

### **Timelines**

1.	1 <sup>st</sup> March 2019	Submission of draft log-frame of paper.
2.	15 <sup>th</sup> April 2019	Deadline to submit draft full paper.
3.	10 <sup>th</sup> May 2019 of authors.	Technical review /selection of papers and notification
4.	20 <sup>th</sup> May 2019	Submission Deadline for final papers.

### **About the Uganda Bankers' Association (UBA)**

Uganda Bankers' Association is an umbrella organization for licensed commercial banks supervised by Bank of Uganda. UBA was established in 1981 and is currently made up of 25 members (All 24 licensed Commercial Banks + Uganda Development Bank)

Membership of UBA was extended to other supervised financial institutions (SFIs Tier 2&3) under the associate membership category.

The objectives of UBA include the following

- a) To develop and maintain a code of ethics and best banking practices among its membership.
- b) To encourage & undertake high quality policy development initiatives and research on the banking sector, including trends, key issues & drivers impacting on or influencing the industry and national development processes therein through partnerships in banking & finance, in collaboration with other agencies (local, regional, international including academia) and research networks to generate new and original policy insights.
- c) To develop and deliver advocacy strategies to influence relevant stakeholders and achieve policy changes at industry and national level.
- d) To work closely with the regulator Bank of Uganda and other non-bank financial institutions & organizations in promoting financial sector growth, through training,



development of products, technologies & initiatives to promote financial sector growth.

- e) To promote and represent the professional interests of its members.

In case of any further clarifications or response to the Call for Papers, please contact;

**The Head of Research and Market Development**  
**Uganda Bankers' Association.**  
**Plot 2702 Block 244 Nyangweso Road Off Kironde Road**  
**Tank Hill Muyenga**  
**P.O.Box 8002, Kampala**  
**Tel: 041-343 199**  
**Email: [secretariat@ugandabankers.org](mailto:secretariat@ugandabankers.org)**