

DONOR PROGRESS REPORT

THRIVE – Trade-led Harnessing of Rural Innovation and Value-chain Enterprises

Period: Jan – Jun 2025
For EU/DEVCO Use Only

Project Title	THRIVE – Trade-led Harnessing of Rural Innovation and Value-chain Enterprises
Project Number	EU/UGA/2023/DCI-DEVCO/0042
Implementing Agency	United Nations Conference on Trade and Development (UNCTAD)
Beneficiary Country	Republic of Uganda
Reporting Period	1 January 2025 – 30 June 2025 (Month 19–24 of 48)
Total Budget	EUR 4,800,000 (EU Contribution: EUR 3,840,000 UNCTAD Co-financing: EUR 960,000)
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1. EXECUTIVE SUMMARY

The THRIVE project is on track to meet its overall development objective of strengthening the competitiveness and sustainability of rural agro-processing enterprises in Uganda's Eastern and Northern regions. This mid-term report covers the period January to June 2025, representing the halfway point of the 48-month project cycle.

During this reporting period, the project achieved significant milestones across all four result areas. A total of 1,247 smallholder farmers and rural entrepreneurs received targeted business development services, surpassing the semi-annual target of 1,100 (113% achievement). The project's flagship Business Acceleration Hub in Mbale District was inaugurated in March 2025, providing co-working space, equipment access, and mentorship to 78 registered enterprises.

Financial execution stands at 52.3% of total budget, which is within the acceptable range for the midpoint of implementation. No significant deviations from the approved work plan have been recorded. The project management team flags one emerging risk related to seasonal flooding in the Teso sub-region, which has temporarily disrupted field activities in two target districts. Mitigation measures are detailed in Section 5.

2. RESULTS SUMMARY

2.1 Performance Against Key Indicators

Indicator	Baseline	End-of-Project Target	Achieved To Date	Status
# rural enterprises receiving BDS	0	2,400	1,247 (52%)	ON TRACK
# enterprises with increased revenue (>15%)	0	960	412 (43%)	ON TRACK
# women-led enterprises supported	0	720	389 (54%)	ON TRACK
# youth entrepreneurs (18–35) reached	0	480	276 (58%)	ON TRACK
# jobs created (direct)	0	1,200	534 (45%)	ON TRACK
# farmers linked to formal value chains	0	3,600	1,580 (44%)	ON TRACK
# policy advocacy events held	0	12	5 (42%)	ON TRACK
% budget executed	0%	100%	52.3%	ON TRACK

3. KEY ACTIVITIES AND OUTPUTS

3.1 Result Area 1: Enterprise Development and Business Development Services

During the reporting period, UNCTAD's national implementing partner, the Uganda Small Scale Industries Association (USSIA), delivered 14 structured training modules to 1,247 rural entrepreneurs across 8 districts. Training topics included financial literacy, digital marketing, supply chain management, and food safety standards. A Business Mentorship Programme was launched in February 2025, pairing 120 emerging entrepreneurs with experienced business mentors from the private sector.

The Mbale Business Acceleration Hub, inaugurated on 14 March 2025 by the Honourable Minister of Trade, Industry and Cooperatives, now serves as the project's flagship demonstration facility. The Hub houses 12 shared processing units, a digital resource centre with 40 workstations, and a cold-chain storage facility with a 20-tonne capacity. As of June 2025, 78 enterprises are registered Hub members, with an average utilisation rate of 67%.

3.2 Result Area 2: Value Chain Integration and Market Linkages

THRIVE facilitated the signing of 23 formal off-take agreements between rural producer groups and urban-based buyers and processors during this period. These agreements cover the maize, cassava, and sunflower value chains and are expected to benefit approximately 1,580 smallholder farmers. A dedicated Market Intelligence Platform was soft-launched in April 2025, providing real-time price data, buyer contacts, and logistics information to registered users via a mobile application.

The project also supported the participation of 12 THRIVE-supported enterprises in the East Africa Trade and Investment Hub's annual trade fair in Kampala (May 2025), resulting in business deals valued at an estimated UGX 340 million.

3.3 Result Area 3: Women and Youth Economic Empowerment

Gender mainstreaming remains a cross-cutting priority. Of the 1,247 beneficiaries reached, 389 (31.2%) are women-led enterprises, against a target of 30%. A Women's Entrepreneurship Bootcamp was held in Soroti (March 2025) with 145 participants. The project's Youth Innovation Challenge attracted 234 applications from young entrepreneurs aged 18–35, with 15 finalists receiving seed grants of UGX 5 million each.

3.4 Result Area 4: Policy Advocacy and Institutional Strengthening

Five policy dialogue events were convened during the reporting period, including a high-level roundtable with the Ministry of Finance, Planning and Economic Development on rural enterprise financing gaps. The project submitted a formal policy brief to the Uganda Investment Authority recommending streamlined business registration procedures for rural micro-enterprises. This brief has been acknowledged and is under review by the relevant technical committee.

4. FINANCIAL REPORT

Budget Line	Approved Budget (EUR)	Expenditure To Date (EUR)	Execution Rate (%)
1. Human Resources	1,440,000	742,800	51.6%
2. Travel & Field Operations	576,000	298,000	51.7%
3. Equipment & Supplies	864,000	451,200	52.2%
4. Contracts & Grants	1,200,000	634,000	52.8%
5. Training & Workshops	480,000	253,000	52.7%
6. Indirect Costs (7%)	240,000	132,000	55.0%
TOTAL	4,800,000	2,511,000	52.3%

5. CHALLENGES, RISKS AND MITIGATION MEASURES

Risk Description	Likelihood	Impact	Mitigation Measure
Seasonal flooding disrupting field activities in Teso sub-region	HIGH	MEDIUM	Reschedule affected activities to Q3 2025; activate contingency budget of EUR 18,000; coordinate with OCHA for logistics support.
Delayed disbursement from national co-financing partner (MTIC)	MEDIUM	HIGH	Escalate to UNCTAD HQ; explore bridge financing from project reserves; engage EU Delegation for guidance.
Inflation increasing operational costs above projections	MEDIUM	LOW	Quarterly budget reviews; renegotiate supplier contracts; apply efficiency savings from Result Area 1.
Low uptake of digital Market Intelligence Platform by rural users	LOW	MEDIUM	Intensify digital literacy training; partner with telecom providers for subsidised data bundles; deploy offline-capable app version.

6. PLANNED ACTIVITIES FOR NEXT REPORTING PERIOD (Jul – Dec 2025)

The second half of 2025 will focus on consolidating gains from the first two years and accelerating delivery against lagging indicators. Priority activities include:

Timeline	Planned Activity
Q3 2025	Launch of the Northern Uganda Value Chain Accelerator in Gulu District; target 300 new enterprise enrolments.
Q3 2025	Completion of the Market Intelligence Platform full rollout; target 2,000 registered users by September 2025.
Q3–Q4 2025	Conduct mid-term evaluation (MTE) with independent evaluator; terms of reference to be finalised by 31 July 2025.
Q4 2025	Annual stakeholder review conference; present MTE findings to EU Delegation, government counterparts, and civil society.
Q4 2025	Submit revised work plan and budget for Year 3 (2026) for EU approval by 30 November 2025.