

MAWA ALATAWA STEPHEN (2013-M093-10003)

An Assessment of the Contribution of Savings and Credit Cooperative Societies in Boosting Agricultural Productivity in Moyo District: A Case Study of Moyo Savings and Credit Cooperative Society Limited.

Uganda has put emphasis on agricultural productivity as a strategy for raising rural incomes and reducing rural poverty. However, the available secondary data show that the biggest challenge faced by rural areas in Uganda is access to financial services for supporting rural agricultural productivity. As such, the government of Uganda in the early 2000s came up with the Savings and Credit Cooperative Society (SACCO) model of development for rural agricultural productivity enhancement. Therefore, this study set out to establish the contribution of SACCOs in boosting rural agricultural productivity. In this study a qualitative methodology was employed with a case study of Moyo SACCO in Moyo district. Household questionnaires were used to elicit data from members of the SACCO who were involved in agricultural productivity and key informant interviews were employed to gain professional insights and policy overviews on the linkage between SACCOs and agricultural productivity at district and sub-county levels. Eighty four respondents were reached as questionnaires were administered to 72 households and 12 key informant interviews were conducted. The data generated was analysed by thematic and narrative analysis although content analysis to a lesser extent was also employed. The data analysed was reorganised and presented in graphs, tables and charts for easy presentation. The research findings indicated that SACCOs have potential for boosting agricultural productivity by readily making capital available in the rural areas for farmers which has been the biggest challenge for rural farmers. The study, however, also found out that SACCOs do not have adequate potential for marketing of agricultural products, thereby leaving individual farmers to market their own produce. In the area of education, it was revealed that sensitisation and training of members of SACCOs were inadequate as many members still lacked adequate knowledge about SACCOs especially financial literacy. SACCOs have contributed to boosting rural agricultural productivity to a lesser extent by improvements in agricultural capital productivity, agricultural land productivity, agricultural labour productivity and agricultural technology (improved inputs) productivity where some members were able to improve on the quality of their lives. The study revealed that agricultural loans were not managed by technical officers who could not give advisory services to the farmers; agricultural productivity was also declining due to reliance on weather which has of recent due to climate change been varying a lot. The findings suggested for improvement of agricultural credit assessment and lending by SACCOs and frequent government monitoring, supervision and proper regulation of SACCO operations. The study recommended for training of SACCO members on financial literacy and innovative farming technologies such as rain water harvesting. The study also recommended for professional agricultural loan officers who are qualified agricultural officers to change agricultural loan management from business minded to value addition. Farmers are also encouraged to form groups and each group engages only in enterprises where they have comparative advantage through agricultural zoning.

Key Words: Savings and Credit Cooperative Societies, Agricultural Productivity, Moyo District