



MINISTRY OF AGRICULTURE ANIMAL INDUSTRY AND FISHERIES (MAAIF)



JOINT AGRICULTURE SECTOR ANNUAL REVIEW (JASAR) WORKSHOP REPORT

November 2012

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LIST OF ACRONYMS

ACF	Agricultural Credit Facility
ATAAS	Agricultural Technology and Agribusiness Advisory Services
AFDB	African Development Bank
AMFIU	Association of Microfinance Institutions of Uganda
BOU	Bank of Uganda
BRAC	Bangladesh Rural Advancement Committee
BSP	Broad Support Package
CAO	Chief Administrative Officer
CDO	Cotton Development Organisation
COMESA	Common Market for East and Southern Africa
DFR	Division of Forest Resources
DATICS	District Agriculture Training Information Centers
DDA	Dairy Development Authority
DLG	District Local Government
DNC	Democratic National Committee
DSIP	Development Strategy and Investment Plan
EU	European Union
FY	Financial Year
JASAR	Joint Agricultural Annual review
JICA	Japanese International Cooperation Agency
ICT	Information Communication Technology
IFAD	International Fund for Agricultural Development
ISO	International Standards Organisation
KCCA	Kampala Capital City Authority
KOICA	Korea International Cooperation Agency
LGFC	Local Government Finance Commission (Uganda)
MAAIF	Ministry of Agriculture Animal Industry and Fisheries
MDGs	Millennium Development Goals
MIS	Management Information System
MLHUD	Ministry of Lands, Housing and Urban Development
MOLG	Ministry of Local of Government
MOTIC	Ministry of Trade, Industry and Cooperatives
MoW&T	Ministry of Works and Transport
MP	Member of Parliament
MTIC	Ministry of Trade, Industry and Cooperatives
MWE	Ministry of Water and Environment
NAADS	National Agricultural Advisory Services
NAGRC&DB	National Genetic Resource Information Centre and Data Bank
NAP	National Agricultural Policy
NARO	National Agricultural Research Organization
NEMA	National Environmental Management Authority

Non-ATAAS Non Agricultural Technology and Agribusiness Advisory Services
 NPA National Planning Authority
 OPM Office of the Prime Minister
 PFA Prosperity for All

PMA Plan for Modernization of Agriculture

PSFU Private Sector Foundation Uganda

PPP Public Private Partnership

RDC Resident District Commissioner

UBOS Uganda Bureau of Statistics

UDN Uganda Debt Network

UIA Uganda Investment Authority
 UIRI Uganda Industrial Research Institute
 ULGA Uganda Local Government Association
 UNBS Uganda National Bureau of Statistics
 UNFFE Uganda National Farmers Federation
 UNFE Uganda National Federation of Employers
 UN-FAO United Nations Food and Agricultural Organization
 USAID United States Agency for International Development
 ZARDI Zonal Agricultural Research and Development Institute

1.0 INTRODUCTION

The Ministry of Agriculture Animal Industry and Fisheries (MAAIF) held the second Joint Agriculture Sector Annual Review (JASAR) workshop from 1st to 2nd November 2012 at Speke Resort Hotel, Munyonyo. The primary aim of the workshop of the JASAR was to take stock of the performance of the agricultural sector during the Financial Year (FY) 2011/12. This review exercise also served as a platform for the joint assessment of the efficiency and effectiveness of implementation of the DSIP as well as of the status and implementation of the recommendations agreed to in the t Agricultural Sector Annual Review (ASAR) that was conducted in 2011.

This report gives an overview of the workshop proceedings; the sector performance FY 2011/12, emerging issues and recommendations.

2.0 SESSION I: OPENING SESSION

Session chair: Hon. Ruth Nankabirwa - Minister of State for Fisheries

2.1 Official opening



The workshop was officially opened by **His Excellency, the Vice President of Uganda Hon. Edward Kiwanuka Ssekandi**. He observed that the Agricultural sector contributes greatly to the development of the economy as: i) a source of food supply and raw material; ii) a supplier of foreign exchange; iii) a major employer; iv) a market for non-agricultural output and v) a source of surplus for investment. Thus, he noted that the review workshop is timely to all stakeholders to take stock of the achievements of the sector

performance against the last year's set targets. He added and hoped that the workshop will enable stakeholders raise questions and provide relevant answers pertaining to the performance.

H.E. The Vice President stated that although Uganda has a comparative advantage particularly in the region, farmers have not able to exploit this potential because of the low levels of productivity and quality standards of their products coupled with limited value addition to farmer produce. He further observed that the minimal sector performance is partly blamed on the inadequate extension services provided to farmers. Consequently, farmers experience rampant e crop failure, poor yields and crop loss due to poor storage facilities.

He highlighted the following interventions that government undertook since 1987:

- i) Revitalization of the traditional export commodities sector to increase export earnings;
- ii) Diversification of the export based through the development of non-traditional exports such as fish and dairy products; and
- iii) Removal of constraints (physical, technical and institutional) to the development of sustainable agriculture.

He said that he trusted the expertise of participants in attendance and hoped they would provide the requisite knowledge and solutions to some of the bottlenecks that face the sector. He assured all participants that Government will be more than happy to receive the workshop recommendations for adoption and taking appropriate action. He ended by encouraging participants to discuss and emphasize the relevance of the following to the farming industry:

- i) Affordable finance;
- ii) land tenure and policy;
- iii) Farmers' organizations;
- iv) Information ;
- v) on-farm and off-farm storage facilities;
- vi) Environmental issues;
- vii) Effects of HIV/AIDS on agriculture; and
- viii) Appropriate technology due to weak research and innovation.

He finally launched the Non Agricultural Technology and Agribusiness Advisory Services (Non-ATAAS) handbook and officially opened the workshop.

2.2 Opening remarks



In his opening remarks, **Hon. Tress Bucyanayandi, Minister of Agriculture, Animal Industry and Fisheries** congratulated, especially those engaged in agriculture, for enabling the sector to achieve a growth rate of 3 percent in FY 2011/12, an increase from 0.7% in FY 2010/11.

He noted that though favourable rains in the first planting season of the calendar year contributed to this growth, the efforts of Ugandans as farmers, traders and processors towards this growth are equally recognized. He highlighted the important

factor of the rising demand for food from the regional markets as a contributor to the renewed growth in the sector.. For example it is estimated that last year alone, 600,000 Metric Tonnes of maize were exported to Kenya.

He informed participants that the Ministry continues to initiate actions to ensure food security, farmer's incomes and increased volumes and values of exports are all enhanced.

It is in this context that strategic enterprises have been identified for promotion as priority and they include maize, beans, rice, bananas, cassava, dairy cattle, beef cattle and fish, coffee and tea. He emphasized the Ministry's commitment to contributing towards achievement of Prosperity for All (PFA).

He also noted the fact that the Agricultural Sector has remained resilient by producing enough food to feed over 34 million people of this country and exported some surplus to South Sudan, Kenya, Tanzania, Burundi, Democratic Republic of Congo, Rwanda and the wider COMESA region.

He concluded his remarks by inviting His Excellency the Vice President to officially open the Joint Agricultural Sector Annual Review workshop and kick start the dissemination of the Action Plans for operationalizing the non ATAAS component of the DSIP.

2.3 Introductory remarks



In his introductory remarks, the **Permanent Secretary, MAAIF, Mr. Vincent Rubarema**, outlined the main objectives of the 2012 Joint Agricultural Sector Annual Review as :

- i) To assess the performance of the sector in relation to the annual performance targets for financial year 2011/12;
- ii) To discuss the sector challenges
- iii) To jointly provide guidance on implementation of sector initiatives for FY 2013/14.
- iv) Present investment programs for operationalizing the Non-ATAAS components of the DSIP.

He observed that the 2012 review has been prepared through a more consultative process than the 2011. This included discussions with district political and technical leaders; on spot assessment of field activities; assessment of quality of agricultural investments; and discussions with beneficiaries of the selected programmes and projects. He noted that the main output of the review meeting shall be an Aide Memoire spelling out the recommended priorities to inform the next budget planning cycle for FY 2013/14. He welcomed all participants and wished them a fruitful meeting.

3.0 SESSION II: PRESENTATIONS

This session was **chaired by Mr. Vincent Rubarema, the Permanent Secretary, MAAIF.**

This session had two presentations followed by plenary discussions.

3.1 Presentation: Agriculture Sector performance- 2011/12 FY

Presenter: Mr. Robert Okudi - Assistant Commissioner Policy Analysis

Key highlights of the presentation

The Assistant Commissioner presented the agricultural performance for FY 2011/12 and noted that agriculture, including forestry grew by 3% in 2011/12 compared to 0.7% in 2010/11. This was largely attributed to the cash crops sub-sector growing at 16.2% and specifically:

- Coffee that grew at 7.2%
- Cotton at 77% (though from a lower base)
- Tea grew at 18.5 %
- Cocoa at 10.6 % and
- Flowers and Horticulture expanded at 4 % after three years on negative growth.

Sub-Sectors	2007/08	2008/09	2009/10	2010/11	2011/12
Sector	1.3	2.9	2.4	0.7	3.0
Cash Crops	9.0	9.8	-1.1	-6.5	16.2
Food Crops	2.4	2.6	2.7	0.7	1.0
Livestock	3.0	3.0	3.0	3.0	3.0
Forestry	2.8	6.3	2.9	2.8	3.6
Fishing	-11.8	-7.0	2.6	1.8	2.0

In addition he highlighted the key sector achievements for FY 2011/12 as detailed in Annex 2 of the report.

3.2 Presentation: Field trip observations

Presenter: Mr. Robert Okudi - Assistant Commissioner Policy Analysis

Key highlights of the presentation

It was reported that the JASAR 2011 recommended that subsequent sector reviews should be preceded by field visits. Accordingly, field visits were undertaken from Tuesday, 23rd October 2012 to Thursday, 24th October 2012 prior to holding this year's review. Four Teams were constituted and these visited selected districts and projects/programs in the Eastern, Central, Western regions of Uganda and Kalangala district.

In particular, the field visits covered the following areas and activities:

- a). Visits to fisheries activities, advisory services sites and vegetable oil refinery plant in Wakiso, Jinja and Buyende;
- b). Visits to Rice and Citrus farms and Advisory Services/Research sites in Butaleja, Soroti and Serere;
- c). Visits to Livestock activities, Research and Advisory Services sites in Mbarara and Kiruhura Districts;
- d). Visits to the Public and Private Partnership Project of Palm Oil Development, Advisory Services and Fisheries activities in Kalangala District.

The teams were composed of the Hon. Ministers, Technical Officers from MAAIF and Agencies, Local Government Apex Organisations, Development Partners, and Media.

The objectives of the field visits were to; i) undertake on-spot assessments of sector activities in the field ii) identify critical issues in the Local Government that affect the performance of the sector and offer recommendations and iii) foster partnership between the Development Partners, the centre and Local Government in sector review .

The field reports highlighted the following findings:

- improvement in commercial farming;
- increase in agro processing and value addition activities;
- enterprise diversification for food and income security;
- increased employment for households (Youth and women);
- some white elephants

The challenges observed were:

- There is a technical capacity gap attributed to low staffing levels in local governments;
- There is a weak linkage among the MAAIF and its agencies and local governments resulting into uncoordinated implementations sector programmes;
- Price fluctuations make it difficult for farmers to engage in planning for commercial production;
- There was an observed general water stress especially during the dry seasons resulting into dropped production levels;
- There is inadequate law enforcement especially during the quarantines and animal travel bans, and licensing that has resulted into disease spread across districts.
- Illegal fishing and capture of immature fish is very rampant.

Annex 3 shows the complete presentation of the field report

3.3 Plenary: Key observations/comments

The presentation of the above papers was followed by plenary discussions that generated the following observations and recommendations:



- MAAIF was commended on the achievements over the financial year 2011/2012. However, it was emphasized that future sector performance reviews should include analysis of achievements against the targets set in the previous year. For example how much coffee was planted against what was intended to be planted?
- It was also observed that the report was silent on cross-cutting issues such as HIV/AIDS and gender. .
- It was pointed out that inadequate staffing both at national and lower local government level is negatively impacting on sector service delivery, especially at the lower levels.
- It was suggested that a sub-sector review approach should be adopted for the next JASAR.
-
- The performance reviews also need to recognize the contribution of the private sector.
- It was noted that Parliament takes long to review and pass board nominations for example seed board forwarded is yet to be confirmed.

- Participants observed that bills take long to be passed into laws. This hampers the operationalization of a number of policies and actions. For example, the Biotechnology and Bio-safety bill drafted in 2003 and 10 years later it still has not been enacted into law. In response, participants were informed that some bills take long to be passed because of lack of capacity in the sector to handle the legal issues that arise throughout this process. For example, it was reported that a section of the public/groups petition the Committee of Parliament on Agriculture and pull down sections of this bill which is a clear demonstration of the absence of consensus. ***There is therefore a need for the sector to undertake wider consultations of all stakeholders before bills are sent to Committees of Parliament.*** Participants were also informed of the proposal for a private members bill for the Bio-safety and Bio-technology bill for the purpose of fast-tracking it.
- Some participants wondered how agricultural productivity can be improved while a number of communities have no access to markets, electricity and storage facilities among others. It was further observed that the sector performance report is very silent on the key issues mentioned above.. Participants were, however, informed that some of the shortcomings in the sector performance were beyond the sector capacity and mandate to handle.
- One of the participants reported that 50% of the orange trees in Amuria district had been attacked by diseases yet the poor population cannot afford pesticides. A massive spray of the farms by government was suggested as a support mechanism to farmers. If this is not done in time, the realization of the fruit factory will remain a dream, he concluded. However, it was also recognized that there is need to look at policy issues to guide massive spraying across the entire country. Related to this, it was further observed that cattle quarantines take long to be lifted despite the fact that no trace of diseases still exhibited as a result of control and treatment interventions.
- Another participant observed that Uganda is advocating for mechanization and modernization of agriculture yet MAAIFs equipment is not in use in some parts of the country hence the need to clarify on the “**white elephants**” identified during the field trips.
- Another participant noted that NARO has been reporting a number of technology innovation and research findings that are never transferred to farmers resulting in the current big variations between NARO station yields and on farm yields. He stressed the need to do more on adoption than just releasing new varieties. In response, the Session Chair informed the participants that ATAAS aims at, among other things, aligning research and technology. It is hoped that this alignment will close the gap between on station and farm yields.
- A concern was raised on the rampant illegal fishing in the fishing community. Poor facilitation of staff and lack of boats and boat number plates were some of the factors exacerbating efforts to enforce illegal fishing. In her response, the Minister of State for Fisheries informed participants of the ongoing discussions with the Ministry of Finance, Planning and Economic Development to create a fisheries fund to facilitate and empower the work of the BMUs etc. The Ministry also expects to procure speed boats to monitor the lakes for illegal activities.

4.0 SESSION III: PRESENTATIONS

This session was chaired by Mr Okasai Opolot, the Director, Crop Resources.

Two presentations were made followed by plenary discussions.

4.1 Presentation: DSIP implementation- Agricultural Technology and Agribusiness Advisory Services Project: Progress, challenges and lessons

Presenter: Executive Director NAADS

Key highlights of the presentation

The Executive Director informed the participants that ATAAS is a five-year project funded by GOU together with Development Partners through the Ministry of Agricultural Animal Industry and Fisheries (MAAIF). It is fully aligned to the Development Strategy and Investment Plan (DSIP) of the agricultural sector. Its strategic focus is consistent with the National Development Plan and DSIP objectives of agricultural growth, commercialisation and poverty reduction.

ATAAS Development Objective is to i) increase agricultural productivity and incomes by improving the performance of agricultural research and advisory service systems ii) supports National Agricultural Research Organisation (NARO) and National Agricultural Advisory Services (NAADS) which are key (sub-) programmes of the DSIP; and iii) seeks to address the weak linkage between agricultural research/technology generation and agricultural advisory services. The presentation also highlighted the new features of ATAAS and progress on its implementation ***and it is attached as e Annex 4***

4.2 Presentation: Fast tracking DSIP implementation action for the agricultural revolution in Uganda

Presenter: Mr. Muhwezi, Assistant Commissioner Agri-Business

Key highlights of the presentation

The Assistant Commissioner informed the participants that the Agricultural Revolution is a holistic/comprehensive approach where all the basics of agriculture have been covered (e.g. improved seeds, planting and stocking materials; fertiliser; mechanisation; water for agricultural production, key commodities and supporting institutional set-up and capacity. The revolution is a buy-in from all key stakeholders.

The following were highlighted as the pre-conditions for the agricultural revolution:

- Need for champions at all levels and amongst all key stakeholders:
- Comprehensive /holistic implementation of the action plans – lessons from PMA
- Commitment for the long-term

- Agricultural sector given a priority in resource allocation
- A strong and effective advisory/extension service
- Conducive enabling environment for private sector investment

The Action Plans for Fast Tracking the DSIP Implementation action for the agricultural revolution in Uganda are as follows:

- Action Plan – I: Complete the Planning process:
- Action Plan – II: Review ongoing programmes/projects and realign with NON-ATAAS Action Plans
- Action Plan – III: Harmonise NON-ATAAS with ATAAS
- Action Plan – IV: Expedite and resolve institutional bottlenecks
- Action Plan – V: Mobilise financial resources

The presentation concluded by urging all stakeholders to make Uganda's Agricultural Revolution a Reality! **And it attached as Annex 5**

4.3 The plenary discussions generated the the following key observations/comments:

- A concern was raised about ATTAS objective of NAADS reverting to only providing advisory services. It was observed that the competency and education levels of the farmers need careful evaluation as to whether they able to demand for advisory services, leave alone afford them.
- Furthermore, it was reported that under ATTAS, there is a plan to create PPP for the private sector to provide extension services. The concern, however, was on the ability of the private sector to provide these services and who was going to pay for them? On the trust with the private sector investment into extension services, Executive Director NAADS informed participants that government will remain the key player. However, there is need to work closely with the private sector for specific category of farmers who can afford to pay for the services.
- One of the participants observed that the presentation was silent on interventions towards mechanisation. Mechanisation has been emphasised without tangible inputs and yet access to mechanization and markets are critical to the agricultural revolution.
- The participants noted that the Ministry needs to lobby for more financial resources or create innovative avenues of mobilising resources for investing in agriculture next financial year to improve on the sector performance. Participants were informed that JASAR is one of the avenues for the Ministry to seek guidance and look for opportunities of resource mobilization.
- Participants felt the need for the Ministry to fully evaluate the impact of all ongoing programmes before introducing new ones. For example what has been the impact of NAADS, PMA and then the sustainability of ATAAS. Participants were encouraged to read the ATAAS documents as they adequately address the

raised issues. For example, an impact study on NAADS provided useful lessons that have been integrated into ATAAS

- It was noted that the urban agriculture policy has been talked about for the last four years without any headway and participants wondered what policy is guiding NAADS/KCCA relationship.?
- A participant expressed his feelings on commercialising agriculture and the agriculture revolution without critically looking at access to markets. Relatedly, AAIF was encouraged to look into ways of protecting farmers from imports.
- It was observed that the current land tenure system does not support large scale agriculture in a number of communities. In some parts of the country, e.g. Kiboga, Kibaale districts etc, landownership is by absent landlords and this prevents small scale farmers in investing due to lack of security on the land. This is a major challenge to the realization of the agricultural revolution. On the other hand, participants noted the need for deliberate effort to attract the educated population into agriculture.
- It was noted that successful agriculture is not entirely dependent on large scale farming or plantation. Small scale farming can lead to successful agriculture if the right actions and interventions are taken.
- The Ministry was encouraged to carefully evaluate the impact of adaption of commercial crops versus food security. For example, what impact on food security is the growing of sugar cane, tea, palm oil tree and tobacco having to the participating community?
- One of the participants noted that the fisheries sector has unique and different challenges compared to livestock and crop sub-sectors. There are shared waters with neighbouring countries that have different fishing regulations. An effort should be made to harmonize policies with our counterparts like what has happened with Lake Victoria when LVEMP was created. MAAIF should support a meeting with stakeholders from our neighbouring countries to address these challenges.
- A participant noted that recruitment of staff to production departments often misses out technical personnel attached to the fisheries sector. There is therefore need to recruit staff under the fisheries department as well.
- The Chair urged all stakeholders to read, understand and internalize all the documents describing government programmes in the agricultural sector to make the revolution happen.

5.0 SESSION IV: PRESENTATIONS

This session was **Chaired by the CAO, Wakiso District**

5.1 **Presentation: Farmers’ organizations; Uganda’s agricultural growth: challenges and opportunities**

Presenter: Ag. Chief Executive Secretary- UNFFE

Key highlights of the presentation

The Acting Chief Executive Secretary gave a background on Farmer Organisations, often referred to as Producer Organisations, as groups of farmers who have a common vision, purpose or interest. He informed participants that there are informal Farmer Organisations that are not registered and are more loosely structured – such as “labour exchange groups” and “village savings and loan associations”. Formal Farmer Organisations are officially registered, have a Constitution and By-Laws, have a defined organisational structure and elected office bearers. He gave three major objectives that drive farmers to form organisations including:

- Socio-cultural motivation (identity, mutual aid)
- Political motivation (conformity) – when political environment gives freedom of association, farmers will form associations
- Economic motivation (utility) – farmers are able to do things that are individually impossible.

Some services/activities rendered by Farmers Organizations include:

- Farmer institutional development, including group formation, training and information
- Representation of members’ views at different fora;
- Train and educate the members in different aspects of farming;
- Promote production, processing and marketing of members’ produce/products;
- Handle input/output marketing among the members;

The presentation articulated the following as Uganda’s agricultural opportunities:

- A big regional market: Uganda is surrounded by countries which offer big market for all the agricultural commodities that it can produce.
- Natural Resources endowment: Uganda is one of the most endowed countries on the planet to permit natural resource exploitation.
- Organised Producers: Farmers have organised themselves into associations and are offering different services to the members.
- Available Human Capital: Uganda has a good number of trained personnel who can offer agricultural extension services to the farmers.

- Development Strategy and Investment Plan (DSIP) of the Ministry of Agriculture, Animal Industry and Fisheries.

5.2 The plenary discussions generated the following key observations/comments:

- The need to improve on members' recruitment in the farmers' organizations to lobby as a bigger group was echoed and it was noted that if well utilised, farmers organizations can help government channel information to farmers;
- It was suggested that Government needed to facilitate farmers' organisations to educate their members on government interventions, policies and plans especially in the agriculture sector;
- One of the participants urged farmers to lobby government to support the Tea Development Authority to improve on tea quality and marketing. However, participants were informed by the Chair that it may not be visible to turn the tea association into a corporation.
- A suggestion was made that government should consider privatising advisory services to farmer organizations. This, however, was challenged by some participants on the grounds that advisory services are like any other social services which are a responsibility of government. It was further reiterated that government should work in partnership with the private sector as complimenting partners to develop extension services.

6.0 SESSION V: PRESENTATIONS

This session was **chaired by the Minister of State (Agriculture)** and two presentations were made followed by a plenary discussion..

6.1 Presentation: Local Governments: Uganda's agricultural growth; challenges and opportunities

Presenter: President of Uganda Local Government Association

Key highlights of the presentation

In the presentation, the President of the UGLA, noted that the challenges of Agriculture Growth in Uganda are not because our people are lazy, or lack ideas to turn around the sector. The problem in their view is with "Strategic Thinkers" who think nothing good comes from others like Local Governments.

He observed that citizens are asking for service, but many Ugandans find it a bother. Ugandans need Water for their animals and crops. They need Good Seed. They need genuine drugs for their animals and all we do is connive with so called "dealers" who con them of their hard earned money as well as kill their animals.

The National Development Plan notes Agriculture is a core sector in Uganda and it employs over 73% of our population. However, the same document mentions that, “Despite the importance of agriculture in the economy, the sector’s performance has not been impressive in recent years.” Therefore, as we review the performance of the Agriculture Sector in achievement or failure of their annual performance targets for the Financial Year 2011/2012, we should not simply stop at picking challenges without isolating and analyzing the causes of these challenges. One quick factor that collectively needs to be isolated and analyzed is a cancer called Corruption.

It is a fact that Government identified areas of weakness in the Plan for Modernization of Agriculture (PMA) framework and addressed them in the five year Agricultural Sector Development Strategy and Investment Plan (DSIP) 2010/11 – 2014/15 which, we are actually here to support, in line with the agricultural priorities in the National Development Plan (NDP).

The presentation also addressed issues of Financing in the sector, Advisory Services, Regulatory Services, Strategic Enterprises, Advocacy and community mobilization, and how the local governments come at play. It is attached as Annex.....

6.2 Presentation: Agricultural financing in Uganda

Presenter: Representative of Bank of Uganda

Key highlights of the presentation

The presenter defined agricultural financing as financing of any agriculture related activity, ranging from production, processing to marketing. He observed that agricultural finance has severally been used interchangeably with microfinance and rural finance. The presenter noted that the agriculture sector in Uganda is guided by the following policy frameworks:

- Prosperity for All (PFA)
- The National Development plan (NDP)
- Ministry of Agriculture, Animal Industry and Fisheries;
- Development Strategy and Investment Plan (DSIP)
- National Agriculture policy (NAP)

The reasons for financing agriculture in Uganda highlighted were as follows:

- Government is taking measures to modernise agriculture and make it a source of economic power for Ugandans.
- By end of 2011, agriculture accounted for 22% of GDP.
- Agriculture, directly and indirectly, employs about 82% of the work force.
- Increase in regional demand for our agricultural products.
- Increase in agriculture productivity due to better farming methods.

- Fulfill the MDGs especially Goals 1, 7 and 8 which deal with eradication of extreme poverty and hunger; environmental sustainability; and develop a global partnership for development.

He described the characteristics of agricultural financing in Uganda as follows:

- Financing of agriculture is still low in Uganda.
- By end of 2011, agricultural loans constituted only 9% of total credit from regulated financial institutions.
- Most of this funding was mainly short and medium term (82.7%) i.e., less than 3 years.
- Government introduced the Agricultural Finance Facility (ACF) in the 2009/10 budget and has contributed Shs.30bn in each subsequent financial year.
- By Sept. 2012, loans to agricultural sector represented 7.01% of total loans by regulated financial institutions.

The challenges articulated for agricultural financings in Uganda include;

- Financial institutions perceive the agricultural sector to have high risks and low returns
- Lack of collateral
- High transaction costs
- Unstable prices for agricultural products
- Poor infrastructure to move produce to markets quickly
- Lack of proper records upon which to base credit decisions
- Limited availability of good quality agricultural inputs

Annex 6 shows the complete presentation of agricultural financing in Uganda

6.3 Presentation: Remarks by Agricultural Sector Development Partners

Presenter: Representative of World Bank



In his remarks, the World Bank representative reminded the participants that Uganda is a member of the World Bank, which is a lending institution in 127 countries. In Uganda, the World Bank has been instrumental in supporting agricultural financing through the private sector and ATAAS through the Government of Uganda. The representative reiterated that the agricultural revolution will happen through mechanisation, irrigation, etc, and

the World Bank will support this endeavour. It was observed that the sector does not need a lot for the revolution to happen, adding that an additional 1-2 percent to the

current sector resource envelope can contribute to 50-70% of agricultural export to the region.

Presenter: Representative of Development Partners

In his remarks, the development partner representative, expressed his gratitude to MAAIF for inviting the Development Partners to be part of 2nd JASAR. He thanked the Ministry for the time and effort put into organising this important Joint Sector Review. He added that events such as this provide important opportunities for inclusive dialogue between all stakeholders. He saluted the Ministry for the intense collaboration with the Development Partners in a number of undertakings e.g consultation on the DSIP, ATAAS and the Action Plan for operationalising the non-ATAAS. He encouraged the implementing institutions of NAADS and NARO to ensure that the activities carried out lead to the increased modernisation of smallholder farming. He noted that the key role of the private sector must be continually emphasized in the implementation of the Action Plan.

However, he observed, the sector still faces many challenges and these require our full attention:

1. The allocation of funds to MAAIF and the agriculture sector in general, constituting 3.2% of the overall National budget is inadequate.
2. There is concern about the incomplete reformation of the MAAIF.

He reiterated the Development Partners' commitment to support the Government in one of the most important sectors, agriculture. He added that the Joint Sector Review is a living proof of our engagement towards mutual accountability, and it should be continued throughout the coming year by drawing up the following:

- i) a shared agenda and objectives for the sector, as a basis for co-operative action;
- ii) obtaining regular monitoring information based on mutually-agreed performance criteria; and
- iii) through genuine dialogue and debate based on mutual consent, common values and trust.

He noted that farmers' organisations and agribusiness are still confronted with obstacles to development, and in some cases to a far too lenient public regulatory environment. He wished participants a fruitful and better collaboration in future.

Plenary: Key observations/comments



- One of the participants noted that members of the Sessional Committee on Agriculture did not participate in the field visits or in the preparations of the JASAR and called for an increased involvement of Members of Parliament from the onset.
- A call was made by one of the participants for an urgent need for agricultural fora in the Parliament to advocate for additional resources for the agricultural sector. It was observed that there are very few chances for farmers to access agricultural financing.
- It was suggested that contract farming be considered as an option for guaranteed markets for farmer produce and provision for agricultural insurance to safeguard farmers from the many risks associated with rain-fed agriculture.
- One of the participants noted that agriculture financing is still low and asked for BOU's future plans to assist the sector players. ? It was noted that many of the constraints raised by BOU are common factors worldwide yet other countries have been able to draw up successful projects.
- On the issue of credit facility, a participant sought to know whether the project is going to be extended to next year and whether the disbursements will increase.
- Another participant noted that there are areas with low risks such as agro-processing that need deliberate efforts to target them to access financing and the need for Bank of Uganda to look at mitigation measure to reduce the risks in financing agriculture rather than lamenting.

7.0 SESSION VI: EMERGING ISSUES AND RECOMMENDATIONS

This session was **chaired by the Minister of State (Animal Industry)** during which presentations were made on emerging issues on enhancing sector performance from five groups. These were to inform the aide memoir as the sector action points and recommendations from the JASAR.

7.1 There were a number of key emerging issues and recommendations from the sub-group discussions that considered the following themes:



7.1.1 Production and productivity for Agricultural Transformation

Participants were impressed by increased levels of productivity of some crops in the FY 2011/2012. However, it was noted that such levels of productivity can easily be reversed by factors such as low farm gate prices. The concern was on how MAAIF can ensure constant improved productivity levels of crops in the agriculture sector in view of the volatile international price regime.

Issues raised were:

- i) the limited availability and use of appropriate agricultural inputs and technologies to the farming community is a key challenge to production and productivity.
- ii) land degradation and poor land tenure systems exacerbate sector performance.

The participants recommended that MAAIF should:

- Support use and adoption of holistic production and marketing packages (fertilizers, pesticides, seeds and breeds, water for agricultural production, stocks,

mechanization, post harvest and value addition) to farmers by government, private sector, donors and the community;

- Establish proper land reform policy and enforcement (Agrarian reform) that promotes commercial agriculture (appropriate land use allocation)

7.1.2 Advisory /extension services and research

The sub – group on advisory services /extension and research identified two key issues. These were:

- Lack of a harmonised structure in local governments and inadequate logistical support for effective delivery. The Terms of Employment differ among NAADS and traditional extension workers. In addition facilitation to the entire extension cadre to deliver services to the community is inadequate.
- The weak management information system structure for the Ministry is limiting dissemination of research technologies thereby inhibiting the visibility and multiplication and adoption of existing research technologies.

The participants suggested:

- A harmonized production and extension structure should be agreed upon and operationalized by the Ministry across all local governments.
- Promotion and strengthening the involvement of research, extension and the private sector in the dissemination, adoption and multiplication of developed research technologies along the different uptake pathways .

7.1.3 Access to agricultural financing

Accessing financing is a challenge to farmers who have limited knowledge and management capacity to prepare business plans, keep business records and exercise entrepreneurial skills. On the other hand banks lack the capacity to monitor and handle agricultural financing.

It was also noted that there is reluctance by the financial institutions to lend to the agriculture sector due to the associated high risks with enterprise failure, fluctuating market prices and the perishable nature of agricultural produce.

In order to improve agricultural financing participants suggested the following:

1. Support capacity building initiatives to famers in the following areas:
 - Business planning (plans)
 - Entrepreneurial Skills
 - Record Keeping and management of enterprises as businesses
2. Adoption of Agricultural Insurance
 - Work in partnership with MTIC to roll out the Ware House Receipt System

- Support the concept of contract farming among the private sector particularly farmers
- Government should establish a monitoring matrix to fast track her efforts in establishing policy and regulatory framework/enabling environment across the sector.

7.1.4 Coordination and linkages between MAAIF, Agencies, Local Government, Private Sector and Farmers

Participants noted that there is inadequate information flow and sharing of the agricultural programs by all key players in the Ministry. This is attributed to the non availability of written reports from departmental/agencies to be shared by the relevant players. As a result, very limited information trickles down to farmers and other stakeholders in local governments about programmes by MAAIF, OPM and other Government agencies.

It was reported that there seemed to be lack of a coherent coordinated structure within the Ministry and its associated agencies across the sector. It was also noted that there was no monthly/quarterly forum to bring together all the different actors in MAAIF, the private sector players and farmers to share information and address challenges as a team.

It was suggested that:

1. A data bank for all stakeholders and all players be created. Information on all programmes should be accessible on a website by all districts. Where limiting factors arise e.g lack of access to power the district officials should endeavour to source for this information at MAAIF.
2. The budget concerning MAAIF should be shared within the Ministry by all sector agencies (NAADS, NARO e.t.c) for purposes of ensuring ownership and limiting duplication of activities

7.1.5 Agricultural product market access

Participants reported that one of the key challenges to product market access was the inability to sustain volumes, standards and quality as demanded by the market. This stems from a number of factors:

- Lack of information on existing markets in regard to standards, regulations and volumes required
- Lack of value addition and processing as well as central storage facilities
- Supply constraints (low production and lack of uniform quality)
- Lack of collective marketing (cooperatives for bulking and price bargaining)
- Lack of a centre to disseminate information on rules, regulations and standards for various markets
- Lack of technical competence in Agricultural produce marketing
- High costs of packaging affects competitiveness of Ugandan farm products

Another constraining factor was the poor infrastructure.

- The poor condition of the roads and railways lead to high transportation costs and delays.
- The lack of ICT infrastructure in some areas affects market information access and flow
- The minimal or lack of storage facilities (especially useful in times of bumper harvests)
- Disruption to post harvest handling and processing due to low electricity supply

The participants recommended the following

1. In order to sustain volumes, standards and high quality of products demanded by markets:
 - Build capacity especially on regulation, safety and standards especially when targeting European Union Markets
 - Government should enforce standards e.g the East African Community council standards on grain
 - Increase linkages between stakeholders along the value chain
 - Ensure clustering and zoning of particular enterprises which will make it easier to set up infrastructure thus attracting private investors
 - Strengthen advisory services and research
 - Market segmentation (produce for different markets according to their demand and willingness to pay)
 - Create awareness and sensitisation of those in the value chain for various markets
 - Put in place a price stabilisation fund and crop finance facilities to avoid price volatility
 - Price incentives to reward good quality produce
 - Branding can help to improve on quality and create market awareness
2. Address poor infrastructure
 - Encourage public private partnerships in infrastructure development through PPP framework
 - Improve road and railway network
 - Construct central storage facilities for proper post harvest storage and price stabilisation
 - Extend electricity and make it affordable to most rural areas to stimulate agro processing

8.0 SESSION VII: CLOSING

Official closing

In his closing remarks, Hon. Tress Bucyanayandi, Minister of Agriculture, Animal Industry and Fisheries congratulated all participants for the successful end of the JASAR.

He noted that the Ministry had achieved an important milestone, completing the JASAR and launching the non-ATAAS action plan. He thanked all participants for being part of this milestone. He encouraged participants to read and internalise the non-ATAAS action plan.

He noted that in the past two days, the Ministry presented its performance in FY 2011/12 in which achievements and challenges were outlined. The performance of the agricultural sector which grew at 3% was evident on ground. This was observed through the field trips that preceded this workshop. However, the Minister remarked that this is still below the target of 6%, but it provides a good benchmark for the coming year. On the other hand, it also portrays the results of the public private partners and efforts by the local government in promoting agriculture. These efforts need to continue, he added.

He was opportunistic that the ATAAS and non-ATAAS programs will go a long way in, increasing production and productivity and indeed the overall sector performance. He also noted the presentations on financing agriculture in Uganda provided useful opportunities that are worthy exploring. He commended all the development partners, urging them to tailor their intervention to the local situation. He emphasised that development partners need to consider our interests because we have the experiences of the people we are serving.

He urged all stakeholders to work together in order to make the agricultural revolution a reality and finally closed the workshop.

ANNEX 1: WORKSHOP PROGRAMME

Time	Activity	Responsible person/ presenter
08:00-09:00am	Participants Arrival and registration	Secretary
09:00-09:10am	Workshop remarks and workshop objectives Chair: Hon Minister of state (F)	Permanent secretary
09:15-09:35am	Welcome statement	Hon Minister: MAAIF
09:40-10:10am	Opening statement	H.E Vice president of the Republic of Uganda
10:15-11:00am	Group Photo & Healthy break	
11:05-12:00am	Agricultural sector performance 2011/12 FY Findings and observations of field trips. Chair: The permanent secretary	Comm Agriculture Planning. Assist Comm Policy Analysis
12:05-12:45am	Plenary Discussion	All
12:45-2:00pm	Lunch	SRHM
02:05-03:00pm	DSIP Implementation -ATAAS: Progress, Challenges and lessons	ED NAADS
3:05-04:00pm	Fast tracking DSIP Implementation – Action Plans for operationalising the Non –ATAAS component of the Ministry Development Plan (DSIP)	Assist Comm Agric- Business
04:00-04:30pm	Plenary Discussion	All
04:30-5:00pm	Farmers Organization: Uganda's Agricultural growth: challenges & opportunity. Chair Representatives CAOs	Rep Farmer's Federation
05:00pm	Close of day one	
	DAY TWO	
08:00-09:00am	Participants Arrival and Registration	Secretary
09:00-09:10am	Recap of Day one Chair: Hon Minister of State (Agriculture)	Facilitator
09:15-09:35am	Local Government: Uganda's agricultural growth: Challenges & opportunities	Rep, ULGA
09:40-10:10am	Agricultural financing in Uganda	Rep, BOU
10:10-10:20am	Remarks by Agricultural sector Development partners:	Rep Development Partners.
10:50-11:20am	Tea break	SRHM
11:25-12:25am	Sub groups discussions: Enhancing sector performance in 2012/13 key priorities	All
12:30-1:30pm	Lunch	SRHM
1:35-3:00pm	Presentation of sub groups, discussions of emerging issues and recommendations. Chair: Hon Minister of State (Animal industry)	Sub group rapporteurs
3:00-3:30pm	Healthy Break(as rapporteurs finalize JASAR 2012 undertakings	SRHM
3:35-4:00pm	Presentation and feedbacks on JASAR 2012 undertaking Chair: The permanent secretary	Facilitator
4:00-4:20pm	Closing remark	Hon Minister, MAAIF
4:25pm	Logistics and departure	

ANNEX 2: AGRICULTURAL SECTOR PERFORMANCE 2011/12 FY

Ministry of Agriculture, Animal Industry & Fisheries
AGRICULTURAL SECTOR PERFORMANCE 2011/12 FY
2nd Joint Agriculture Sector Annual Review (JASAR) 2012
1st-2nd November 2012
Speke Resort, Munyonyo
Outline of Presentation

- Purpose of the Report
- Reminder of Agriculture Sector DSIP Objectives & Priorities
- Overview of Sector Performance

What is DSIP and the purpose of the JASAR

- Agricultural Sector Development Strategy and Investment Programme (DSIP) 2010/11-15 was developed as a coherent plan to consolidate and harmonise all policy frameworks in the agricultural sector.
- The primary aim of the ASAR is to take stock of the performance of the agriculture sector during the Financial Year (FY) 2011/12.
- The Report gives an overview of investments, targets, achievements and outputs for the sector 2011/12 and lays its foundation on the agricultural sector investment strategy for the FY2013/14

Reminder of DSIP Objectives & Priorities

Overview of Sector Performance

- Agriculture, including Forestry, grew by 3% in 2011/12 compared to 0.7% in 2010/11, largely attributed to cash crops growing at 16.2%, due to a rebound of:
 - Coffee that grew at 7.2%;
 - Cotton at 77% though from a lower base;
 - Tea grew at 18.5 %;
 - Cocoa at 10.6 % and
 - Flowers and Horticulture expanded at 4 % after three years on negative growth.

Sector Performance

Programme 1 Enhancing production and productivity;

The sub-programmes are focused on:

- i) Improved agricultural research and technology development;
- (ii) Better delivery of advisory services and improved technology;
- (iii) Improved disease, pest and vector control;
- (iv) Enhanced productivity of land through sustainable management of soil and water resources;
- (v) Increased use of water for agricultural production;
- (vi) Promotion of labour saving technologies and mechanisation

Sub-Programme 1.1: Improved agricultural research and technology development;

The objective of the sub-programme is *“Enhanced contribution of agricultural research to*

sustainable agricultural productivity, sustained competitiveness, economic growth, food and nutrition security and poverty eradication.”

Achievements

- i) Promising sesame (Simsim) lines, Local 158-1 (553 kg/ha) and EM-15-1-5 (580 kg/ha), have been submitted for release
- ii) Released the first ever leaf miner tolerant groundnut variety Eight other leaf miner tolerant lines have been identified and are undergoing yield and other attribute evaluations on-station
- iii) Propagation of tamarind tree -nurseries was established in 2 sub-counties in each project district (Apac, Katakwi and Soroti).
- iv) A national survey was conducted in 26 districts to update national status of major pests and diseases of cassava. Six maps showing prevalence of CBSD, CMD, CBB, CGM, WF and CSI generated
- v) An epidemiology of CBSD has been conducted in several locations in the country, in order to better understand the nature of the disease and how it spreads. Yield loss due to CBSD was determined in 4 cassava genotypes in a number of locations.
- vi) New cassava cultivars are being evaluated for resistance to CBSD

Achievements cont.

- i) New transgenic lines for Cassava Mosaic Disease (CMD) are being tested under confined field trial using well-developed Standard Operating Procedure (SOP).
- ii) A “Farmer group storage and marketing” approach developed and promoted in Kiboga, Kibaale, Apac, Pallisa, Bukedea, and Masindi.
- iii) User-friendly storage pest management options developed and promoted
- iv) Generated information on changes in fish stocks and developed appropriate harvesting technologies for the major fish species in lakes Victoria, Kyoga, Albert, Edward and George.
- v) Developed technologies that include: varieties tolerant to water stress conditions, roof water harvesting and shallow well, dry season feeding technologies that contribute to the adoption of climate change mitigating technologies for small dairy farmers
- vi) Developed value-added products from cassava (Glucose and Fructose), small fish pelagics (7), groundnuts (7), tamarind (4) and snap bean recipes (23). The products have been market tested and disseminated to target stakeholders.
- vii) Mapped out 10 cassava varieties which produce high glucose and fructose for both food and pharmaceutical industries and, draft MoU between NARL and relevant industry developed.
- viii) Safety of smoked fish established e.g. poly-aromatic hydrocarbons (PAH) and particularly Benzopyrene established in smoked Clarias spp using mango tree.

Sub-programme 1.2: Advisory Services and Technology Delivery

The specific objective of this sub-programme is *“Increased farmer access to relevant information, knowledge and technology through effective, efficient, sustainable and decentralized extension services coupled with increasing private sector involvement in line with government policy.”*

Achievements

- i) 415 Crosses of female Boer goats were distributed to Mityana, Namayengo, Mbarara, Kayunga and Kiruhura, Agago, Luwero, Mubende, Serere
- ii) 13,305 local goats were distributed to various district local governments including; Alebtong, Lira, Kumi, Kyegegwa, Kyenjojo, Bukomasimbi, Bukedea, Katakwi, Kaabong, Arua, Bushenyi,

KibaaleKamwenge, Serere, Soroti, Mbarara, Ntungamo, Sheema, Kayunga, Kisoro, Kiruhura, Gulu, Wakiso, Kotido, Adjumani, Buhweju, Dokolo, Moyo, Amuria, Isingiro, Soroti, Mubende, Kaberamaido Nwoya, Mukono

- iii) 7 tons of Soyabean, 3 tons of Beans Nabe 4 and 5 tons of Sunflower seed, 1.5 tons of Pearl Millet were distributed to various districts: SoyaBeans to Budaka Hoima, Nebbi, Nwoya and paliisa: while pearl Millet was distributed to Abim, and Sun flower to Apac, Kween, Nwoya, and Lira and Beans NABE 4 to Gulu, Kabarole and Kitgum.
- iv) 15 green house kits were distributed to Kabale, Kibale, Wakiso districts
- v) 31,500 coffee seedlings were distributed to Kiryandongo and Kaberamaido, Lira, Wakiso;
- vi) 80 Piglets were distributed Lira and Wakiso districts;

Achievements cont.

- i) Maize seed Longe 10 distributed to eight (8) district local governments including Bugiri, Jinja, Kaberamaido, Kamwenge, Kiryandongo, Manafwa, Mubende and Nakaseke
- ii) 15,088 bags of cassava cuttings were distributed to nine (9) district local governments including Kumi, Nakapiripirit, Abim, Amuria, Bukedea, Katakwi Amolatar, Amuru and Bugiri.
- iii) 100,000 pineapple suckers were distributed two districts of Nakasese and Kiryandongo
- iv) Distributed one -day old chicks to various districts; ad 94,915 Kg of Layers Doc, 124,600Kg Chick and Duck mash, 467,605 Kg Growers Mash, 552,000Kg Layers Mash including: Gulu, Sironko, Luwero, Kitgum, Mityana, Mukono, Kabale,, Kyenjojo, Rakai, Sironko, Kiruhura, Makerere University-Kabanyolo Agricultural Students Association.
- v) 20 Milk Coolers and matching generators were procured due for distribution;
- vi) 25 Mobile Milking Machines and Generators to power Mobile Milking Machines were distributed to various district local governments including Bududa, Manafwa, Soroti, Kiryandongo, Wakiso, Kayunga, Mukono, Kanungu, Rukungiri, Kabale, Isingiro, Kiruhura, Mbarara; Busitema University and Makerere University Agricultural Research Institute - Kabanyolo

Achievements cont.

- i) 15 units of Multipurpose Threshers were distributed to 13 district local governments
- ii) Production Wells for Irrigation purposes-Irrigation Demo Sites: 12 Borehole sited and drilled and 1 Borehole sited in various district local governments
- iii) Feed mills to Kamwenge women, Busia and Ntungamo districts.
- iv) Yoghurt equipment & Milk canner to Kiruhura district local government
- v) Juice processing equipment to Miyana district local government
- vi) Hatcheries to Ntungamo, Kabarole and Wakiso district local governments
- vii) Promotion of fertilizer: DI-Grow organic fertilizers in 19 districts

Achievements under Technology uptake grants in Local Governments

- i) **Food Security farmers:** An average of 50 farmers' per parish supported with food security technology inputs; a total of 365,785 food security farmers supported.
- ii) **Market oriented farmers:** An average of 4 farmers per parish was supported with market oriented technology inputs; 12 farmers in Kampala Capital City Authority; A total of 30,408 market oriented farmers supported countrywide.
- iii) **Commercial model farmers:** An average of 2 farmers per Sub County has been supported with technology inputs; a total of 2,696 commercial farmers supported countrywide.

CHALLENGES

1.0 Inadequate financial resources

- Lower MTEF ceiling relative to the ATAAS project budget provisions
- Late release of funds relative to the growing/agricultural seasons
- Low commitment and/or inadequate capacity of Local Governments and farmers to meet their co-funding obligations.
- Mindset - preference for technology/material inputs compared to advisory services

2.0 Inadequate Human resource

- Protracted process of filling the positions at the NAADS Secretariat
- Inadequate number of sub county NAADS Coordinators and frontline agricultural advisory service providers (AASPs)

3.0 Low motivation

- Declining levels of stakeholders' interest/involving in monitoring programme activities

4.0 Lack of Skilled Capacity

- Low capacity among village farmer fora for executing effectively their role in community procurement

5.0 Poor quality inputs

Sub-programme 1.3: Pest and Disease Control

The specific objective of this sub programme is *"Reduced losses from pests, vectors and diseases"*.

Achievements

- Advocacy materials on sleeping sickness, the vector and host produced 13,000 copies of community awareness materials distributed
- Tsetse trapping supervised and carried out in Maracha (GIS-Based)

Achievements cont.

- 26 technology incubation centres/mother gardens to supply clean Banana planting materials to control BBW were established in the districts of Mpigi, Nakase, Kiboga, Mukono, Buikwe Jinja and Budaka.
- 25 Extension staff from the districts of, Hoima, Kibaale, Kabarole, Kyegegwa and Kyenjojo trained in household processing of banana into nutritious products for household and commercial utilization in Kabarole district in March 2012.
- Surveillance of Giant Looper Caterpillars conducted in the districts of Rakai, Mpigi, Wakiso, Mukono, Mukono, Buikwe, Mbale, Soroti and Kaberamaido
- Conducted Surveillance and identification of BBW, Coffee Twig Borer, Rice Yellow Mottle Virus disease and maize stalk borer caterpillars in the affected districts
- Procured Insecticides for Control of Giant Loopers, Maize Stalk borer and other demonstration materials
- Technically supported Wakiso, Mukono, Buikwe districts with Cypermethrin 5% EC to control the Giant Looper caterpillars.

CHALLENGES

1.0 Lack of effective early warning systems

2.0 Lack of financial resources for surveillance

3.0 Lack of available drugs In most cases FMD vaccine is not always available if and when required

4.0 Lack of upto date technology The use of conventional techniques for tsetse suppression is a challenge because you employ so many people and you have to visit the traps every quarter.

5.0 Lack of human resources Low staffing levels at the district specifically to man all the gazetted border points and handle diagnosis and analysis of samples.

The biggest challenge is shortage of Local government support to Tsetse and Trypanosomiasis (T&T) control activities. To exacerbate the problem there is high Poverty levels in T&T endemic areas

6.0 Poor coordination with local government

7.0 Available input supply demand for planting material is higher than the supply

8.0 Reoccurrence of diseases

- Reoccurrence of the Banana Bacterial Wilt disease that has caused losses estimated at over 40%.

Sub-programme 1.4: Sustainable Land Management

The specific objective of this sub-programme is *“Enhanced productivity of land through sustainable management of soil and water resources.”*

Achievements

- Sites for small scale irrigation and water harvesting demonstrations were identified in 33 districts
- Demonstration sites have been established in 7 districts of Yumbe, Kween, Apac Hoima, Isingiro, Kabale and Kayunga

Challenges

- All districts have WfAP as an unfunded priority in the 5-Year Plan and there is no funding in form of Conditional grant for WfAP. No district support programmes.
- Only three districts have a Senior Agricultural Engineer yet it is an approved position in the Production Department

Sub-programme 1.5: Labour Saving Technologies and Mechanisation

The specific objective of this sub programme is specific *“Increased use of labour saving technologies including appropriate mechanisation and other farm management related investments”*.

Achievements

- A biogas cooking stove appliances has been developed.
- A prototype of efficient animal-drawn planter for selected small and large grain seeded crops has been developed and disseminated to the farmers
- Prototype stainless steel hopper and cutting surfaces for grating and chipping cassava was developed and evaluated.

Sub-programme 1.6: Agricultural Livelihoods in Northern Uganda

Achievements

- In collaboration with NAADS and Acholi Clan Leaders (*Ker Kwaro*), developed a strategy for enhancing agricultural performance in the sub-region
- Through this, activities were initiated by each clan leader receiving 4 goats under the NAADS

programme

- developed a strategy for boosting food production in Acholi sub-region. This strategy was approved by the interministerial committee coordinated by OPM and submitted to Ministry of Finance, Planning and Economic Development for consideration

Challenges

The programme met implementation challenges with the restructuring of NAADS and little coherence on the part of *Ker Kwaro*

Sub-programme 1.7: Promoting Strategic Enterprises

The specific objective of this sub-programme is *“Accelerated production of selected strategic enterprises on the basis of specialization and agro- zoning.”*

Achievements

- Drafted a maize postharvest handling manual in collaboration with the UN World Food Programme (WFP).
- In collaboration with the Uganda Development Cooperation (UDC) completed a feasibility study for the construction of the fruit processing factory in Soroti.
- Provided technical backup support to the Presidential Initiative on Banana Industrial Development (PIBID) activities in Bishenyi District..

Achievements – Coffee

- 23 million coffee seedlings raised and 0.5 million shade tree seedlings raised; 1 million coffee seedlings and 0.1 shade tree seedlings planted.
- 6,000 Kgs of Arabica and 1,000 Kgs of Robusta seed produced from seed gardens at Research Institutes
- 2 million Coffee Wilt Diseases (CWD) resistant seedlings raised through tissue culture
- 36 mother garden for propagation of CWD –R seedlings supported
- 50 private clonal mother garden operators supported.
- 450 acres of coffee Rehabilitated.
- 50 farm level organizations formed.
- 100 community based nurseries formed.
- 200 MT of Kiboko sold by farmers
- 2.58 million 60-Kg bags of Coffee be inspected and approved for Export.
- 38 Exporters registered and licensed; 300 primary processing factories and 280 buying stores registered and licensed;
- Support coffee Ventures in China and Egypt.
- Market information collected, analyzed and disseminated to Industry stakeholders

Challenges

1.0 Changes in weather patterns -affecting the availability of seed for nursery programs and coffee yields, especially Robusta.

2.0 Diseases and pests -Coffee Wilt Disease in Robusta growing areas and of Coffee Leaf Rust and Coffee Berry Disease in Arabica growing areas.

- In addition emergence of new pests – Black Twig Borer (Robusta) and Lace bugs (Arabica)

3.0 Quality deterioration at farm and post-harvest due poor drying and storage.

- The problem is compounded by weak enforcement of regulations with a small field force unable

to monitor all programs at farm level.

Achievements - Tea and Cocoa

- Improved Tea/Cocoa production technologies and pest and disease control methods disseminated to staff, farmers, civic and political leaders in the 11 Tea and 16 cocoa – growing districts.
- Tea mother gardens by the Tea factory companies using the imported clones.
- Supervise the procurement and distribution of cocoa seed (Trinitario and Upper Amazon) for planting 30 private cocoa nurseries.
- A total of 1,000,000 cocoa seedlings will be procured from the private nursery operators and distributed to farmers free for planting. Project officials in close collaboration with district and sub-county officials will supervise the exercise.
- A total of 1,000,000 Tea plantlets for distribution to farmers for planting procured.
- Public and private sector partnerships that promote value addition on Tea and Cocoa to be supported.

Challenges

Tea

1.0 Procurement procedures Delayed procurement processes constrained provision of desired planting materials. And as such no single procurement of tea seedlings was undertaken.

2.0 Production

- Production has been adversely affected by a number of issues. i) climate change ii) limited research into tea ii) low yields and low quality of tea produced. Further still there is shortage of extension workers competent in tea activities in districts.

3.0 Infrastructure - inadequate processing capacity. In addition high transportation costs and poor condition of roads ?. Tea processing is dependent on power

4.0 Lack of adequate Input supply

- The biggest challenge is that the demand for planting materials is far more than supply.

Achievements – Cotton

- 4,455 Mt of delinted and graded seed were produced and distributed to farmers in Eastern, Northern, West Nile, Mid-West & Central and Western Regions.
- About 15,300 acres planted to seed crops in Gogonyo (Pallisa), Kasilo (Serere), Amolator, Buliisa and Rubirizi Districts.
- 3,900 Mt of certified seed produced.
- An estimated 370,000 acres of cotton were planted in Eastern, Northern, West Nile, Mid-West & Central and Western Regions.
- 502 fertilizer demos and 2,426 Agronomy demos were established.
- 254,036 bales of lint were produced which contributed over Sh.148 billion to household incomes.
- 838,836 units of pesticides (100,000 units by CDO & 738,836 units by ginners) and 4,890 spray pumps were distributed to farmers

CHALLENGES

1.0 Climate Change - un-favourable weather conditions during the production period leading to loss of planted acreage and drop in yields.

2.0 Costly inputs

- Inputs have steadily increased in cost due to weakening of the shilling. To exacerbate this

problem a drop in cotton prices from an average of Sh.2, 300 per Kg of seed cotton received by farmers in 2010/11 to an average of Sh.1, 100 per Kg in 2011/12. This demoralised farmers and made them reluctant to buy pesticides and implement the recommended agronomic practices especially for the late planted crop.

Achievements – Beef

- Uganda Meat Export Company established
- Animal and Meat for export Inspection Services Units established at the Centre and DCZ districts
- National Veterinary Laboratory Capacity upgraded
- Animal disease control infrastructure in the DCZs established
- Increased productivity through feedlot feeding in DCZ 1 & 2 promoted
- 40 Political and Civic leaders from DCZ 1 sensitized on DCZ concept at Lwengo District.
- 86 farmers, 21 LG technical staff from Kiruhura, Lyantonde, Sembabule, Isingiro, Nakaseke, Kiboga and Kyankwanzi Districts were sensitized on the boundaries of the DCZs
- 50 farmers trained in feedlot establishment and management
- 10 farmers were identified to benefit in setting up feedlot demonstration and 3 farmers (1 Kiruhura, Lwengo and Ziobwe) have started.
- UMPCU Supported to conduct 850 artificial inseminations to introduce Superior beef genetics among its members

Implementation Challenges

1.0 Staffing capacity

- The major issue is inadequate staffing capacity and numbers to implement the activities

2.0 Lack of financial resources

- Insufficient funding or funds to adequately fulfil all intended activities

3.0 Procurement procedures

- Hindrance in the procurement process that is bureaucratic and slow resulting in delayed releasing of funds.

Dairy Achievements

- Annual milk production stands at 1.86bn litres in 2012.
- The value of the marketed milk is estimated at US \$514.3M dollars. 70% of the produced milk is marketed and 30% consumed at household level
- There are 308 rural milk collection centres country wide with installed capacity of 1,009,934 Litres per day. The South western region is leading with 67.2 percent while the Eastern region has the least representing 1.3 percent.
- In the urban areas countrywide there are 929 milk collection/milk outlets, 657 milk coolers with a total chilling capacity of 1,238,478 litres. A total of 129 road milk tankers have been certified.
- There are 31 large and small processing plants producing mainly pasteurized milk and UHT.
- Per capita milk consumption is 54 litres.
- During the FY 2010/2011, dairy export value increased by 29.8 percent from \$ 3.436 million dollars to 11.527 million dollars in FY 2010/2011 while dairy Imports reduced to \$ 1.407 million dollars in the FY 2011/2012 from \$ 1.971 million dollars in FY 2010/2011.
- The value of exports in the calendar year 2011 is \$ 9.7 million dollars.

Achievements - Animal Production and Marketing

- In order to boost animal production, 4,683 goats were purchased and distributed to farmers
- One stakeholder workshop was held and farmers' cooperative formed and registered. Training and demonstrations were carried out.

Challenges

- A few farmers have introduced more bucks for breeding, thus stressing the ones distributed (Doe to Buck ratio still low). On top of that a total of 19 exotic bucks were reported dead. Theft is also a challenge if not controlled may pose a big threat on the project.
- Farmer bearing the fact that goats are secondary to cattle, many farmers/beneficiaries are clearing their land in interest of dowry which may pose a big threat to goats in terms of feed resources and rangeland degradation.
- Poor or no record keeping is still a big challenge with some farmers insisting that they cannot read or write.

Fisheries (fisheries and aquaculture) achievements

- Culture technology for induced spawning of "Ningu", (species of fish), was developed. Ningu seed is now available.
- Generated information on changes in fish stocks and developed appropriate harvesting technologies for the major fish species in lakes Victoria, Kyoga, Albert, Edward and George.
- Surveys were conducted on L. George and L. Victoria for catch assessments and results so far indicate;
- Results of frame surveys and catch assessments undertaken on Lake George indicate an increase in fishing effort from 399 boats in 2000 to 580 boats in 2011 and a corresponding decrease in fish from 2,072.8 tonnes in 2001 to less than a half 654.6 tonnes in 2011.
- Results of a catch assessment on Lake Victoria indicated a continuous decrease in Nile perch catches from 84,969 tonnes in 2010 to 69,132 tonnes in 2011, the lowest level ever recorded. However, Tilapia catches slightly increased from 16,971 to 19,553, a level that was still less than half the estimates of 2005. Mukene recorded an increase in catches from 58,717 tonnes in 2010 to 83,658 tonnes in 2011 but was still lower than the levels of 95,000 to 13,000 between 2005 and 2007 tonnes.
- Results of a regional catch assessment and lake wide stock assessment indicated an estimated total biomass of fish close to 30% increase from 1.6 mt registered in a similar season in August 2009. The change was mainly explained by an increase in the small sized fish like haplochromines and other groups

Challenges

1.0 Policies

- There are inadequate and out-dated policies and regulations coupled with lack of sustainable funding mechanisms for fisheries sector which is leading to declining stocks of the major commercial fish species.

2.0 Enabling Environment

- Lack of an enabling environment for increasing and sustaining fisheries productivity, value addition and markets access is challenge in the fisheries sector and is leading to decline in catches of some.

Seed (seed, planting and stocking materials) achievements

- Establishing status of pasture breeder seeds and pasture production in south west districts of Kisoro, Kanungu, Kabale, Rukungiri and Ntungamo was undertaken in the animal production and marketing department. The objective of this activity was to quantify the availability of pasture

planting material and demand thereof and also gather information on the following:

- Identifying and short listing the type of pasture seeds being produced for seed production
- Identifying and short listing farmer groups participating in pasture seed production
- Quantifying available seed for this season
- Projecting deficits and surpluses
- Identifying challenges and opportunities based on farmer experience
- Conducting a stake holders analysis
- Backstopping pasture seed producers

Under the Vegetable Oil Development Project phase 2 (VODP2) 300,000 oil palm seedlings were raised of which 186,677 were planted (new planting and gap filling). A total of 980 hectares of oil palm were planted by small holders and out growers in the financial year 2011/2012. The nucleus estate achieved the targeted 6,500 hectares of oil palm plantations during the financial year 2011/2012.

Programme 2: Market Access and Value Addition

Under the market access and value addition programme, five sub-programmes within MAAIF'S mandate are implemented with the irrespective goals as follows:

- Improved capacity for regulation and enforcement especially in safety standards and quality assurance, across crops, livestock and fisheries;
- Farmers have improved access to high quality inputs planting and stocking, materials
- Increased participation of the private sector in value addition activities and investment;
- Expanded network of rural market infrastructure including appropriate structures to improve post harvest losses, and
- Increased capacity of existing farmers' organisations in management , entrepreneurship and group dynamics to more effectively engage in value chain activities especially collective

Sub Programme 2.1Regulatory Services

The specific objective of the sub programme is *"Improved capacity for regulation and enforcement especially in safety standards and quality assurance across crops ,livestock and fisheries."*

Achievements under Regulatory Services

- The Plant Variety Protection Bill, 2010 was resubmitted to parliament for debate
- The Plant Protection Health Bill, 2010 was resubmitted to parliament for debate
- Manual for vegetatively propagated planting materials finalized and field application of the manual done in the districts of Mbale, Soroti, Kumi, Bukedea, Kaberamaido, Mbarara, Kabale, Bushenyi, Rukungiri, Kanungu, Kabarole, Kyenjojo, Mubende and Kyegegwa
- Draft Strategy on control of Coffee Twig Borer finalized and is being implemented by UCDA
- Quality Management protocol for control of cassava brown streak disease drafted and copies printed and disseminated

Achievements under Regulatory Services Contd

- Inspected and issued 10,500 Phytosanitary Certificates of a total of 15,000 targeted, 108 Form X were issued for plants, planting materials and other samples, 1304 pest risk analysis initiated, 512 for grain, 212 for flowers, 228 for fruits, 20 coco peat and 4 for coffee husks and permits were issued to that effect.
- 60 consignments were intercepted for noncompliance specifically agricultural seeds and fruits

from Kenya

- 10,500 export consignments (Plants and Plant materials) inspected and Phytosanitary Certificates issued.
- 2,320 consignments of agricultural chemicals (Fertilizers and chemicals) inspected
- 32 exporters of Fruits and Vegetables maintained on register of the 30 targeted
- Conducted inspection of Dealers and Stockists (Agrochemicals and seeds) in Mukono, Kampala, Wakiso, Masaka, Mityana, Gulu and West Nile region.
- Conducted 1st rains crop inspections (maize, beans, rice, wheat, pastures) in the districts of Wakiso, Mityana, Mubende, Kabarole, Masaka, Rakai, Nakaseke, Luwero, Nakasongola, Masindi, Hoima, Kibaale, Kiboga, Kiryandongo, Amuru,, Nwoya, Gulu, Pader, Lira, Apac, Arua, Soroti, Serere, Kapchorwa, Namutumba, Kamuli, Mayuge, Buikwe, Mukono and Bulambuli for seed certification for 23 the registered companies.
- Inspected 23 seed processing factories surpassing the target of 15 planned
- 1304 seed samples from the field collected and 1132 official seed test results certificates issued. Results from the lab showed 84% compliance to the set standards

Achievements under Regulatory Services Contd

- 77 Dealers and Premises registered; 8 Agricultural chemicals registered
- Conducted Variety Testing through 3 DUS trials and 9 NPT trials (Rice varieties at Kawanda and Ngetta, Cassava varieties at Kawanda and Ngetta and wheat varieties at Buginyanya.
- 4 GMO inspections for cassava, maize and bananas conducted
- Diagnostic, Pesticide and Seed laboratories supported with routine laboratory consumables for their routine operations
- 11 Standard Operating Procedures (adopted from the FAO ISPMs) finalized
- Developed Guidelines for operationalization of Plant Clinics
- Draft Seed Policy developed and finalized and awaiting to be discussed by TPM
- Draft Seed Regulations in place; awaiting submission to Hon Minister
- Manual for Certification of Vegetative Propagated Materials finalized, 200 copies printed and disseminated in 14 districts of Mbale, Soroti, Kumi, Kaberamaido, Mbarara, Kabale, Bushenyi, Kanungu, Kabarole, Kyenjojo, Mubende and Kyegegwa
- Developed Guidelines on Production of Tissue Culture Planting Materials and the tool was field tested in the districts of Kabale, Ntungamo and Mbarara Districts

Achievement contd.

- Conducted a consultative meeting with seed stockists in Entebbe
- 40 inspectors trained on seed sampling and laboratory testing techniques of the 30 targeted
- 1 meeting held with Crop Life Uganda on curbing counterfeit agricultural chemicals on the market through use of 'Scratch Dial' technology
- Nominations to the National seed Board sent to Cabinet for approval
- Conducted a one day training for 40 inspectors on Sanitary and Phytosanitary measures at Namalere
- Trained 20 Plant Clinic Doctors (Operationalization of Plant Clinics) on Module 1 (Staff from Buikwe, Kaese, Hoima, Mukono, and Bundibugyo)
- Trained 24 Plant Clinic Doctors on Module 2 (Districts of Hoima, Buikwe, Mukono, Kumi and Soroti) Trained 2 TOTs (2 from School of Agricultural Sciences, Makerere, 1 from Buikwe, 1 from Mukono)

Challenges

- The main challenge is the long delay in passing of bills.

Sub Programme 2.2 Promoting Value Addition Activities

The specific objective of the sub-programme is *“Increased participation of the private sector in value addition activities and investment.”*

The following were the achievements under NARO

- A “Farmer group storage and marketing” approach developed and promoted in Kiboga, Kibaale, Apac, Pallisa, Bukedea, and Masindi.
- Unser-friendly storage pest management options developed and promoted. These include: solarisation technique; Diatomaceous Earth (DE) dusts at 1%w/w that confer at least 95% mortality to bean weevil (*A.obtectus*); Tobacco leaf powder at 1%w/w that confer at least 99% mortality to bean weevil (*A.obtectus*); while the synergistic potential of DE and Tephrosia have proven effective against pigeon pea bruchid (*C.chnensis*) at 1%w/w.
- Developed value-added products from cassava (Glucose and Fructose), small fish pelagics (7), groundnuts (7), tamarind (4) and snap bean recipes (23). The products have been market tested and disseminated to target stakeholders.
- Mapped out 10 cassava varieties which produce high glucose and fructose for both food and pharmaceutical industries and, draft MoU between NARL and relevant industry developed.
- Safety of smoked fish established e.g. poly-aromatic hydrocarbons (PAH) and particularly Benzopyrene established in smoked *Clarias* spp using mango tree.

Achievements -Vegetable Oil Development

- 123 new farmers were registered by KOPGT bringing the total number of registered farmers to 1,296 with 34% being women.
- UGX 8.2 billion shillings was disbursed to farmers between July 2011 and June 2012 bringing the cumulative total of credit disbursed to farmers in VODP 1 to UGX 22.8 billion shillings.
- Raised 300,000 oil palm seedlings for small holders and out growers. Of the raised seedlings, 186,677 seedlings were planted and 113,323 were reserved for planting in the financial year
- Small holders and out growers planted 980 hectares with oil palm between July 2011 and June 2012 bringing the total area planted under the small holder and outgrower scheme to 3,329 hectares against the phase 1 target of 3,500 hectares.
- 19.5 km of new roads were constructed to expand the road net work and improve access to oil palm gardens ready for harvesting.
- 5,466 MT of ffbs worth 2,723,630,575 were harvested between July 2011 and June 2012
- Number of hectares under harvesting increased by 714 hectares in 2011/2012 bringing the cumulative total of hectares under harvesting to 922
- Kalangala District Local Government and small holder farmers have mobilized 1,209 hectares of land for expansion of the oil palm project on the islands of Bukasa, Bunyama, Bubembe and Funve. This is as a result of the transformation of the rural poor on Bugala island.

Challenges

- Delay in fulfilment of the withdrawal conditions delayed the start up activities in the oil seeds component of the project.

- Delay in acquiring enough land for the nucleus estate to start in Buvuma
- Delay in the procurement process for the Environmental and Social Impact Assessments for Buvuma and the outlying islands of Kalangala.

Quality Assurance for Fish Marketing Project

- A Fisheries inspection database functional was established by the project
- Code of Practice for artisanal fish processing and marketing and for fish farms prepared
- During this period MAAIF procured some fish handling equipments (Fish crates, tubs, white overcoats, waste bins, gumboots, ice boxes) for distribution to a few landing sites built by the Department of Fisheries Resources.
- Guidelines for utilizing developed fish handling and sanitation facilities are put in place.
- Fish quality and safety handling practices harmonized with international requirements and routinely complied with
- The process of accrediting Uganda fisheries laboratory initiated and completed.
- Improved fish handling practices to ensure safety and quality
- Carried out training of trainers in fish quality assurance and safety techniques in Districts of Buyende, Hoima, Ntoroko, Apac Nebi, Bullisa, Nakasongola, Serere & Amolatar.
- Fisheries staff in the above districts refreshed in inspection requirements
- Skills of Fisheries inspectors improved at the centre and in Districts of Buyende, Ntoroko, Hoima, bullisa and Nebbi, Nakasongola, Apac, Amolatar and soroti
- Increased capacity of BMU in fisheries management in Buyende, Ntoroko, Hoima, bullisa and Nebbi, Nakasongola, Apac, Amolatar and soroti.
- Contaminants monitored and residue levels established for Minerals, pesticides and chemicals form major water bodies and aquaculture products

Programme 3: Institutional Strengthening in the Sector

- Secured clearance for 45 posts- 3 Directors, 5 Commissioners, 15 Assistant Commissioners, staff of the Agricultural Statisticians Division (1 Principal statistician, 3 senior statisticians' and 13 statisticians and 5 Principal Economists.
- Appointed new Board members for UCDA and CDO
- Reviewed the structures for agricultural production staff for sub county levels
- Reviewed HRD Policy and Plans for Agricultural Sector in collaboration with Ministerial Training Committee.
- Prepared monitoring and evaluation system for evaluation of training interventions in the sector
- Developed MAAIF Client Charter in collaboration with key stakeholders and it is awaiting approval by the MAAIF TPM
- Provided technical backstopping provided to 16 DLGs of Koboko, Moyo, Yumbe, Adjumani, Bundibugyo, Kyenjojo, Hoima Bundibugyo, Mayuge, Mbale, Kayunga, Iganga, Zombo, Nebbi, Arua and Maracha
- Coordinated bilateral training where over 100 staff drawn from both DLGs and MAAIF participated in the training opportunities received Egypt, China, South Korea, Denmark, Japan among others

Challenges

- Recruitment into 45 posts that was cleared by Ministry of Public Service was halted.
- Inadequate office equipment like internet facilities and computers has continued to frustrate

staff productivity

- Inadequate funds to support planned HRD activities in the sector..
- Some officers from Districts/Ministry fail to report for the training. This leads to loss of rare training opportunities extended to the Ministry/Sector.

ANNEX 3: FIELD TRIP

Ministry of Agriculture, Animal Industry & Fisheries

FINDINGS AND OBSERVATIONS OF FIELD TRIPS

2nd Joint Agriculture Sector Annual Review (JASAR) 2012 1st-2nd November 2012

Speke Resort, Munyonyo

Outline of Presentation

- Introduction
- Objectives of the Field Visits
- Composition of the Teams
- Places visited
- Findings and Observations
- Conclusion

Introduction

- JASAR 2011 recommended subsequent JASARs to be preceded by field visits.
- Field visits on Tuesday, 23rd October 2012 to Thursday, 24th October 2012.
- Four Teams to Eastern, Central, Western, Kalangala

Objectives

- Undertake an onspot assessment of sector activities in the field
- Identify critical issues in the Local Government that affect the performance of the sector and offer recommendations
- Foster partnership between the Development Partners, the centre and Local Government in the JASAR

Composition of Teams

- Hon. Ministers
- Technical Officers from MAAIF and Agencies
- Local Government Apex Organisations
- Development Partners
- Media

Team 1: Led by Permanent Secretary

Team 2: Led by Commissioner Farm Development

Team 3: Led by Hon. Minister of State (Animal Industry)

Team 4: Led by Hon. Minister of State (Fisheries)

Places Visited

- Team 1
 - Oil Palm Nucleus Gardens
 - Mill, Nakatiba landing site
 - Mwena fish handling plant
 - Mukene Twekembe Farmer Group
 - Ssesse Farm School

Places visited, cont'd

- Team 2

- Doho Irrigation Scheme
- Soroti District Headquarters
- Abia Village
- Village Gweri
- Village Arapai
- Proposed site for Soroti Fruit Factory
- National Semi-Arid and Research Institute (NaSSARI)

Places visited, cont'd

- **Team 3**
- **Kiruhura** District Local gov't Administration
- Dairy Farmers Mrs Verinah Rujoki, Ms Mable
- **Mbarara** District Local gov't Administration
- GBK diaries
- Mbarara ZARDI
- Ndeija Farmers group
- Uganda crane creameries union (UCCU)
- Paramount cheese factory
- Pearl diaries Makenke
- Amos diaries
- Nshara ranch

Places visited, cont'd

- Team 4
- Kajjansi Aquaculture Research Development
- National Fisheries Resources Research Institute
- Advisory Services in Jinja, BIDCO
- Bukungu landing site in Buyende district)

Findings and Observations

- Farmers now earning more than Ushs. 20 m with NAADS support
- General improvement in commercial farming
- General increase in agro processing and value addition activities
- General enterprise diversification for food and income security
- Increased production and productivity

Findings and Observations cont'd

- Increased employments for households (Youth and women)
- Banana and coffee production
- Poultry farming
- Increased income through high yields
- Improved Boer goats
- Processing and packaging
- Fish cage farming
- BIDCO refinery/Agro processing

- However, there are some White elephants identified;
- Tractors and farm machinery that are not adequately utilized
- Combined harvesters and farm implements
- Ice plant in Kalangala
- Cotton ginnery in NaSSARI Serere
- E.t.c

Ice plant in Kalangala

Cotton ginnery in NaSSARI Serere

Challenges

- There is a technical capacity gap resulting from low staffing levels in local governments
- There is a weak linkage among the MAAIF and its agencies and local governments resulting into inadequate coordination
- Price fluctuations make it difficult for farmers to engage in planning for commercial production.

Challenges cont'd

- There is a general water stress especially during the dry seasons resulting into dropped production levels.
- There is inadequate law enforcement especially during the quarantines and animal travel banns, licencing . This results into disease spread across districts.
- Illegal fishing and capture of immature fish

ANNEX 4: DSIP IMPLEMENTATION – ATAAS PROGRESS, CHALLENGES AND LESSONS

MINISTRY OF AGRICULTURE ANIMAL INDUSTRY AND FISHERIES JOINT AGRICULTURAL SECTOR ANNUAL REVIEW 1-2 November, 2012 DSIP IMPLEMENTATION-ATAAS FY 2011-12: PROGRESS, CHALLENGES AND LESSONS

**By Mr. Samuel Mugasi, ecutive Director, NAADS
Agricultural Technology and Agribusiness Advisory Services (ATAAS)**

What is ATAAS?

1. A five-year project funded by GOU together with Development Partners through the Ministry of Agricultural Animal Industry and Fisheries (MAAIF).
2. Fully aligned to the Development Strategy and Investment Plan (DSIP) of the agricultural sector.

Its strategic focus is consistent with the National Development Plan and DSIP objectives of agricultural growth, commercialisation and poverty reduction

ATAAS

- ATAAS provides a funding modality that jointly supports the strengthening of Uganda's agricultural research/technology generation system and agricultural advisory services.
- Project special emphasis on the need for stronger institutional linkages between technology generation, dissemination, adoption, markets
- Emphasis is also on sustainable management of land and other natural resources.
- Achieved through five project components:
 - 1) Developing Agricultural Technologies and Strengthening the National Agricultural Research System
 - 2) Enhancing Partnerships between Agricultural Research, Advisory Services and other Stakeholders
 - 3) Strengthening the National Agricultural Advisory Services
 - 4) Supporting Agribusiness Services and Market Linkages
 - 5) Program Management

Launched by the Vice President on July 24, 2012

Rationale for ATAAS

ATAAS Development Objective is to ***increase agricultural productivity and incomes by improving the performance of agricultural research and advisory service systems.***

- Supports National Agricultural Research Organisation (NARO) and National Agricultural Advisory Services (NAADS) which **are key (sub-) programme of the DSIP.**
- Seeks to address the weak linkage between agricultural research/technology generation and agricultural advisory services.

What is new in ATAAS?

- Enhancing NARO-NAADS Interface for *demand-driven technology generation, innovation and dissemination system*
- Joint teams of NARO and NAADS at the Zonal Agricultural Research and Development Institutes (ZARDIs).
- Joint planning and priority setting for adaptive research activities.
- *District Adaptive Research Teams (DARSTs)* as technology dissemination channels.
- Multistakeholder Innovation Platforms (MSIPs) for knowledge sharing & learning.
- Supporting multiplication of planting and stocking materials.
- Joint ICT Application
- Modernise Information Communication Technology (ICT) and employ ICT tools for information sharing with farmers and other stakeholders.
- Promotion of Sustainable Land Management Practices.
- Joint Results framework/Monitoring and Evaluation.
- Emphasis on agricultural advisory/extension services:
 - Promoting diversification and value addition; integrating smallholder farmers into agricultural value chains.
 - Embracing a **commodity-based approach** for promotion of food security and agricultural exports.
 - Promote a pluralist approach to extension service delivery - **Public-Private Partnership** in advisory service delivery and agribusiness development.
 - Supports interventions to **control major tropical plant diseases** that are threatening food security and incomes

***Banana Bacterial Wilt, Cassava Brown Streak Virus**

- Establishes a **commercialisation Challenge Fund** to support **public-private partnerships** for **innovative agribusiness initiatives** involving **nucleus farmers/farms**
- Provided on a **competitive** and **matching grant** basis (**50:50**)
- **Two windows: Window 1** (National & District level partners) and **Window 2** (Sub-county level partners)

Governance and Anti-corruption (GAC)

1. Founded on three principles of Transparency; Accountability; Participation/inclusion
2. Promotes demand side of accountability
3. Strengthens the supply side of accountability through semi annual reviews and holding of community barazas.
4. Promotes linkages and collaboration with national Anti- corruption and oversight Agencies/Departments of Govt.
5. Promotes strengthening of institutional and performance management within ATAAS
6. Improved data capture and information dissemination on budgets, performance and success stories.

Complaints Handling System

- A mechanism established within ATAAS implementing institutions to receive and act on the complaints raised on any aspect relating to the implementing of project activities at all levels
- A **guide** to the **public** on **how** and **where** to submit complaints
- *Internally, ensures that **complaints are promptly addressed and feedback given***

Implementation progress

- **Component 1: Developing Agricultural Technologies and Strengthening the National Agricultural Research System**

- Basic research activities at the six (6) National Agricultural Research Institutes (NARIs)
- Adaptive and applied research activities at the nine (9) Zonal Agricultural Research and Development Institutes (ZARDIs)
- **Focusing on:**
 - Generation of technologies and practices for management and control of crop and animal diseases;
- Coffee Wilt Disease (CWD), Banana Bacterial Wilt (BBW), Cassava Mosaic Disease
- East Cost Fever (ECF), Nagana and new castle disease in poultry.
 1. Breeding for high yielding and tolerance to stress in view of climate change factors.
 2. Bio-technology/bio-fortification; Vitamin A/Beta carotene and iron for bananas and cassava, Iron bio-fortification of beans, Bt Cotton.
 3. Development of value addition technologies – fortifications for confectionaries among others.
 4. Sustainable Land and Water Management (SLWM) e.g. development of appropriate technologies water harvesting and irrigation, climate change adaptation and mitigation.
 - Livestock – forage/pasture improvement and management of Napier Stunt Diseases.
 - Fisheries – Value addition and safety (from polycyclic hydrocarbons) and promotion of aquaculture in the different zones and cage farming in the major water bodies.

Competitive Grant Scheme (CGS):

- Thirteen (13) projects (7 zonal level, 6 national level) on-going

Staff training:

- 26 PhDs and 7 MSc enrolled for training in different Universities

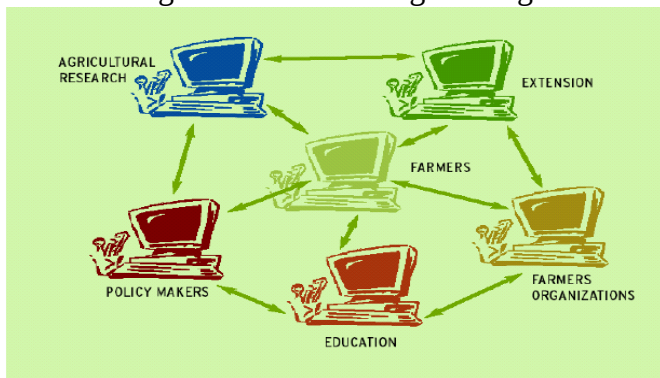
Component 2: Enhancing partnership between agricultural Research and Advisory Services and other stakeholders

NARO-NAADS interface: NARO, NAADS teams

- **Joint Prioritisation, Planning, Adaptive research and Technology Scale-up**
 - Sensitized district stakeholders about implementation of ATAAS in the nine (9)
 - Prioritized and consolidated zonal priority enterprises for adaptive research activities in the nine (9) Zones
- **Institutional and human capacity strengthening:**
 - District Adaptive Research Support Teams (DARSTs) formed in all districts
 - Multi-Stakeholders Platforms (MSIPs) established in the nine (9) Zones; process being deepened to district and sub county levels
- **Joint Information Communication Technology (ICT):**
 - Promoting ICT-based agricultural knowledge management and information sharing system.

- An ICT pilot study on leveraging mobile technology to enhance extension services is on course in Serere district.

ICT-based agricultural knowledge management



Market

Access through Mobile Technology

Challenges

Lessons – Extension/Advisory Services

- Political good will/support in mobilising farmer participation and for overall success of the programme.
- Early disbursement of funds for timely implementation of programme activities to match seasons.

ANNEX 5: FAST TRACKING DSIP IMPLEMENTATION – ACTION PLAN FOR THE NON-ATAAS

JOINT AGRICULTURAL SECTOR ANNUAL REVIEW – 2012
FAST TRACKING DSIP IMPLEMENTATION
ACTION PLAN FOR THE AGRICULTURAL REVOLUTION IN UGANDA
SPEKE RESORT MUNYONYO
1ST NOVEMBER 2012

Presentation Outline

1. **Context and Development Process**
2. **Content (FIPs)**
3. **Why is this an Agricultural Revolution?**
4. **Pre-conditions for the Revolution**
5. **Fast tracking the Implementation of the Action Plan**
6. **Conclusion**

Context and Development

- ☐ Enabling Environment:
 - Policy Changes
 - Legal framework
 - Regulations
 - Standards,
 - Infrastructure
- ☐ Each FIP is a Programme with components
- ☐ Budgets

Why is this an agricultural revolution?

1. Previous work was piecemeal
2. This has been a holistic/comprehensive approach where all the basics of agriculture have been covered (e.g. improved seeds, planting and stocking materials; fertiliser; mechanisation; Water for Agricultural Production, key commodities and supporting institutional set and capacity)
3. Buy-in from all key stakeholders

Pre-condition for revolution

- ☐ Need for champions at all levels and amongst all key stakeholders:
 - Political
 - Technical
 - Private Sector
 - CSOs/NGOs
 - Farmers Organisations and cooperatives
 - Local Governments
 - Academia, etc
- ☐ Comprehensive /holistic implementation of the action plans – lessons from PMA

- ❑ Commitment for the long-term
- ❑ Agricultural sector given a priority in resource allocation
- ❑ A strong and effective advisory/extension service
- ❑ Conducive enabling environment for private sector investment

Fast Tracking the Implementation of the Action Plan - I

❑ Complete the Planning process:

- Appraise the Framework Implementation Plans

(For technical, economic, financial, social, environmental, etc feasibility) and budget realism

- Prioritise the interventions and repackage into coherent programmes
- Incorporate and integrate the programmes into the budget (BFP and Policy Statements)

▪ **Review ongoing programmes/projects and realign with NON-ATAAS Action Plans**

- Targets
- Activities
- Budgets
- Indicators

▪ **Harmonise NON-ATAAS with ATAAS**

- Identify interventions from NON-ATAAS that are of extension and research nature
- Prioritise and integrate those interventions into the ATAAS programme

Work out clear mechanisms/arrangements for delivery of extension services in accordance with MAAIF policy especially where commodity specific extension/advisory services have been proposed

❑ Expedite and resolve institutional bottlenecks

- Operationalise the new MAAIF structure
- Resolve and operationalise the structure for delivery of extension/advisory services in LGs
- Free NAADs from non-extension/advisory services responsibilities e.g. distribution of seeds, planting and stocking materials, “credit” delivery, etc.
- Operationalise commodity platforms

❑ Mobilise financial resources

- Need to review MTEF with a view to raising the ceiling to accommodate the bankable projects generated through the NON-ATAAS process
- DPs contribution aligned to Action Plans
- Leveraging with the private sector capital

Conclusion

Stakeholders Please Make Uganda’s Agricultural Revolution A Reality!

Thank You

ANNEX 6: FARMERS ORGANISATIONS: UGANDA’S AGRICULTURAL GROWTH, CHALLENGES AND OPPORTUNITIES

Presented by; Mr. Augustine Mwendya
Ag. Chief Executive Secretary- UNFFE
1st November 2012, Munyonyo, Kampala

Outline

- **Introduction**
- **Why Farmers Organisations (FOs)**
- **Brief about UNFFE**
- **Brief history of FOs in Uganda**
- **Services/activities rendered by FOs**
- **Uganda’s Agricultural growth (trends)**
- **Challenges in Uganda's agricultural sector**
- **Opportunities in the sector**
- **Conclusion**

Introduction

- Farmer Organisations, often referred to as Producer Organisations, are groups of farmers who have a common vision, purpose or interest
- Informal Farmer Organisations are not registered and are more loosely structured – such as “labour exchange groups” and “village savings and loan associations”.
- Formal Farmer Organisations are officially registered, have a Constitution and By-Laws, have a defined organisational structure and elected office bearers.

Why Farmer Organisations

Three major objectives drive farmers to form organisations. These include:

- Socio-cultural motivation (identity, mutual aid)
- Political motivation (conformity) – when political environment gives freedom of association, farmers will form associations
- Economic motivation (utility) – farmers are able to do things that are individually impossible.

Brief about UNFFE

- Uganda National Farmers Federation (UNFFE) is the largest Non-Governmental Farmer Organisation in Uganda. Founded in January 1992 as Uganda national Farmers Association (UNFA) and turned into a Federation in 2002.
- UNFFE is non- profit, non-religious and non-political. It is for all Ugandan farmers.
- **Legal Status;** A limited company by Guarantee. Registered with the NGO Board of the Ministry of Internal Affairs, (Registration No. S 5914/820)
- **Vision;** Empowered farmers through strong Farmer Organisations
- **Mission;** To promote favourable policies for farmer empowerment and strengthen Farmer Organisations.
- **Motto;** “Farming is Honourable and Dignifying”

Mandates

- Influence agricultural policy through lobbying and advocacy
- Deliver agricultural advisory services and capacity building among Farmer Associations
- Disseminate agricultural and market information
- Mainstream gender, Natural Resources Management, Climate Change and HIV/AIDS in its programmes.
- Promote Agricultural Shows and Trade Fairs, Farming Competitions and Farmer Exchange Visits including Agro-Tourism
- Promote Commercialisation and Value-addition in agriculture

Brief History of Farmers Organisations in Uganda

- Farmer organizations have their roots in informal farmer groups.
- With the introduction of cash crops such as coffee and cotton by colonialists in the early 1900's, the need for marketing became apparent and this gave birth to marketing cooperatives
- In 1961 Uganda Cooperative Alliance, an apex of the Cooperative Movement was formed. By Independence in October 1962, Cooperatives were the main form of Farmers Organisations in the country.
- However, management was poor and government had an upper hand in the running of the Cooperatives.
- In the 1990s, liberalisation of the economy coupled with the freedom to associate resulted in the formation of other Farmer Organisations which include the following:
- Producer Farmer Associations – formed to address producer constraints such as acquisition of inputs and accessibility to technical advice as well as lobby and advocacy.

Examples include:

- District Farmers Association with Uganda National Farmers Federation as the Apex Organisation
- Commodity Specific Farmer Associations , such as:
- Uganda Beef Producers Association
- Uganda National Dairy Farmers Association
- Uganda Floriculture Farmers Association
- The Uganda National Apiculture Development Organisation (TUNADO)
- Uganda Oil Seeds Producers and Processors Association (UOSPA)
- National Union of Coffee Agribusinesses and Farm Enterprises (NUCAFE)
- Uganda Fish and Fisheries Conservation Association (UFFCA)
- Uganda Cocoa Farmers Association
- Uganda Meat Producers Cooperative Union Ltd.
- Uganda Tea Association
- National Organic Agricultural Movement of Uganda (NOGAMU)
- Uganda Commercial Farmers Association
- Uganda National Sugarcane Growers Association (UNASGO)
- Uganda Poultry Association (UPA)

Some services/activities rendered by Farmers Organisations

- Farmer institutional development, including group formation, training and information

- Representation of members' views at different fora
- Train and educate the members in different aspects of farming
- Promote production, processing and marketing of members' produce/products
- Handle input/output marketing among the members

Uganda's Agricultural Growth

- Uganda's agricultural growth cannot be generalised to cover the entire sector. There has been growth in some commodities while in others the trend has been a decline.
- Commodities such as flowers and other horticultural crops have shown a big growth both in production and export
- Other crops e.g rice increased in production from 183,000 tons in 2006 to 233,000 tons in 2011
- Vegetable Oil crops, particularly sunflower from a mere 23,000 metric tonnes in 2005 to 90,000 metric tonnes in 2011
- Cotton production has shown a sudden growth, from 147,000 bales in 2010/2011 to 254,036 in the 2011/2012.
- There is growth in the fish farming but there is also overexploitation of the capture fisheries
- There is increase in honey production

Challenges in Ugandas Agriculture

- ❖ **Land degradation;** leading to loss of soil fertility and productivity.
- ❖ Encroachment on wetlands
- ❖ **Climate change;** this has had negative impacts on Agricultural production in Uganda.
- ❖ **Poor soil and water management;** has led to severe soil erosion and failure to harvest water domestic and farm use.
- ❖ **Low usage and access to quality productivity enhancing technologies;** includes seeds, planting and stocking materials, agro-chemicals and improved production practices.
- ❖ **Unreliable supply of livestock feeds:** checks the steady growth of the livestock sub-sector.
- ❖ **Lack of reliable agricultural statistics** to guide planning and targeting interventions
- ❖ **Limited access to farm credit:** due to high Interest Rates and short repayment periods. Many financial institutions look at agriculture as a risky business!!
- ❖ **Limited access to appropriate farm machinery:** to enhance primary tillage and other farm operations.
- ❖ **Over reliance on expansive** as opposed to intensive agricultural production.
- ❖ **Low level of irrigation;** Indicators from the Uganda census of agriculture 2008/09 indicate that only 30,000 agricultural households do practice irrigation.
- ❖ **Low agricultural extension agent to farmer ratio:** which hampers access to new technologies in agriculture. The number of agricultural households visited by an extension worker is only 680,000 (MAAIF, 2011).
- ❖ **Inadequate investment into agriculture** by both the farmers and the government.
- ❖ **Inadequate supporting infrastructure** e.g. rural roads, storage, cold chain system for horticultural crops etc.
- ❖ **Land fragmentation** - the area of land available for agriculture keeps on reducing, mainly due to the growing population **(Land grabbing)**

- ❖ **Low standard of our agricultural commodities** ; little effort is put in ensuring that the quality of our produce meets the required standards.
- ❖ **Investments into Research – there are** commodities like tea which have over the years not attracted any research investment.

Uganda's Agriculture opportunities

- ❖ **A big regional market:** Uganda is surrounded by countries which offer big market for all the agricultural commodities that it can produce.
- ❖ **Natural Resources endowment:** Uganda is one of the most endowed countries on the planet.
- ❖ **Organised Producers:** Farmers have organised themselves into associations and are offering different services to the members.
- ❖ **Available Human Capital:** Uganda has a good number of trained personnel who can offer agricultural extension services to the farmers.
- ❖ **Development Strategy and Investment Plan (DSIP)** of the Ministry of Agriculture, Animal Industry and Fisheries.

Conclusion

- ❖ It is evident from the available statistics and observations that the agricultural sector has made a steady growth in both the crop and livestock sub-sectors.
- ❖ It is in the interest of every Ugandan and development partners to ensure that this growth is not only maintained but increased.
- ❖ However for this to happen, the identified challenges must be addressed and the opportunities utilized. All this needs investment along the commodity value chains starting from research to the farmer and to the final consumer. It is therefore incumbent on both the public and private sector to look for the necessary resources to make agriculture in Uganda grow.

ANNEX 7: LOCAL GOVERNMENTS: UGANDA’S AGRICULTURAL GROWTH, CHALLENGES AND OPPORTUNITIES

The Chief Guest,

Hon. Ministers,

Hon Members of Parliament,

Your Excellencies Ambassadors and Heads of Diplomatic Missions,

The Permanent Secretaries and Senior Officers of Government Agencies,

The District Chairpersons,

[The Resident District Commissioners,](#)

Your Worship the Mayors and other Political Leaders of Local Governments,

The Chief Administrative Officers, Town Clerks and Local Government Technical Officers,

Distinguished Participants,

Ladies and Gentlemen

I feel greatly honoured for this opportunity given to me to address this Important Meeting today. I bring you greetings from Uganda Local Governments Association.

I was invited to present a paper on **“Uganda’s agricultural growth: Challenges and Opportunities”**.

As a Political Leader, who is mandated by the Constitution of Uganda and the Local Government Act to Deliver Services, to the people of Uganda, I will not shy away from bringing pertinent issues from our Citizens, who in

all fairness are getting impatient with bureaucratic approaches used by educated people like the ones in this room.

As a matter of fact the challenges of Agriculture Growth in Uganda are not because our people are lazy, or lack ideas to turn around the sector. The problem in our view is with “Strategic Thinkers” like some of us here, who think nothing good comes from others like Local Governments except themselves!

Our Citizens are asking for service, but many of us find that a bother. Ugandans need Water for their animals and crops. They need Good Seed. They need genuine drugs for their animals and all we do is connive with so called “dealers” who con them of their hard earned money as well as kill their animals.

The National Development Plan notes Agriculture is a core sector in Uganda and it employs over 73% of our population. However, the same document mentions that, “Despite the importance of agriculture in the economy, the sector’s performance has not been impressive in recent years.” (Pg77).

The question to ask, is why has the Sector’s performance kept declining and who takes responsibility for that decline? How can we fix the decline without further blame games?

Therefore as we Review the performance of the Agriculture Sector in achievement or failure of their annual performance targets for the Financial Year 2011/2012, we should not simply stop at picking challenges without isolating and paralyzing the causes of these challenges. One quick factor

that collectively needs to be isolated and paralyzed is a cancer called Corruption.

It is a fact that Government identified areas of weakness in the Plan for Modernization of Agriculture (PMA) framework and addressed them in the five year Agricultural Sector Development Strategy and Investment Plan (DSIP) 2010/11 – 2014/15 which, we are actually here to support, in line with the agricultural priorities in the National Development Plan (NDP).

It is also true that the **Vision for the five-year DSIP is “to create a Competitive, Profitable and Sustainable Agricultural Sector”** with an aim of contributing to the achievement of Prosperity for All (PFA).

We therefore want to believe that this vision will be achieved through the DSIP development objectives of raising rural household incomes and improving food and nutrition security of all Ugandans.

Guest of Honour, the issue of raising rural household income among our people is a very dear subject to us. As Local Governments we want to commit ourselves to supporting this DSIP, as long as there is an urgent desire and commitment from all players that we do our tasks and responsibilities with diligence.

We wish to wholeheartedly thank the Ministry of Agriculture Animal Industry and Fisheries for their goodwill and proactive approach in the sector negotiations. During those Negotiations many undertakings were agreed upon. And it is our honest appeal that Ministry should seriously implement those undertakings. We would also be happy to understand factors that created challenges for achievement of the 2011 Joint Agriculture Sector Annual Review (JASAR).

In line with the eight DSIP Objectives, we wish to recommend the following:

1. Financing in the sector: As I stated in the beginning of my presentation, approximately three quarters of this 73% of the population

being employed in the sector reside and practice various agricultural activities in the rural areas, and majority of these are still at hoe level cultivation. It is imperative that full consideration.

We therefore recommend that Governments increases the Budget Allocation to the Sector that was slashed from 4.8% of FY 2011/2012 to 3.5% in the FY 2012/2013. This has caused a deficit of Shs. 180.611 Bn and this by all Means will never help the sector achieve its Objectives as spelt in the DSIP.

Equally because the budget of the Agriculture has been severely is cut, we are now shy as Local Governments to ask them to facilitate Local Governments under the District Production Department, because this would be one of critical strategies in realizing effective implementation of the MAAIF Development Strategy and Investment Plan, (DSIP).

Local Governments have repeatedly spoken of the limited financing at the district level for service delivery within the Sector. For example Local Governments have inadequate or even no transport facilities at all for field work in the communities. You all know the Agricultural sector is largely practical, and majority of any interventions introduced are to be implemented in the field. So when the budget of Agriculture sector is cut, it is actually the Local Governments that feel the pinch.

Districts have recommended for an increase in the Production Sector budgetary allocations to the districts. Resources should also be availed to provide sound means of transport for the Local Governments both at the district and sub county level, for joint supervision, extension services, monitoring, community sensitization, and training and follow up of field activities. The means of transport provided should be appropriate for the respective local terrain, and where need be should vary accordingly from

region to region. Districts should also be availed with facilitation for the daily operation and maintenance of the transportation provided to ensure sustainability in their usage.

2. Advisory Services:

We want applaud NAADS for providing advisory services to all the districts and Municipalities in the country. However we feel their services are too few and sometimes come too late.

- a) For the DSIP to meet its objective of “Better Delivery of Advisory services and improved technology”, there is need for the Ministry to come back to the Local Governments for consultations on how best this programme should be run, especially as far Accountability and Reporting is concerned. We feel boxed in the corner for either senior Politicians or the NAADS secretariat to put adverts in the papers announcing funds received by district without going into details of the grants. People out there think Local Governments are the ones swindling these funds.

ULGA further notes with concern the irregularities in the use of the NAADS allocation criteria which does not follow certain stipulated categories like for population, and land area. Local Governments were informed during the Local Government Budget Framework Paper workshops held at regional level, that this dilemma had arisen out of Government stipulations which clashed with the grant allocation criteria set. The Governments stipulated that each Parish should have 100 famers, and each Sub County, have 6 model farmers. However the rapid creation of new Local Government administrative units has resulted into several small new districts and subsequently smaller lower local governments i.e. sub counties, where if the allocation criterion were to be strictly adhered to some LG administrative units would not be feasible to benefit from the grant.

We propose that the grant allocation criteria, and operational guidelines and stipulations should be reviewed and aligned to promote equity and efficiency notwithstanding the creation of new administrative units.

- b) Funds meant for Municipalities and Divisions are channelled through Districts. This is a departure from other Sector grants which are sent directly to Town Clerks who are Vote Accounting Officers.

We recommended that funds for the Municipalities should be sent directly to Municipalities. This is a way we shall be addressing the prevalent urban poverty and food insecurity.

3. Regulatory Services:

There is no doubt that Local Governments need to formulate byelaws and ordinances to address the current challenges being faced by Agriculture Sector. However given the fact that most Local Governments have no local revenue to enable them convene their Councils on a regular basis other than the mandatory four times in a financial year, we feel the diseases and pest will continue affecting the Agriculture sector.

We recommend that Government increases budgetary allocations to Local Governments for Council work, to enable Councils pass byelaws and ordinances, lest the Agriculture sector continues grappling with regulatory challenges.

4. Recentralization of disease Control and Regulatory Services:

It is evident from your Thursday newspaper supplement that MAAIF has recalled the functions of disease control and regulatory services from local governments. MAAIF was to consult the LGs and agree on the working and operational relationship between the staff to be posted and the district authorities. *ULGA prays to know the current status.*

- 5. Management of Epidemics:** Local Governments were also informed that disease and epidemic control is now not a decentralized

responsibility. A draft policy on this recentralized function has been developed, and *it was agreed that MAAIF should speed up the finalization and dissemination of the policy on diseases and pest control to all stakeholders particularly LGs.*

However there has been no communication to LGs and other stakeholders on the final draft policy on Diseases and Pest control, and this has created considerable anxiety on what should be done by the LGs in response to epidemics.

6. Strategic Enterprises:

Bearing in mind our meetings with H.E President Museveni at State House, we want to welcome the development and immediate implementation of the strategic enterprises, both on the crop and livestock sub sectors.

We therefore recommend that Agriculture Sector sets aside a budget for Local Government Leaders to do Monitoring and Evaluation of these enterprises particularly to measure value for Money on all these investments.

.Uganda has various categories of farmers, and it is good that the MAAIF Development Strategy and Investment Plan, DSIP recognizes this. It is because these categories of farmers not only differ in terms of their financial capabilities, (which affects the physical size of the agricultural operation, farming method and technologies used), but also the mindset of the farmers which often time has more profound implications, e.g. on the willingness of farmers to adopt research findings.

7. Advocacy and community mobilization: The MAAIF Development Strategy, and Investment Plan, requires a large Local Government advocacy campaign.

The communities, Local Government Technical and Political teams need to fully appreciate any future agricultural programs in order to give them the full support it deserves starting from the village level up, so that communities do not feel ‘ambushed’ as was the case with the NAADS program.

8. Provision of water for Agricultural Production:

We are all ware that Climate change in Uganda has resulted into prolonged droughts and very high temperatures during the dry season, heavy torrential rains, hail storms and floods during the wet season as well as increased incidence of crop and animal pests, parasites and diseases. This has reduced agricultural production and investment in the sector nationwide.

Over 80% of the agriculture practiced within the Uganda is rain fed, and its yields cannot be guaranteed because of the unreliable and often destructive weather patterns. The high risk of investing in the sector coupled with the difficulty in predetermining the approximate volume of yields has acted as a major bottleneck to the development of the Agro-based industry in Uganda, and therefore commercial agriculture remains a wish to a large extent.

We recommend that MAAIF, without any further delay puts emphasis on support for Local Governments to progressively adopt irrigation both for crops and animals so as to reduce of dependence on nature. Existing irrigation schemes must be given priority.

9. Research and Information sharing within the Sector: In the previous negotiations held, there has been a call for a committee to be established, comprising of five members, *one each from MAAIF, NARO and NAADS and two from Local Governments* represented by UNAT.

This committee was to develop a strategy and Framework for information sharing, as one of the plausible ways to increase the absorption of research findings within Local Governments, spearheaded by NARO.

This undertaking has never been implemented for reason unknown to Local Governments. We appreciate that NARO is doing a lot of research, but there is no evidence, because Local Governments have been left out on information sharing. Could we thereof be told that reason today and now.

10. Research Results Absorption in Local Governments: Improved technologies are in place *but there is need to strengthen efforts by the Centre to disseminate these innovations to the Local Governments.* NARO is working jointly with NAADS to build adaptive research capacity by training local government staff to form District adaptive research teams in order to strengthen technology demonstration and uptake.

It was agreed that NARO strengthens linkages with LGs in the area of research and utilization of research results, but LGs have not yet been contacted on this

In **conclusion**, it is important to us all to recognize that Agriculture is the leading source of household incomes at the grass root, and that if we have any hope of attaining our vision of 'Prosperity for All', then financial support to the Sector needs to be substantially increased. This support needs to be channeled to strategies that will progressively convert the nature of agriculture at the grass root where majority of the farmers are located.

Care needs to be taken so that the agricultural practices taught are localized in line with the various practices in the different regions of Uganda

to ensure effectiveness and sustainability in the adoption of these programs.

We urge MAAIF and all its Departments and agencies to retain their spirit of partnership and negotiation with Local Governments regarding the use of these sector grants, and more importantly to follow through on implementing issues agreed upon. This is in accordance with Article 193(3) of the Constitution of the Republic of Uganda and Section 83(3) of the Local Governments Act Cap 243. I hope the MAAIF official and technical team present have taken note of the pending issues raised, and are available to give the Local Governments and all stakeholders present the answers they seek.

Thank you for providing us this platform, and for listening to the voice of the Local Governments.

For God and my Country

Odok Peter W'Oceng

President ULGA.

ANNEX 8: AGRICULTURAL FINANCING IN UGANDA

Road Map of the Presentation

- Definition of Agricultural financing
- Similarities of agricultural finance and microfinance and rural finance
- Government policy on Agriculture
- Why finance agriculture in Uganda
- Sources of agricultural financing in Uganda
- Challenges to the expansion of Agricultural Finance
- How to increase financing to the agricultural sector in Uganda
- Conclusion

Definition of Agricultural finance

- Agricultural Finance can be defined as the financing of any agriculture related activity, ranging from production, processing to marketing.
- It includes different types of financial services, such as: savings, credit, insurance, transfers/payments and leasing.
- Agricultural finance has severally been used interchangeably with microfinance and rural finance.

Government policy on Agriculture

- The Agriculture sector in Uganda is guided by the following policy frameworks:
 1. Prosperity for All (PFA)
 2. The National Development plan (NDP)
 3. Ministry of Agriculture, Animal Industry and Fisheries;
 - o Development Strategy and Investment Plan (DSIP)
 - o National Agriculture policy (NAP)

Similarities with microfinance and rural finance

- Agricultural finance is similar to microfinance because most agricultural producers in Uganda are subsistence or small holder farmers, thus their need for micro or small size savings, credit, insurance and leasing facilities.
- Agricultural Finance is similar to rural finance because most agricultural enterprises are based in the rural areas.

Why Finance Agriculture in Uganda

- Government taking measures to modernise agric. and make it a source of economic power for Ugandans.
- By end of 2011, agriculture accounted for 22% of GDP.
- Agriculture, directly and indirectly, employs about 82% of the work force.

- Increase in regional demand for our agric. products.
- Increase in agric. productivity due to better farming methods.
- Fulfill the MDGs esp. goals 1, 7 and 8 which deal with eradication of extreme poverty and hunger; environmental sustainability; and develop a global partnership for development.

Sources of Agricultural Financing in Uganda

- Financing of agriculture still low in Uganda.
- By end of 2011, agricultural loans constituted only 9% of total credit from regulated financial institutions.
- Most of this funding was mainly short and medium term (82.7%) i.e., less than 3 years.
- Gov't introduced the Agricultural Finance Facility (ACF) in the 2009/10 budget and has contributed Shs.30bn in each subsequent financial year.
- By Sept. 2012, loans to agricultural sector represented 7.01% of total loans by regulated financial institutions.
- By June 2012, Shs.41.88bn had so far been disbursed under ACF

Challenges to expansion of Agricultural Finance

- Financial institutions perceive the agricultural sector to have high risks and low returns
- Lack of collateral
- High transaction costs
- Unstable prices for agricultural products
- Poor infrastructure to move produce to markets quickly
- Lack of proper records upon which to base credit decisions
- Limited availability of good quality agricultural inputs

How to increase funding to the agricultural sector

1. Policy
 - Need for a more structured process for Agricultural Finance policy formulation.
2. Demand Side
 - Capacity building by lending inst. to assess risks in the agricultural sector
 - Lending inst. should move beyond collateral-based approaches to agricultural lending
 - Financial inst. should use a combination of land and crops to estimate incomes of farmers
 - Financial Inst. should use better technologies to reduce costs
3. Supply side
 - Farmers should improve record keeping to make risk assessment by lenders easier.

Conclusion

- Agricultural finance is critical to the advancement of inclusive economic development, poverty alleviation, employment creation and achievement of the Millennium Development Goals (MDGs)
- Elimination of bottlenecks to the expansion of financing to the agricultural sector will require both public and private sector partnerships.