



THE REPUBLIC OF UGANDA

The Ministry of Agriculture, Animal Industry and Fisheries



AGRICULTURE SECTOR IMPLEMENTATION STATUS OF THE NRM MANIFESTO 2016-2021 COMMITMENTS

HON. MINISTER'S STATEMENT

MAY 2020

1.0 Executive summary:

Agriculture is among the four key sectors highlighted in the Uganda vision 2040 that will greatly contribute to wealth and employment creation. Agriculture remains the main thrust of Uganda's economic growth with Agriculture-based products accounting for about 45% of exports in FY 2018/19. The Agriculture sector also contributed 22% of the GDP and registered improved growth rates from 2.8% in FY 2015/16 to 5% in FY 2018/19. The Agriculture sector also employs about 64% of all Ugandans (and about 72% of all youths) highlighting its importance to household income growth and consumption, and thereby stimulating growth in the other sectors.

Due to the transformation in the agriculture sector, the country has witnessed a reverse trend in exports and imports between Uganda and our major trading partner Kenya. In 2018, Uganda exported to Kenya commodities worth USD 580.15 million, against imports from Kenya worth 515.85 million. The key commodities that contributed to this trend include maize, fish, poultry, coffee, dairy and dairy products.

The mandate of the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) is;

“to promote and support sustainable and market oriented agricultural production, food security and household incomes”

The Vision of the Ministry is to ensure:

“A competitive, profitable and sustainable agricultural sector”

while the sector mission is:

“To transform subsistence farming to commercial agriculture”

The overall development and growth of the sector is anchored on four strategic objectives or priorities, as outlined in the National Development Plan 2 (NDP2) and the Agriculture Sector Strategic Plan (ASSP) 2015/16 - 2019/20:

- To increase production and productivity of agricultural commodities and enterprises;
- To increase access to critical farm inputs;
- To improve access to markets and value addition and strengthen the quality of agricultural commodities; and
- To strengthen the agricultural services institutions and also create an enabling environment for the sector to grow.

These are intended to improve our balance of payments constraints and provide the much-needed foreign exchange to the country. These will also address the issue of unemployment, especially among the youths and ensure inclusive development of our country.

The 2016 NRM manifesto committed to support key strategic commodities to ensure greater impact on household incomes and national export earnings. Emphasis of the interventions has therefore focused on commodity value chains, focusing on: research; extension; pest, vector and disease control; provision of inputs; promoting sustainable land use and soil management; post-harvest handling; improving market access and infrastructure; and value addition.

A number of interventions have been undertaken by Government in the Agriculture sector that have led to increased employment, increased household incomes, food security and exports. The Key performance highlights are as indicated below,

i. The 2014 Population and Housing Census figures indicated that close to 80% of the households in the country are involved in agriculture. The sector contribution to the national economy still remains strong. Between FY 2015/16 and FY 2018/29, the sector contribution to national GDP averaged 23.7%. In the same period, the sector annual growth rate rose from 2.8% to 5%; The country is therefore on the right course towards archiving the targeted 6% annual growth rate in the Maputo/Malabo declaration undertaking. The value of agriculture exports increased from USD 1.326 billion to USD 1.5 billion representing a growth of 20% in the past four financial years.

ii. **Maize:** Government of Uganda prioritized Maize due to its high potential for food security and contribution to national export

earnings. The production of maize over the past four years has increased by 85% from 2.6 million MT in 2016 to 5 million MT in 2019. The volume of maize exports has also increased by 6% from 750,000 MT in 2016 to 278,693 MT in 2019 while the value of exports has increased by 12% from USD 84.99 million in 2016 to USD 95.48 million in 2019. The improved performance along the maize value chain is attributed mainly to distribution of seed by government, increased adoption of improved maize varieties by farmers, increased value addition by private sector and increased vigilance by Government to control pests and diseases

iii. **Beans:** Beans remain another important food crop, grown by households all over the country with high potential for increasing household incomes. Beans production has however decreased over the past 4 years, from 1.008 million MT in 2016 to 0.627 million MT in 2019. Beans export volumes have also decreased by 6%, from 113,977 MT in 2016 to 107,678 MT in 2019 while the value has of exports has reduced from USD 65.85 million in 2016 to USD 61.97 million in 2019.

iv. **Coffee:** Coffee is the principal export for Uganda. Coffee production has increased by 56% from 4.46 million (60kg) bags in FY 2015/16 to 6.950 million (60 kg) bags in FY 2018/19. The volume of coffee exported also increased by 17% from 3.56 million (60 kg) bags in FY 2015/16 to 4.17 million (60 kg) bags in FY 2018/19 while the value of exports has increased by 18% from USD 351.53 million in FY 2015/16

to USD 416.2 million in FY 2018/19. The increase in production and export volumes is attributed to the long-standing replanting program that has been ongoing over the last 10 years to replace the stock lost to Coffee Wilt Disease and national plan to increase production from the current 4 million to 20 million bags by 2025.

Coffee agro-processing is on the rise, with the last year witnessing an increase of 30 coffee processing hullers (from 548 in FY 2017/28 to 578 in FY 2018/19); an increase of 6 coffee roasters (from 17 in FY 2017/18 to 23 in FY 2018/19); and, an increase of 12 export grading plants (from 24 in FY 2017/18 to 36 in FY 2018/19).

v. **Cotton:** The Ministry has continued to promote cotton growing in order to sustain the country's textile industries and for export of yarn. These efforts have resulted into a 25% increase in production from 151,081 (185 kg) bales of lint in 2016/17 to 189,443 (185 kg) bales of lint in FY 2018/19. Lint exports also increased by 8% from 167,542 (185 kg) bales of lint valued at USD 48.3 million in 2016/17 to 180,290 (185 kgs) bales of lint valued at USD 54.26 million in FY 2018/19

Cotton value addition is also increasing, with six cotton wool manufacturing firms fully operational and producing absorbent surgical cotton wool and Mama Kits from locally grown cotton. These directly employ about 300 people and produce over 700 Mt of surgical cotton wool annually.

Also, nine oil mills have been established and produce edible oil, cotton seed cake and soap stock from cotton seed. These directly employ a total of about 600 people and produce a combined total of over 2,000 Mt of edible oil and approximately 12,000 Mt of cotton seed cake used in animal feeds annually.

vi. **Fruits and vegetables:** For the last four years, the production of fruits and vegetables has increased. Government is also setting up fruit factories across the country including the Soroti fruit factory, a Mango processing factory in Yumbe district (6 MT per hour capacity), a multi fruit factory in Nwoya district in partnership with M/s Alvan Blanch – a UK Company (12 MT per hour capacity), a multi - fruit processing plant in Kapeeka (6 MT per hour capacity) and, a pineapple processing plant in Kayunga district (0.5 MT per hour capacity). There has also been a 20% increase in export volumes of fruits and vegetables from 57,358 MT in 2015 to 68,862 MT in 2019 while the export values have increased by 13% from USD 32.1 million in 2015 to USD 36.1 million in 2019.

vii. **Dairy:** The Ministry has continued to prioritize dairy which has resulted into improved performance along the dairy value chain. Milk production increased from 2.08 billion litres in 2015/16 to 2.51 billion litres in 2018/19. The volume of marketed milk has been maintained at 80 % between 2015 and 2019. The country has about 355 Milk Collection Centers (MCCs) with a total capacity of 1.5

million litres. The export value of milk and milk products has increased by 310% from USD 50 million in 2015 to USD 205 million in 2019. The exports were mainly UHT milk, milk powder, casein protein, ghee and butter oil.

viii. **Tea:** The Ministry continues to implement its strategy of ensuring increased tea production in the traditional tea growing areas and in the new ones. The production of tea increased by 19% from 67,000MT in the FY 2015/16 to 79,466 MT in FY 2018/19. In addition, the volume of exports increased by 34% from 54,898 MT worth USD 74.5 million in FY 2015/16 to 73,580 MT worth USD. 89 million. This has stimulated establishment of 6 new tea factories from 27 to 33 factories creating employment and increasing household income.

ix. **Fish:** Over the past 4 years, there has been a general increase in fish stocks across all the major water bodies mainly as a result of increased enforcement on the water bodies. This has resulted into a 43% increase in fish catch from 391,260 MT in 2016 to 561,065 MT in 2019 and in effect, resulted in the re-opening of 4 fish factories, and a 50% increase in the volumes of fish exports, from 19,546 MT in 2016 to 29,263 MT in 2019. The value of fish exports has also increased by 38% from USD 164 million in 2016 to USD 227 million in 2019.

x. **Oil palm:** The Government efforts to reduce importation of crude palm oil continue to yield good returns with an increase in

production of oil palm fresh fruit bunches and incomes earned by the farmers. The oil palm harvests increased from 37,802 MT valued at UGX 21.4 billion in FY 2017/18 to 44,221 MT valued at UGX 21.1 billion in FY 2018/19. The reduction in value was a result of lower average prices than those of FY 2017/18. The oil palm households with mature gardens in Kalangala earn an average of USD 4,676 each year and are already in the middle-income bracket. The palm oil enterprise in Kalangala produced over 40,000 MT of crude palm oil in 2019 which saved the country USD 23 million.

Therefore, for the last four years, the sector has been on track in implementing the 2016 NRM Manifesto whose objective is taking Uganda to modernity through Job creation and Inclusive development. This has been possible through prioritizing and integrating the Manifesto commitments and the presidential directives/resolutions in all the programs as highlighted below.

2.0 Manifesto Commitments and Implementation Status

Commitment #1: Support key strategic commodities to ensure greater impact on household incomes and national export earnings. Emphasis of the interventions to focus on provision of planting materials for the key enterprises namely; Maize, Beans, Coffee, Tea & Fruits (Citrus, Mangoes, Pineapples, Apples) through:

- 1. Distribution of improved seeds and breeding materials under Operation Wealth Creation.**
- 2. Ensuring that good quality seedlings are supplied to farmers and ensure prompt payment for the same;**
- 3. Availing planting materials to farmers well in time to take advantage of rains;**

Status

The Ministry through NAADS put in place new framework contracts to address challenges of quality of inputs and timely distribution of the inputs. This new process involves registration of nurseries and mother gardens in the respective District Local Governments.

The new procurement and distribution strategy not only seeks to deepen and localise the production of planting materials and selection of suppliers from within the target beneficiary district or within the closest vicinity to the beneficiary district, but also increases income generating opportunities for our youth and women groups.

1.1 Maize

Government of Uganda prioritized Maize due to its high potential for food security and contribution to national export earnings. Through the NAADS/Operation wealth creation programme, the Ministry distributed a total of 19,562,506 kgs of maize seed to both small holders and commercial farmers in 120 district local governments in the last four years.

Due to this intervention, the production of maize has increased by 33% from 2.6 million MT in 2016 to 3.6 million MT in 2019. The volume of maize exports has also increased by 6% from 263,114 MT in 2016 to 278,693 MT in 2019 while the value of exports has increased by 12% from USD 84.99 million in 2016 to USD 95.48 million in 2019.

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1.2 Beans

Beans remains another important food crop, grown by households all over the country with high potential for increasing household incomes. Over the last four years, the Ministry has distributed a total of 7,086,504 kgs of bean seed to smallholder farmers in all district local governments that prioritized beans in the past four years.

The production of beans has however decreased over the past four years, from 1 million MT in 2016 to 0.627 million MT in 2019. Beans export volumes have also decreased by 6%, from 113,977 MT in 2016 to 107,678 MT in 2019 while the value has of exports has reduced from USD 65.85 million in 2016 to USD 61.97 million in 2019.

1.3 Cassava

Cassava has been identified as one of the most important crops in the recent years, and our research shows that we can produce various products including flour, animal feed, alcohol, starches for sizing paper and textiles among others. The Ministry has therefore strategically developed programs to promote research into high

yielding and climate resilient varieties which are now being disseminated in the areas with the best production potential.

The Ministry through the NAADS/OWC programme provided support to both small holders and commercial cassava farmers in more than 60 district local governments that prioritized cassava. A total of 793,223 bags of cassava cuttings were distributed. These interventions have led to a 131% increase in cassava production from 3 million MT in FY 2015/16, to 7 million MT in FY 2018/19.

1.4 Coffee

Coffee is the principal export for Uganda. In line with the Presidential Directive made in December 2015 for the coffee sector to raise production from 4 million 60 kg bags to 20 million 60 kg bags, the Ministry embarked on a process to actualize this directive in collaboration with the Prime Minister's Delivery Unit (PMDU).

In the Financial Year 2015/16, coffee production stood at 4.46 million (60 kg) bags and the volume of coffee exports was 3.56 million (60 kg) bags valued at USD 351 million.

During the past four financial years, government through UCDA has distributed 582,995,184 coffee seedlings to coffee farming households across the five regions of the country. These efforts have increased coffee production by 56% from 4.46 million (60kg) bags in

FY 2015/16 to 6.950 million (60 kg) bags in FY 2018/19. The volume of coffee exported also increased by 17% from 3.56 (60 kg) bags in FY 2015/16 to 4.17 million (60 kg) bags in FY 2018/19.

1.5 Tea

The sector targets to produce 112,000 MT of tea by 2020, with exports valued at approximately US\$155 million.

During the past four financial years, the ministry through NAADS/OWC has distributed 410,737,788 tea seedlings in 21 tea growing districts and there is marked increase in leaf production. These efforts have increased tea production by 19% from 67,000MT in the FY 2015/16 to 79,466 MT in FY 2018/19. In addition, the volume of exports increased by 34% from 54,898 MT worth USD 74.5 million in FY 2015/16 to 73,580 MT worth USD. 89 million. Reports indicate over production of leaf in some districts over the existing tea processing capacities, as is the case of Kyenjojo, Kabarole, Kanungu and Buhweju.

The sector interventions together with the farmers' own initiatives has stimulated establishment of more tea factories from 27 to 33 factories including 2 new ones established in Kabale and Kisoro with the support from the Ministry. Additionally, 15 new tea factories are being established and are at different levels in several districts including; Kyenjojo (2), Buhweju (4), Kanungu (1), Bushenyi (1),

Rukiga (1), Kisoro (1), Ntungamo (1), Kamwenge (1), Mbarara (1) and Luwero (1).

1.6 Fruits (Citrus, Mangoes, Pineapples, Apples)

In the last four financial years, support towards production of fruits focused on provision of seedlings tolerant to pests and diseases and with desirable fresh and processing characteristics, improvement in post-harvest handling and establishment of processing facilities for citrus, mangoes, apples and pineapples in 10 district local governments. A total of 41,426,303 citrus seedlings; 28,706,281 mango seedlings; 2,439,155 apple seedlings and 36,446,670 pineapple suckers were distributed. The various Government interventions over the last 10 years have already resulted into a 20% increase in export volumes of fruits and vegetables from 57,358 MT in 2015 to 68,862 MT in 2019 while the export values have increased by 13% from USD 32.1 million in 2015 to USD 36.1 million in 2019.

Government is also setting up fruit factories across the country including the Soroti fruit factory, a Mango processing factory in Yumbe district (6 MT per hour capacity), a multi fruit factory in Nwoya district in partnership with M/s Alvan Blanch – a UK Company (12 MT per hour capacity), a multi - fruit processing plant in Kapeeka (6 MT per hour capacity) and, a pineapple processing plant in Kayunga district (0.5 MT per hour capacity). Government also plans

to establish 2 additional fruit factories in Busoga and Greater Masaka sub regions in FY 2019/20.

1.7 Cocoa

Cocoa is ranked among the high value export commodities that offer great economic opportunities for increasing farmers' incomes and foreign exchange earnings for the country.

The Government has distributed a total of 21,526,743 cocoa seedlings to both small holders and commercial farmers in district local governments that prioritize cocoa production in the past four years. Due to this intervention cocoa export volume have increased by 19% from 29,761 MT in FY 2015/16 to 35,318 MT in FY 2018/19 while the value of our cocoa exports increased by 3% from USD 75 million to USD 78 million in the reporting period.

Commitment #2: Support companies, individuals in livestock breeding in order to meet the demand within the country for dairy cows, poultry, pigs

The interventions in the area of livestock aimed at increasing production and productivity of priority livestock for improved household food, nutrition and income security; as well as export earnings. It is worth noting that these interventions put special

emphasis on special interest groups, especially youth and women and beneficiaries in urban and semi-urban areas.

Status

Through NAGRC&DB:

2.1 The Government is promoting crossing local animals, to F1-50% and F 2-75% which can produce 12 and 18 liters of milk per day respectively. With F1 a farmer with good management gets 1.5 million Uganda shillings per animal per year. Six Cows of 75% dairy crosses earns more than 20million a year from milk.

2.2 NAGRC has improved the beef animal's average daily weight gain to 250 gms per day with F1- 50% and this has reduced the market age tremendously from 3-4 years to 1- 1.5 years.

2.3 Kroiler chicken which are disease resistant and faster growth have been introduced. The Kuroiler hens lays between 150-200 eggs in a year compared to the 40 eggs produced by the indigenous birds. Cocks weigh between 3-4 kg within four months. 2, 305,194 were distributed to 5,500 households and 40,000 birds have been exported to the regional markets.

2.4 Through genetic improvement NAGRC&DB goats have been improved to reach an average daily weight gain (ADG) to 145g/day

compared to 25 – 30 g/day for the local goats which is an increase in household income by 67% per goat from sales.

2.5 Early maturing pigs have been introduced where they can produce at 10 months at an estimated weigh of 80-90 kgs live weight compare to the locals one year and two months at an average weight of 40-60 Kgs. Breeds such as Comborough can produce over 14 piglets (28 piglets/animal/year) and at 150,000/-" translates into 4,200,000/= per sow/year.

Commitment #3: Support companies, Uganda Prison Services, individuals and companies involved in seed production and other planting materials to invest.

Status:

3.1 The National Seed Policy was approved by Cabinet and regulations were gazatted to provide a regulatory framework for the private sector to invest in the seed sub sector.

3.2 NARO has strengthened its capacity to produce breeder and foundation seed to key strategic food security and income generating commodities for multiplication by the private.

3.3 The Ministry has scaled up the establishment of partnerships between its Agencies and Projects with Seed Companies and

Farmer Groups involved in the production of seed to ensure more availability of affordable and quality seed across the country. The Ministry has also strengthened the capacity of the Seed Certification Services to eliminate counterfeited seed from the market.

Commitment #4: Enhance capacity of young farmers to engage in market/commercial agriculture and initiate a youth fund for mechanized agriculture

Status:

4.1 The National Strategies for Youth Employment in Agriculture and that of Knowledge Management and communication were disseminated. In order to improve the youth postharvest handling and storage management skills, seven youth groups from Masindi, Kiryandongo, Iganga and Jinja were mobilized and trained in sustainable market linkages along the rice and maize value chains.

4.2 under the dairy sub-sector, to enhance value addition, a total of 216 dairy stakeholders; majority being the youth were skilled in value addition especially on how to make yoghurt, cheese and ice-cream. Most of the trainees have already established dairy cottages and others are employed along the value chain as a result of the trainings. There has also been a deliberate effort to target youths and women while distributing inputs, planting and breeding materials

Commitment #5: Modernize Agriculture to provide raw materials for industries and boost export earnings

Status:

5.1 Agriculture modernization involves improvement in agronomic practices including use of improved technologies, provision of extension services, control of pests, vectors and diseases, mechanization, irrigation, among other. The Ministry has made tremendous strides toward modernized agriculture as a result boosting export earnings by 20% from USD 1.326 billion in 2015/16 bn to USD 1.585 billion in FY 2018/19.

5.2 The Ministry has developed an irrigation policy and was approved by Cabinet which provides a regulatory framework for the private and public investments, defines the roles of MAAIF and MWE in irrigation. Government has continued to invest in the construction of irrigation schemes. Five irrigation schemes that were highlighted last year will soon be completed. These are Torchi, Ngenge, Mubuku II, Doho II and Wadelai is ongoing, with the progress as follows: Tochi (500 ha in Oyam District) – 72.3%; Ngenge (880 ha in Kween District) at 90%; Mubuku II (480 ha in Kasese District) at 68%; and, Doho II (1,178 ha in Butaleja District) at 85%; and Wadelai (1,000 ha Pakwach/ Nebbi) at 29%. The schemes will greatly contribute to increased production of rice, aquaculture and horticulture (fruits and vegetables).

5.3 In addition, in FY 2018/19, detailed engineering designs were completed for Sironko/Acomai irrigation Scheme in Bukedea District (1,480ha and 1,600 households are targeted); Atari Irrigation scheme in Kween/Bulambuli District (680ha and 2,667 households targeted); and Namatala Irrigation Scheme in Budaka/ Mbale/ Butaleja District (3,450 ha and 4,923 households targeted).

5.4 The Government is constructing 4 regional mechanization centers in Buwama – Mpigi district (Central Region), Agwata – Dokolo district (Northern Region), Kiryandongo district and Mbale district. The regional mechanization centers will decentralize the irrigation and water for agriculture production services. The centers will be managed by a Senior Engineer who will work with a Mechanical Engineer, an Irrigation Engineer and a Civil Engineer. The centers will be equipped with tractors and maintenance tools/ mobile workshops. The centers will also be responsible for maintaining Government tractors and repair/ maintenance of privately owned tractors in the district at cost recovery basis. The establishment of the centers was phased and by December 2019, Buwama was at 60% completion while Agwata was at 50% completion.

5.5 In FY 2018/19, using the assorted sets of heavy equipment acquired by Government, 456 valley tanks were constructed with a total holding capacity of 6,840,000 m³. The increased access to water for agriculture production by our farmers has resulted in increased yield and production in the irrigated areas. With increased

access to water, productivity under the crop, livestock and fish subsectors is projected to increase in the short and medium term across the country.

5.6 The capacity to bush clear and open land for agriculture production has also increased, from 3,500 acres per year in FY 2016/17; to 8,400 acres per year in FY 2017/18 and now to 12,000 acres per year in FY 2018/19. The intervention has greatly reduced the cost of opening land and saved farmers a lot of time hence enabling them to make big chunks of land productive in time with the recommended planting times of the season. This has also enabled more women and youths to participate in the agriculture sector, with their energy better utilized in less time-consuming productive activities.

5.7 The equipment has also opened farm roads in the rural areas, with 121 kms constructed between July 2018 and June 2019. This has reduced time spent by farmers travelling long distances on bad roads to access improved inputs and also opened up their villages to markets for their produce. The farmers are also better placed to negotiate for better prices with improved linkage and connectivity to the markets.

Commitment #6: Ensure self-sufficiency in rice production as well as promoting growing of upland rice to avoid destruction of wetlands

Status

6.1 The Ministry through its research arm, NARO, released and promoted 14 upland rice early maturing and drought tolerant varieties. The varieties are resistant to rice yellow mottle.

NARO has availed 10 MT of foundation seed to seed multipliers. The new varieties established have the potential to increase per capita income in Uganda by US\$ 16.

6.2 The six major commercial farmers took upland rice as their major commercial enterprises included Omer Farm, (4,000 ha cropped rice each year), Vinayak Agro Farm Limited (7,000 ha cropped rice each year), Amatheon Limited (1,000 ha cropped rice each year), Victoria Farm (8,000 ha cropped rice a year), Panyimur Farm (1,000 ha cropped rice a year) and Farmers group (600 ha cropped rice per year).

Commitment #7: Promote cassava production in northern and eastern Uganda, and seek investors to establish factories for value-addition and production of cassava-related products

Status:

7.1 Cassava is a predominantly staple food crop and it's also becoming a strong agent for import substitution as it's targeted to contribute about USD 30 million per year in import-substitution.

7.2 In the last four years, the following interventions have been undertaken to promote cassava production in northern and eastern Uganda:

- production and distribution of clean planting material resistant to crop pests and diseases (high yielding varieties like NASE14, TME14, BAM);
- developing monitoring and diagnosis systems for pests and diseases, provision of support for marketing and establishment of adequate storage utilities for fresh cassava roots; support cassava farmers and SMEs to engage in processing of quality flour and chips, as well as agribusiness enterprises.
- Also, twelve (12) acres of cassava seed multiplication site has been maintained by NaCRRI.

7.3 In an effort to commercialize cassava production, Government through NAADS is supporting an Integrated Cassava Industry Development Project for Northern Uganda (ICIDP), initiated by Gulu Catholic Arch Diocese to address rural poverty and stimulate industrialization of this commodity in Northern Uganda.

Commitment #8: Use four Acre-Land-Model as part of the National Strategy for commercialization of agriculture

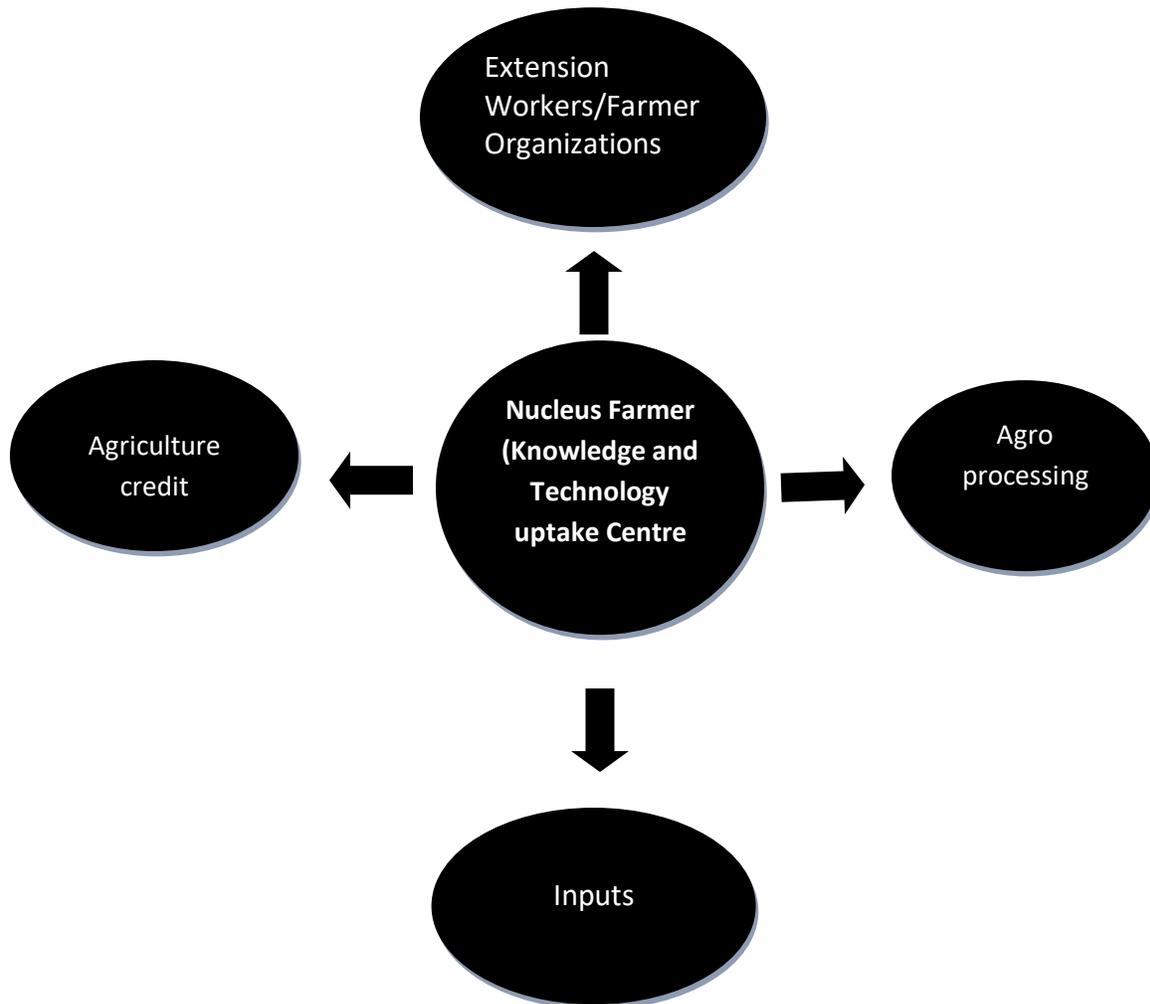
Status:

8.1 The Directorate of Agriculture Extension Services carried out trainings of extension staff and non-state actors on the principles of

the four Acre-Land-Model that will be piloted based on the concept of the Village Agent Model

8.2 The Nucleus Farmer and Parish Model farmer concepts has been submitted to Cabinet for approval. The model is meant to streamline ways in which Government can empower progressive farmers in specific value chains to be the means of creating linkages between Government, Local Governments, Extension services, input dealers, NAADS/ OWC activities, Financial and Insurance service providers, Agriculture Research and other private sector value chain actors. The model is also meant to mobilize farmers into groups and higher-level producer marketing associations and link the farmers to input dealers, traders and financial services.

Nucleus Farmer / Enterprise Model on Selected Value Chains



Commitment #9: Provide 18 million hand hoes to support agricultural production among small farmers

Status:

9.1 So far, the Ministry has procured and distributed 1,220,000 hoes to support 1,220,000 farming households in all regions of the country.

The Government will procure and distribute another 3.17 million hoes in FY 2020/21.

Commitment #10: Roll out the single spine extension services system to districts by ensuring that every sub-county has veterinary, agricultural and where applicable fisheries officers

Status:

10.1 Following the adoption of the Single Spine Extension System, Government embarked on the recruitment drive of Agricultural Extension Staff in Local Governments. 3,812 extension workers have been recruited which is 68% of the targeted 5,630 extension workers to be recruited. This has resulted to the reduction in the ratio of extension worker to farmer from 1:5000 in FY2015/16 to 1:1800 in FY2017/18.

10.2 The Ministry with support from International Fund for Agricultural Development (IFAD) procured and distributed 1,061 motorcycles and 126 vehicles to support mobility of agricultural extension staff.

The Government has also developed and successfully piloted a farmer register to regularly collect data on farming households. All farmers will be registered including their enterprises, acreage, production figures, and storage facilities.

Commitment #11: Increase Investment in improved post-harvest handling storage and value-addition for commercial farming and transformation of small holders and peasant agriculture

Status:

11.1 The Government has signed an agreement with a foreign investment company, M/s Alvan Blanch based in UK, to create partnerships with our local investors in order to boost value addition especially in the area of cereals i.e. Rice, Maize e.t.c. The objective is to establish processing facilities including driers, cleaners and sorters with storage capacity of 4,000 tonnes each in the next 5 years. Other interventions include:

11.2 The government of Uganda through the National Agricultural Advisory services (NAADS) constructed farmer-based community grain stores across the country to support farmer access to markets through collective marketing. NAADS/OWC entered in a partnership with World Food Programme through a Memorandum of Understanding in 2016 to jointly address identified gaps in food storage capacity, post-harvest losses eradication, value addition and collective marketing systems, besides improving access to agri-inputs in selected parts of the country. The NAADS/OWC – World Food Programme partnership has seen the construction of 12 Community Grain Stores in 11 different districts of Napak, Adjumani, Kiryandongo, Masindi, Hoima, Kyenjonjo, Mubende, Kakumiro, Kiboga, Nakaseke and Kyegegwa. The World Food Program

supported capacity building activities of both farmers and agricultural extension staff in postharvest handling in more than 40 districts.

11.3 Korean International Cooperation Agency (KOICA) continued to support agro-processing and marketing activities including post-harvest handling and storage in pilot demonstration centers in Masindi, Kiryandongo, Jinja and Iganga.

11.4 The Ministry through DDA, Procured 20 sets of milk coolers and matching generators; also distributed and installed 20 Milk Coolers and Matching Generators in 10 Districts-Kiruhura, Sembabule, Lyantode Nakaseke, Kamuli, Serere, Kwen, Busia, Kyankwazi and Gomba; with funds from FY 2016/17 Budget.

Commitment #12: Enhance co-ordination of the production value chain from the farmers to the final consumer through OWC

Status:

12.1 The National Agricultural Advisory Services (NAADS) has, since the refocusing of its mandate to supporting farmers with the provision of agricultural inputs through the implementation of Operation Wealth Creation (OWC) programme, There has been remarkable coordination improvement in this program as evidenced by increased acreage, production and productivity of the distributed inputs. Currently, planting materials (seed & seedlings) and

stocking/livestock materials are based on both national priority commodities and Zonal/district specific priority commodities for particular agro-ecological zones and districts. Emphasis will also focus on Tea, Fruits (Citrus, Mangoes Apples and Pineapples) and Cocoa which are an important component of the four-acre model.

12.2 In addition, there has been improved Support to Agricultural Value Chains Development under NAADS/OWC coordination, where, Medium scale fruit processing equipment; Motorised; Maize milling equipment (grinding mills-hullers, shellers, etc.); Milk coolers and generators; Rice milling equipment (threshers, hullers-polishers, cleaners, graders, etc.) have been procured and distributed.

Commitment #13: Restructuring relevant government institutions to enhance the effectiveness of OWC

Status:

13.1 Under the restructuring, NAADS was restructured and the staff at LGs were integrated into the single spine extension service.

13.2 The Directorate of Agricultural Extension Services (DAES) was established to reorganize the agricultural extension service into a harmonized, well-coordinated and integrated delivery system.

Commitment #14: Ministry of Local Government should instruct CAOs to issue guidelines to Parish Chiefs to guide their supervision of OWC activities

Status:

14.1 The Minister of Local Government issued a circular to all Chief Administrative officers dated, 8th December, 2016 on seven (7) additional responsibilities of Parish (Muluka) chiefs which include monitoring and supervising Operation wealth creation (OWC) as well as other Government interventions.

The Agriculture extension conditional grant guidelines for FY 2019/20 have provided for facilitation of the Parish chiefs to maintain the farmer register which analyses various data including the quality and quantity of inputs supplied to farmers.

Commitment #15: Promote use of manure, organic fertilizers, inorganic fertilizers and appropriate irrigation technology to beat climate change challenges.

Status:

15.1 Following the formulation of the fertilizer policy and strategy by the Ministry, Government undertook the construction of the Tororo Sukulu fertilizer factory which project is in the advanced stages of construction. The Sukulu fertilizer factory is almost complete through

a Public Private Partnership and will produce 300,000 tons of fertilizers; 300,000 tons of steel products; 200,000 tons of sulphuric acid; 300,000 tons of gypsum; 100,000 tons of Rare Earth Elements (REE) minerals; and 40,000 tons of Niobium annually.

15.2 The Ministry is undertaking a comprehensive update of the national soil suitability maps. This will help the farming community to understand exactly what kind of fertilizers are suitable for each farming region in Uganda. This will also help the Extension workers to recommend the right fertilizers to be used in a particular farming area for a particular commodity. Therefore, Government will complete the already ongoing exercise of updating the National Soil Suitability Maps. This which will involve our researchers in NARO, Makerere University, the Ministry of Lands, Housing and Urban Development and the Ministry of Energy and Mineral Development.

15.3 The Ministry is also updating the National Agriculture Zoning Strategy to suit the current geological settings and emerging strategic commodities in various parts of the country. The revised National Zoning Strategy will be used by the private sector to make investment decisions. The National Zoning Strategy will map the Agricultural production zones for food security and farmer incomes; identify the enterprises of high export potential for each zone based on Competitive and Comparative Advantages.

15.4 In the meantime, the Ministry is focusing on creating mindset change among farming communities and educating the farmers on the importance of fertilizers to increased productivity. This is being undertaken through providing fertilizers for demonstration focusing on strategic commodities. Fertilizers are being provided through Government intervention of NAADS/ OWC, Uganda Coffee Development Authority (UCDA), Cotton Development Organisation (CDO), the Vegetable Oil Development Project in Kalangala and under the sunflower and soybeans projects.

15.5 Government is also demonstrating how the use of ICT can increase efficiency in the distribution of inputs such as fertilizers through the E- Voucher system under the new Agriculture Cluster Development Project which is being implemented in 42 districts.

Commitment #16: Promote mechanization by availing machinery for hire at affordable rates

Status:

16.1 The Ministry has finalized formulation of the new Agriculture Mechanization Policy which will soon be tabled to Cabinet. The policy is meant to streamline farmers' access to mechanization equipment, streamline tractor hire services, streamline access to credit for mechanization equipment and also guide private sector investments in agriculture mechanization/ tractorization. To this effect, the Ministry has trained 50 private heavy equipment

operators, engineers, technicians, and mechanics in equipment operation, maintenance and management. The Ministry has so far recruited 33 Senior Agricultural Engineers in 33 district Local Governments.

16.2 Due to the increase in the number of heavy equipment sets acquired, the Ministry has increased its capacity to bush clear and open land for agriculture production from 3,500 acres per year in FY 2016/17; to 8,400 acres per year in FY 2017/18 and now to **24,496 Ha** per year in FY 2018/19. In the period July to December 2019, the Ministry also bush cleared and opened 4,100 hectares of land in different parts of the country. The intervention has greatly supported rice, coffee, maize, cotton, sunflower, pasture, beans and cassava growing households. The intervention has greatly reduced the cost of opening land and saved farmers a lot of time hence enabling them to make big chunks of land productive in time with the recommended planting times of the season. This has also enabled more women and youths to participate in the agriculture sector, with their energy better utilized in less time-consuming productive activities.

16.3 The assorted mechanization equipment has enabled the Ministry to increase its capacity to open, improve and rehabilitate farm access roads. The number of kilometers of farm roads opened has increased from 440 kms in June 2018 to 521 kms in June 2019. Between July and December 2019, another 59 kms of farm roads

were opened increasing the number of kms opened with the MAAIF mechanization equipment to 580 kms. This has reduced time spent by farmers travelling long distances on bad roads to access improved inputs and also opened up their villages to markets for their produce. The farmers are also better placed to negotiate for better prices with improved linkage and connectivity to the markets.

16.4 The ministry has continued to revamp the Namalere Agricultural Mechanization Workshop for skilling and increasing knowledge for Ugandans in agricultural mechanization, assembling of machinery, operating, maintenance and servicing of all the government equipment. More support from Government is required to make it our Centre of Excellence.

16.5 The Ministry is constructing 4 regional mechanization centers in Buwama – Mpigi district (Central Region), Agwata – Dokolo district (Northern Region), Kiryandongo district and Mbale district. The regional mechanization centers will further decentralize the irrigation and water for agriculture production services. The centers will be managed by a Senior Engineer who will work with a Mechanical Engineer, an Irrigation Engineer and a Civil Engineer. The centers will be equipped with tractors and maintenance tools/ mobile workshops. The centers will also be responsible for maintaining Government tractors and repair/ maintenance of privately owned tractors in the district at cost recovery basis. The establishment of the

centers was phased and by December 2019, Buwama was at 60% completion while Agwata was at 50% completion.

16.6 The Ministry trained 50 private heavy equipment operators, engineers, technicians, and mechanics in equipment operation, maintenance and management. More trainings are being rolled out targeting districts with more tractors. We plan to ensure that all districts have trained operators, engineers, technicians and mechanics to increase the benefits from the Government machinery recently acquired and distributed country wide by Ministry of Works and Transport to district local governments. This will greatly reduce the Government budget on operation and maintenance of machinery, with less losses due to redundancy and vandalism of machinery.

Commitment #17: Invest in research in diseases and pests control

Status:

17.1 The Ministry through NARO developed, released and promoted three coffee wilt disease resistant and high cup quality clones. The varieties NARO KR8, NARO KR9, and NARO KR10 yield 3.1, 3.9 and 4.8 t/ha/year respectively.

17.2 To fight animal diseases, NARO developed two anti-tick vaccines to effectively control blue ear ticks (*Boophilus decoloratus*) and two (2) bio-acaricide formulations to manage the emerging

challenge of tick resistance to available acaricides, (3) drugs botanical de-wormers for control of internal (Nematode, Cestode and Trematode worms) and external parasites in ruminants. In a related development, NARO has developed African Swine Fever (ASF) diagnostic kit prototype, a rapid and cheap on-farm detection of ASF. This is in addition to the designing of the national tick distribution map to guide tick control programs and initiatives.

17.3 To fight tsetse flies, NARO developed the NARO-Ngu trap which captures 106 flies per day compared to 22 flies trapped by the pyramidal trap.

17.4 To boost the poultry and fisheries sub-sectors, through feeds, NARO developed a green protein feed Supplement for both poultry and fish feeds. It replaces the fish ingredient in poultry diets by 16% and the farmer saves UGX 100 per KG of feed resulting into a total saving of UGX 500 per bird.

17.5 Over 96 various crops varieties (maize, beans, soya bean, ground nuts, cassava, sorghum, etc) have been released among which include 32 disease-resistant and nutrition enhanced varieties to ensure increased production and productivity.

17.6 The Ministry through the National Agriculture Research Organization also continues to explore biological responses to track

and respond to emerging challenges like the Desert Locust outbreak.

Commitment #18: Ensuring that Agro Processing is done together with strict disease control.

Status:

18.1 The Ministry recruited additional 14 Veterinary and 24 Agriculture Inspectors to beef up certification services. The Ministry is also building the capacity of the recruited extension workers on the recommended farm-based disease control practices. The Government is emphasizing the role of the farmers to appreciate that their farm-based pest and disease related decisions determine the quality of the value-added products produced and marketed.

18.2 MAAIF is also rehabilitating and equipping its laboratories at Entebbe, Namalere to support evidence-based decision making in disease management. This will also enhance the testing of products to ensure they meet the international regulations and standards.

18.3 the Ministry has put in place mechanisms for surveillance and early detection of crop pests and diseases, and through regional collaborations, the major diseases affecting crop production are being controlled. For example, Government has come up with mechanisms to control the Fall Army Worm which was a problem in 2016. Government also came up with mechanisms of controlling the

banana bacterial wilt. Through research, the Ministry continues to study and come up with both biological and chemical means of tackling the major crop pests and diseases which are often caused by global climatic changes.

Commitment #19: Strengthen regulation and surveillance to ensure that the right pesticides, insecticides and acaricides are on the market

19.1 To strengthen the regulatory function of the Ministry, the Ministry has finalized and submitted three (03) Regulations on Agricultural Chemicals (Control) Act 2006 for approval. These include;

- a. Regulation on pesticides
- b. Regulations on fertilizers
- c. Regulations on application equipment

19.2: The Ministry has intensified the inspection and certification of Seeds, plants and plant products and agrochemicals. In this arrangement; 4,462,796 coffee bags were certified for export, 26,411 ha of crop fields were inspected and 26,400 ha certified, conducted Distinctness, Uniformity, and Stability (DUS) trials for 44 candidate varieties where 15 varieties were approved and released, approved 266 agro input dealers and their premises for registration, Inspected and certified 235,000MT of plants and plant products worth 569Million USD for export, Inspected 247 seed stockists and premises

and complied the standards and approved 97 chemical products for registration.

Commitment #20: Continue with the Agricultural Finance Credit scheme operated through commercial banks with support from the Government with a view of keeping interest rates low. Furthermore, partner with some microfinance institutions to reach out to more farmers. Also, work with the insurance sector to design measures that ease insurance in agriculture in order to increase agriculture financing and sensitize farmers on this undertaking

Status:

20.1 Government is implementing the Insurance Agriculture Scheme (UAIS through the Ministry of Finance, Planning and Economic development, and it's a Public Private Partnership between the government of Uganda and private sector (Insurance companies). Ush 10 billion has so far been released as a subsidy for mainly small-scale farmers to promote their interest in the agriculture risk management tool. The funds are for sensitization and awareness on insurance basics, premium subsidy, data support and fostering lending to the agriculture sector by financial institutions. The uptake of agriculture insurance has increased from 3000 beneficiaries to 65,000 beneficiaries.

Commitment #21: Invest in agricultural marketing infrastructure such as storage facilities to reduce post-harvest losses including encouraging district councils to pass by-laws that discourage drying of produce on open grounds

Status:

21.1: Government through MAAIF has signed an MoU with a foreign investment company M/s Alvan Blanch from UK to create partnerships with our local investors in order to boost value addition including establishment of storage facilities especially in the area of cereals i.e. Rice, Maize e.t.c. The objective is to establish processing facilities including driers, cleaners and sorters with storage capacity of 4,000 tonnes each in the next 5 years. This is in addition to interventions by the World Food Program and Korean International Cooperation Agency (KOICA) as mentioned above.

Commitment #22: Create a regulatory body to ensure that Good Agricultural Practices (GAP) are domesticated and complied with attain internationally acceptable standards of our products.

Status:

22.1 In addition to interventions mentioned above intended to strengthen the regulatory, inspection and certification services, the Ministry developed the National Seed Implementation strategy 2018 and submitted to cabinet for approval.

22.2 Also, the Ministry developed and disseminated the Tea Strategy and guidelines for seedling production, procurement and distribution in the 22 Tea Growing Districts. The Ministry finalised the National Aflatoxin and Mycotoxin Mitigation Action Plan, and developed the Horticulture Export promotion strategies, developed and disseminated Post-Harvest Handling Guidelines for Maize, Beans and Rice, and developed five (05) commodity Handbooks for Cassava, Rice, Beans, Coffee and Maize.

Commitment #23: Continue to establish value -addition processing factories where response from the private sector is slow

Status:

23.1 Government is pursuing partnerships with the private sector to establish processing facilities to increase market access by our farmers, reduce imports and increase exports of value-added commodities. on-going interventions to boost industrialization include:

- a. Mango processing plant for farmers in Yumbe district is on-going and Juice factory in Soroti is due to start. Also, a Tea factory in Kabale has been initiated.
- b. Six cotton wool manufacturing firms mentioned earlier,
- c. The Nine oil mills,
- d. The over 110 vegetable oil mills invested in the Eastern and Northern Uganda as well as the two palm oil mills in Kalangala

and a palm oil refinery in Jinja by BDCO in partnership with Government.

23.2 Government created a conducive environment and refined the regulations governing dairy production and processing. Government further divested its former Uganda Dairy Cooperation. These interventions have led to increased milk processing capacity which was projected to have increased to 2 million litres by the end 2017/18

23.3 In a bid to increase the quality of beef exports, the Ministry completed construction and equipping of Katonga animal holding grounds and so far construction and equipping of animal holding ground in Kyankwanzi, NALI stands at 90%

Commitment #24: Create a regulatory body responsible for policing the lakes against illegal fishing

Status:

24.1 The Government approved the new Fisheries and Aquaculture Policy which was to guide sustainable fishing activities on the major water bodies and also guide public and private investments in aquaculture.

24.2 The Ministry registered and licensed 12,274 vessels, and 26,320 fishers by the end of December 2018 on all water bodies with a view of eliminating illegal fishing activities.

24.3 The Ministry, strengthened enforcement of sustainable fisheries rules and regulations along the major water bodies through the Fisheries Protection Unit.

As a result of these interventions, the declining trend of the quantity and value of fish and fish products has been reversed. The fisheries sub-sector rebounded to grow at over 24% with fish exports growing at almost 30% in FY 2018/19. This was largely attributed to the strict enforcement of fisheries regulations and on-going efforts to address key challenges including poor quality fingerlings and limited access to feeds. These efforts have resulted in the re-opening of 4 fish factories - Gomba (in Jinja), Iftra (in Kampala), Marine and Agro (in Jinja) and Ngenge (Kampala), increase in the operational capacity of all fish factories from 91Mt per day in 2017 to 150 Mt per day in 2019.

24.4 In addition, Construction of model communal aquaculture parks in Kalangala and in Apac commenced in FY 2019/20. These are pilot model parks which if successful will be rolled out to other parts of the country, targeting women and youths.

Commitment #25: Establish seven zonal agro-processing facilities at Arua, Soroti, Luwero, Kayunga, Ntungamo, Masaka and Kasese to provide access to quick processing of agricultural products and ease marketing

Status:

25.1 The AgriLED initiative has been formed by Government to provide comprehensive production and value addition capacity in the greater Rwenzori. The Government of Uganda through NAADS/Operation Wealth Creation are implementing the Presidential initiative on Agro-Industrialization for Local Economic Development (AGRILED). The AgriLED strategic interventions being piloted in Rwenzori sub region and some of the on-going undertakings include establishment of the Kasese & Kabarole Industrial and Business Parks respectively. At the Kasese Industrial Park, to date the progress includes Opening of Roads, construction of water pipe network, construction of 33KV High Voltage Power Line network: while for Kabarole Industrial park, the development of the Master Plan for establishment of the Kabarole Industrial park is on-going and therefore infrastructure works will commence once the plan is in place.

25.2 The Government established a fruit processing facility in Soroti

25.3 Government provided a conducive environment for the private sector to set up the Kapeeka Industrial Park in Nakaseke District in Luwero triangle.

25.4 The AgriLED initiative has been formed by Government to provide comprehensive production and value addition capacity in the greater Rwenzori.

Commitment #26: Eliminate common livestock diseases like foot-and-mouth in order to promote the export of beef and other livestock products such as poultry and pork

Status:

The Ministry procured one million three hundred thousand (1,300,000) doses of assorted animal vaccines for FMD, Rabies and CBPP. The Ministry also carried out interventions for the Fall Army Worm and Banana Bacterial Wilt (BBW) in 92 districts across the country. Trials of a new acaricide (Vectorclor) to deal with resistant ticks was carried out and was 85% successful. The acaricide zoning strategy and implementation plan to manage movement of acaricides across zones after cleansing in the 27 affected districts. A proposal to produce animal vaccines is also in place.

NARO has also developed the following:

- two anti-tick vaccines to effectively control blue ear ticks (*Boophilus decoloratus*)
- two (2) bio-acaricide formulations to manage the emerging challenge of tick resistance to available acaricides.

- (3) drugs botanical de-wormers. for control of internal (Nematode, Cestode and Trematode worms) and external parasites in ruminants
- a national tick distribution map to guide tick control programs and initiatives.
- African Swine Fever (ASF) diagnostic kit prototype, a rapid and cheap on-farm detection of ASF.
- NARO-Ngu trap which captures 106 flies per day compared to 22 flies trapped by the pyramidal trap.
- A green protein feed Supplement for both poultry and fish feeds. It replaces the fish ingredient in poultry diets by 16% and the farmer saves UGX 100 per KG of feed resulting into a total saving of UGX 500 per bird.
- And released 32 disease-resistant and nutrition enhanced varieties to ensure increased production and productivity.

Commitment #27: Support and Strengthen cooperatives and farmer groups as vehicles to empower farmers to store, add value and collectively market farmers' produce

Status:

27.1 the Ministry has developed a working mechanism with line ministries and agencies including Ministry of Trade, Industry and Cooperatives, in collaboration with national level farmer oriented organizations including Uganda Cooperative Alliance and Uganda National Farmers Federation in formulating strategies for

strengthening farmer institutions and organizations, including farmer groups, commodity associations, platforms, federations and co-operatives to enhance the Capacity of farmers to participate and benefit from the NAADS/OWC interventions.

27.2 In the meantime, Government development projects and programs are building the capacity of farmers to form strong farmer groups and associations through which they will be able to aggregate demand for inputs and aggregate their produce to demand better prices.

CHALLENGES

The Sector is currently experiencing the following challenges

- i. Prevalent pests, vectors and diseases, notably; Fall army worm, tick resistance, Foot and Mouth Disease which constrained the sourcing and timeliness of delivery of stocking materials. For example, the prolonged quarantine in source districts for livestock due to outbreak of Foot and mouth disease led to slow progress in the distribution of livestock materials particularly dairy heifers.
- ii. In addition, the outbreak of desert locusts in Karamoja, Teso, Lango, Acholi and Eastern Uganda, stretched the sector in terms of technical personnel and other resources. Disease outbreaks come with all associated costs during operations which hinders performance and delivery of the institution's mandate. However, the Ministry is putting in place mitigation measures to avert the trends including intensifying research in the diseases.
- iii. Weak linkage between provision of agricultural inputs and provision of agricultural extension services; as the extension service in Local Governments is still constrained by low staffing in some areas and mobility to reach out to all farmers. This was partly addressed through the provision of motor vehicles and motorcycles to Districts and sub-counties.

- iv. Overwhelming demand for inputs against a limited budget; including supporting unforeseen strategic/special intervention which require budget re-allocations in the course of budget implementation.
- v. Inadequate capacity for supply of good quality planting and stocking/livestock materials on the market for crop and livestock commodities. For example, some crops notably banana (tissue cultured material), Beans, and Irish potato seed leading to limited coverage of the target District Local Government
- vi. Changing weather patterns which affect timely distribution of planting materials sometimes resulting into wastage of planting materials and low crop survival rates, excessive rainfall in some parts of the country affecting seasonal crops especially legumes.
- vii. The recent outbreak of the COVID -19 Pandemic has affected farming activities due to limited movement of both the technical personnel to provide the much-needed technical advice, distribution of farm inputs and the farmers access critical farm inputs. The pandemic broke up at the beginning of the first planting season (March-May).

