



Translating Policy into Action: Accelerating Agricultural Transformation and Food Security in Uganda



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INTRODUCTION

This Policy Brief aims to inform debate and spur state and non-state actors toward implementing national agriculture policies and obligations with a focus on impact on prosperity, food security and wealth creation through agriculture. It is targeted at both state and non-state actors that directly and indirectly implement agriculture and food security policies in Uganda. State actors include Parliament; Ministry of Agriculture Animal Industry and Fisheries (MAAIF), Local Governments (LGs), and all ministries and agencies responsible for supportive infrastructure; agricultural financing; natural resource use and management; cooperatives, marketing and processing; agricultural training and skills development; community development; health and nutrition; and government coordination. Targeted non-state actors include: all farmer categories and their organizations; civil society; private sector; women; youth; media and academia.

IMPORTANCE OF THE AGRICULTURE SECTOR

Uganda is overwhelmingly an agricultural country – and this will remain so at least in the medium term. The following statistics for 2012/13 illustrate this point (GoU, 2015).

- 72% of the total labour force (77% are women and 63% are youth) is employed in agriculture;

- 42% of households rely partly, and 26% rely entirely on agriculture as their main source of income;
- It contributes 54% to export revenues, and
- Subsistence farmers produce between 75-80% of total agricultural output and marketed produce.

AGRICULTURE SECTOR PERFORMANCE: 2010-2015

Despite this importance, agriculture is underperforming (Table 1). Average sector GDP growth of 1.0% was not only far below the 5.6% target of the first National Development Plan (NDP1) but was even lower than the baseline (2.9%). Sub-sectors also recorded dismal performance.

TABLE 1: REAL AGRICULTURE GDP GROWTH

	2008/09 Baseline	2014/15 Target	2010-14 Average
Sector Growth, %	2.9	5.6	1.0
Food crops, %	2.6	4.8	0.2
Cash crops, %	9.8	5.3	2.9
Livestock, %	3.0	5.5	2.7
Fisheries, %	-7.0	7.1	0.2

Source: GoU 2010, GoU, 2015

In terms of food availability, Uganda does not lack food. But it is food access and utilization that are a problem. A typical Ugandan diet lacks diversity and does not provide adequate micronutrients. About 48% of Ugandans are food energy deficient, more than 40% of rural Ugandans have low dietary diversity and 20% have unacceptable food consumption (UBOS

2013). Underweight in children under five years is currently at 14%.

Some of the factors that explain the poor performance include: dependence on rainfall, low use of improved inputs; declining soil fertility; poor management of pests and diseases; limited access to land and agricultural credit, especially by women and youth farmers; and weak agricultural extension (GoU 2015). Other challenges include: poor rural road network; limited value addition; poor quality of produce and limited capacity of farmers and processors to meet export market standards.

NATIONAL AND SECTORAL AGRICULTURE SECTOR POLICY FRAMEWORKS

Over the last 2 decades, Government has developed various policies and strategies that have placed agriculture at the centre of socioeconomic growth and development. Figure 1 sketches a hierarchy of national policies and strategies currently in place.

Development vision statements

The **1995 Constitution of Uganda** requires the state to stimulate agricultural development by adopting appropriate policies and legislation, and encouraging people to grow and store adequate food.

Prosperity for All vision aims at improving the lives of all households in all aspects-improved incomes and transforming their lives on a sustainable basis through access to social services. It set an annual household income target of at least UGX 20 million from a combination of agricultural and other economic enterprises. Government would then support organized groups to access inputs, markets, value addition and credit.

Vision 2040 provides policy direction and strategies to operationalize Uganda's Vision of "*A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 years*". Agricultural transformation is a critical in realizing this vision.

Medium term development framework

The second **National Development Plan (NDP2)** covers the period 2015-2020. The goal is for Uganda to attain middle income status by 2020 through sustainable wealth creation, employment and inclusive growth. Agricultural transformation is a priority.

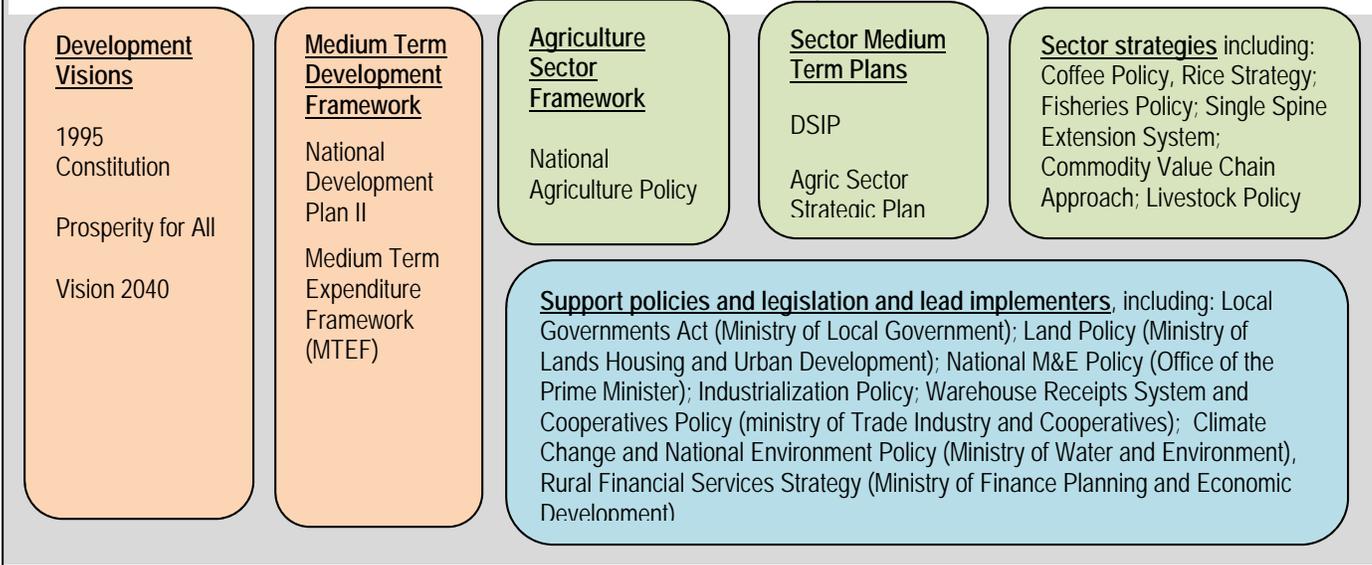
Agriculture sector policies

National Agriculture Policy (NAP) is a policy guide to all sector actors to plan and invest in the sector. Its overall objective is to promote food and nutrition security and to improve household incomes by promoting sustainable productivity and value addition, employment opportunities and trade.

Agricultural sector medium term plans

Development Strategy and Implementation Plan (DSIP) was MAAIF's plan for implementing CAADP for the period 2010/11-2014/15. In March 2010, a Uganda CAADP Compact was signed by an eclectic mix of actors including government, non-state actors, donors, COMESA and African Union Commission. DSIP was contributing to 2 development objectives (increasing rural incomes and livelihoods; and, improving household food and nutrition security) by addressing 4 broad challenges: low production and productivity; poor market access and value addition; enabling environment for the private sector; and, public institutional

FIGURE 1: HIERARCHY OF CURRENT AGRICULTURE SECTOR FRAMEWORKS, POLICIES AND STRATEGIES



weaknesses. The interventions were packaged in four programs and 22 components.

KEY ACHIEVEMENTS AND GAPS

Early this year, MAAIF reviewed the implementation of the DSIP. Achievements, gaps, opportunities and lessons were identified. This Policy Brief blends the findings of this review and information from other reports.

Progress on production and productivity

There has been progress in increasing crop production though this has resulted more from expansion of area planted than from increased yields. For example, total production of key food crops between 2009 and 2013 grew by about 0.6% annually while the area on which they were planted grew by 3% (UBOS 2014). Farm level crop yields are low. For example, rice yield is 2,400kg /ha against a potential of 4,500kg/ha and maize yield is 1,500kg/ha against a potential of 5,000kg/ha (GoU 2012). These are indicators that farmers are using land inefficiently.

Commercialization of agriculture

Smallholder commercialization is emerging, spurred on by market linkages through agroprocessing companies, some of which are supplying capital, inputs, technical advice and/or markets to them. Examples include: oil palm in Kalangala district, oilseeds in northern region; dairy and tea in western region and sugarcane, sorghum and rice in eastern region. Several public-private alliances provide incentives (e.g. grants, contracts) and infrastructure to farmers and agribusinesses to stimulate commercial investments in agriculture. These include: government programmes that have supported nursery owners to multiply seed and planting materials; the Warehouse Receipts System (WRS); the Agricultural Credit Facility; the Agribusiness Initiative (aBi), the P4P program of World Food Program; EU equity fund for smallholder farmers other donor projects;. There is no information on what civil society organizations have contributed but it is known that some of them do support smallholder commercialization. However small and medium agribusinesses are still struggling with

high costs of doing business, including access to appropriate credit products.

Food security and nutrition

As already mentioned above, Uganda is generally food secure though food access and utilization are still limiting factors to food security, especially in rural areas (IPC 2015). The depth of hunger and child malnutrition is still unacceptably high (UBOS 2014). Median dietary energy consumption per person is 2,156 kcal/ day, short by close to 400kcal of the minimum needed; about 9% of households consume only one meal a day; and food diversity is low and is dominated by staples (cereals and tubers). The Global Hunger Index for Uganda is about 17.0, which places the country in the category of serious hunger.

Progress on stakeholder engagement

Policies and investments of other ministries, non-state actors and donors are vitally important for successful implementation of agricultural sector plans and activities. MAAIF has made effort to engage other sector actors in formulating policies and decisions though it is not clear the extent to which views divergent from those of government have been taken into account. MAAIF has not developed guidelines for structured consultation and selection of actors to consult. This has been made even more difficult for MAAIF, because, civil society actors in the sector have not organized themselves into a forum for collective engagement with it.

The Agricultural Sector Working Group (ASWG) is a forum for dialogue on sector plans, budgets and mutually accountability. However, its meetings had become irregular and it is not representative as expected

because not all line ministries and non-state actors are currently represented. Only the Uganda National Farmers Federation is represented among the non-state actors and yet others say it does not represent their interests.

MAAIF has so far held annual joint reviews of sector performance since 2011. All stakeholders are represented at the event, but the process, agenda, attendance and agreed actions are skewed in favour of government.

Progress on institutional development

Some progress has been made in planned institutional reforms in terms of structure, staffing and skills development for MAAIF and local governments. MAAIF has recruited and build the skills of some staff, especially in key functions of planning, statistics, regulation and M&E.

In 2014, government created a single spine agricultural extension system to replace the existing public parallel systems. This has separated extension and input provision; a subcounty agricultural production structure has been put in place; contract sub-county extension workers were replaced by regular staff; a Directorate of Agricultural Extension Services was established in MAAIF to coordinate extension services, among others. However, implementation of the reforms has been slow and sub-counties were critically understaffed in the whole of 2014/15.

Funding the DSIP

Given the level of ambition in the DSIP, Government funding of the DSIP has been low and inefficient. The expenditure in agriculture as a share of government's own funded budget between 2010/11 and 2013/14 was

just 4.2% (MFPED 2014). This is less than the NDP1 average budget allocation of 5.4%, and barely half way the CAADP target of 10%. Such funding gaps have ultimately constrained what MAAIF could deliver on its DSIP commitments.

FIGURE 2: SHARE OF ANNUAL TOTAL BUDGET ALLOCATED TO MAAIF, %



Local governments implement the majority of sector activities, but they have received an average of 40% of the sector budget. Furthermore, most government funds have gone toward recurrent rather than to capital spending, an indicator of allocative inefficiency. For example in FY 2012/13, only 20% of development expenditure went to capital spending (MFPED 2014).

The CAADP Compact spurred donor interest in funding agriculture. In the first three years of the DSIP, donors reported that they aligned their programs to the DSIP and provided an additional funding of over US\$ 100 million in total (on-budget and off-budget) project aid. Most financial support was off-budget partly because donors did not trust government systems and partly due to rigidity of their aid procedures.

OPPORTUNITIES

- The ongoing reforms in the extension system are aimed at creating an effective extension system. This is expected to enhance service delivery and promote the development of private sector input markets.
- Government is undertaking heavy investments in electricity, roads, railway and education. This will address structural bottlenecks in agricultural production, marketing, value addition and skills. It is expected that these investments will increase social and economic returns to investment in agriculture.
- There is a positive change in farmers' attitudes towards use of modern production enhancing inputs and appropriate technologies. This is expected to accelerate enhance agricultural growth and transformation.
- Government has several ongoing and pipeline agricultural projects which offer substantial opportunities for improving household incomes and/or food security.
- The regional market for food is wide and government and its regional partners have put in place policies and programmes that provide opportunities for increased accessible to the regional market by small and medium size entrepreneurs.

SOME LESSONS LEARNT IN IMPLEMENTING THE DSIP

- Community based seed/input producers were key in government's efforts to expedite the multiplication and improve access to improved seeds and planting materials to farmers;
- Farmers need a combination of effective extension services, skills development and

- a good marketing system to adopt and use improved inputs and technologies;
- Smallholder farmers were able to utilize financial services for agricultural investments and repay loans when they accessed technical support and appropriate loan products;
- Commitment, goodwill and support of national and grassroots political leaders were critical in the promotion and uptake of technologies;
- Proactive engagement with key stakeholders was important for government in resolving issues of concern in implementation (especially in LGs).

AGRICULTURAL SECTOR OBJECTIVES AND TARGETS FOR 2015-2020

MAAIF is currently formulating an Agricultural Sector Strategic Plan (ASSP) as a successor to DSIP for the period 2015/16-2019/20. Though ASSP has not yet been completed, MAAIF prepared an Issues Paper that informed the NDP2. In general, ASSP is a roll-over of the DSIP in terms of challenges, opportunities, sector priorities, interventions and implementation arrangements.

The Issues Paper and NDP2 provide agriculture sector objectives and targets. The aim is to ensure sustainable market oriented production, food security and household incomes and is expected to contribute to wealth creation and employment along the agricultural development value chain. The focus areas are:

- Increasing agricultural production and productivity
- Increasing access to critical farm inputs,
- Improving agricultural markets and value addition for 12 priority commodities, and

- Strengthening institutional capacity of MAAIF and public agricultural agencies

The following are the targets:

- Increase farmers' productivity to at least 50% of the yields at research stations for the twelve priority commodities;
- Transform subsistence farmers into enterprise farmers (growing for consumption and market), and smallholder farmers into commercial farmers;
- Increase food security and food availability in all parts of the country;
- Increase annual agriculture exports from the current US\$1.3 billion to at least US\$ 4 billion by 2020;
- Reduce the number of the labour force in subsistence production from six million in 2012/13 to three million in 2019/20;
- Reform and strengthen agricultural service institutions such as research, extension and regulatory bodies to make them effective and efficient.

The Issues Paper mentions that ASSP will align with CAADP principles and targets. Specific interventions are summarized in Table 2. According to the NDP2, some aspects of the agricultural value chain such as agro-processing, infrastructure; storage and marketing will be addressed by other responsible sectors.

OTHER GOVERNMENT POLICY COMMITMENTS

Government has committed to several regional, continental and global partnerships and programs which impact on agricultural policy in Uganda. Examples include: East African Community (EAC) Agricultural and Rural Development Policy, EAC Agricultural and Rural Development Strategy, COMESA

Seed Trade Harmonization Regulations; African Union's CAADP, Malabo Declaration, and Africa Agenda 2063; MDGs and now the Post 2015 Sustainable Development Goals (SDGs).

CAADP AND MALABO DECLARATION

CAADP is a continental initiative for raising economic growth through agriculture-led development. Its goals are to eliminate hunger and to reduce poverty through agriculture. African governments committed to allocate at least 10% of national budgets to agriculture and to adopt sound policies and build capacities to achieve sustainable agricultural growth of at least 6%. CAADP has established itself as a reference point for national agricultural plans and for funding of the sector. In Uganda CAADP has been implemented through the DSIP and now the upcoming ASSP.

Recent continental commitments which directly relate to CAADP, agricultural transformation and food security include:

Malabo Declaration on Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods aims to sustain the CAADP momentum. In addition to reaffirming CAADP, the Malabo Declaration commitments are: agriculture investment finance; ending hunger by 2025; halving poverty by 2025; boosting intra-African trade in agricultural commodities; and enhancing the resilience of livelihoods. The drivers for this change and transformation are stronger systemic capacities in planning; policies and institutions; coordination and partnerships; knowledge and skills; data and statistics and mutual accountability.

Declaration on Nutrition Security for Inclusive Economic Growth and Sustainable Development in Africa which recommits to ending hunger by 2025 through investment in human capital, and reducing child stunting to 10% and underweight to 5% by 2025 and in particular, focusing on the first 1,000 days.

CAADP Results Framework (2015-2025) provides standard parameters to benchmark progress in CAADP and Malabo Declaration and has indicators with baseline data and targets to be achieved by 2025.

2015 Year of Women's Empowerment and Development Towards Agenda 2063 commits to empowerment of women in agriculture and agro-industry.

ASSP, NDP2 AND MALABO DECLARATION

Table 3 maps sector priorities and intervention areas in the Issues Paper and NDP2 to Malabo Declaration commitments. A general observation is that ASSP/NDP2 priorities and Malabo Declaration are matching, and this will make it easier for the agriculture sector to domesticate and align these commitments in ASSP implementation.

The following NDP2 commitments are also relevant to CAADP and Malabo Declaration:

- Expanding and diversifying its exports in the region (EAC and the Great Lakes Region);
- Fast tracking land reform to spur agricultural production;

TABLE 2: MAPPING ASSP/NDP2 AGRICULTURE PRIORITIES AND MALABO COMMITMENTS

ASSP priorities	Intervention areas	Malabo Commitments
increase Agricultural Production and Productivity	<ul style="list-style-type: none"> • Research and technology development • Extension services 	Commitment 3: Ending Hunger Commitment 4: Halving poverty
	<ul style="list-style-type: none"> • Trade in agricultural products • Quality assurance, regulation and safety standards • Agricultural finance • Commercialization of priority commodities. • Physical agricultural infrastructure. • Farmer Groups 	Commitment 2: Agricultural Finance Commitment 3: Ending Hunger Commitment 4: Halving poverty Commitment 5. Intra-Africa Trade
	<ul style="list-style-type: none"> • Sustainable land management • Labour saving technologies 	Commitment 3: Ending Hunger
	<ul style="list-style-type: none"> • Pests, diseases and vectors • Household dietary diversity • Early warning systems 	Commitment 3: Ending Hunger Commitment 4: Halving poverty Commitment 6. Resilience
	<ul style="list-style-type: none"> • Cross-cutting Issues (gender, environment, climate change, youth, HIV/AIDS, food and nutrition security) 	Cut across all Malabo commitments
improve access to critical farm inputs	<ul style="list-style-type: none"> • Seeds and planting materials • Water for agricultural production • Fertilizers • Mechanization 	Commitment 3: Ending Hunger Commitment 4: Halving poverty Commitment 6: Resilience
Improve agricultural markets and value addition for the 12 prioritized commodities	<ul style="list-style-type: none"> • Value addition • Capacities of farmers, trades and processors in quality standards and market requirements • Commercialization fund • Storage infrastructures to reduce Post-Harvest Losses 	Commitment 2: Agricultural Finance Commitment 4: Halving poverty Commitment 5. Intra-Africa Trade
Strengthen institutional capacity of MAAIF and public agricultural agencies	<ul style="list-style-type: none"> • Institutional capacity of MAAIF and related public agricultural agencies • Agricultural Training Institutes • LGs production departments' capacity 	Cut across all Malabo Commitments

- Ending hunger, achieving food security and improving nutrition, including achieving by 2025 targets on stunting and wasting in children under five years of age;
- Achieving gender equality and empowerment of women and girls
- Promoting sustainable agriculture by increasing investment in agricultural productive capacity (research, extension, rural infrastructure, etc), and
- Mainstreaming climate change adaptation and mitigation so as to strengthen resilience.

IMPLEMENTATION STRATEGY OF THE ASSP AND ROLES OF NON-STATE ACTORS

The ASSP will be a sector wide approach where both state and non-state actors at the centre and in local governments will actively participate. This means that intra- and inter-sectoral coordination will improve, and better working relationships and partnerships with non-state actors will be established and maintained. Specifically, non-state actors will be represented on the ASWG; there will be collaboration in M&E, analytical work, networking; sharing lessons and there will be consultations and negotiations on the views, needs and concerns in sector issues.

The NDP2 further gives more specific roles to non-state actors. They include:

- Partnering with government to implement development interventions;
- Aligning their projects to sector priorities
- Reporting their financial and physical performance data for projects they are executing;

- Participating in public sector planning process at sector and LG levels;
- Participating in sector and local government performance reviews;
- Independently assessing and providing oversight reports on public service delivery.

NDP2 also plans that a Private Sector/Civil Society Forum shall be put in place to review the status and progress of NDP2 implementation, among other roles.

CALL FOR ACTION

The brief has outlined government commitments and obligations in agriculture and food security on one hand and for non-state actors. The non-state actors are called upon to:

- Increase their understanding and knowledge of the these frameworks and obligations and, take advantage of opportunities they offer;
- Organize themselves into platform(s) that will represent them in their engagement with MAAIF;
- Draw up action plans to take advantage of the opportunities, initially focusing on short term wins (such as membership to ASWG; developing partnership principles/guidelines with MAAIF; participation in all stages of sector review process; collaborating in undertaking technical analysis of current and emerging issues; setting up an online mapping of non-state actors). Gradually they should build on efforts to consolidate their foothold in agriculture policy implementation.

On its part, MAAIF is called upon to:

- Provide political and technical leadership to the implementation of ASSP by getting all sector actors to harmonize and align their efforts around the ASSP;
- Recommit to CAADP and mainstream Malabo commitments and CAADP Results Framework in the ASSP;
- Ensure the representation of non-state actors on the ASWG and in sector review processes and other forums;
- Develop partnership principles and coordination mechanisms in collaboration with non-state actors.

As Kofi Annan once said “The only promises that count are the ones that are kept”. All state and non-state actors are called upon to honour their commitments and obligations for agricultural transformation and food security for all Ugandans.

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