

AGRA Uganda Operational Plan

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List of Acronyms



ACF	Agriculture Credit facility	IFPRI	International Food Policy research
AfDB	Africa Development Bank	institute	
AgSWG	Agriculture sector working group	JICA	Japan International Corporation
AgDP	Agriculture development partners	Agency	
AUC	Africa union Commission	KOICA	Korea International Cooperation
ASSP	Agriculture Sector Strategic Plan	Agency	
CAADP	Comprehensive Africa Agriculture Development Programme	MAAIF	Ministry of Agriculture Animal Industry and Fisheries
CAPEX	Capital Expenditure	MoFPED	Ministry of finance planning and economic development
COMESA	Common Market for East and Southern Africa	MT	metric Ton
DFID	Department for International	NDP	National Development Plan
Development		PPTL	Pee Pee Uganda limited
EALA	East Africa legislative assembly	SME	Small and medium enterprise
EKN	Embassy of the Kingdom of the	TGCU	The Grain Council of Uganda
Netherlands		TNS	Technoserve
EPRC	Economic policy research center	TPM	Top Policy Management
FAO	Food and Agriculture Organization	UAA	Uganda Agribusiness Alliance
FTMA	Farm to market alliance	UDB	Uganda development bank
GDP	Gross Domestic Product	UDET	Uganda Development Trust
GoU	Government of Uganda	UNADA	Uganda National Agrodealer
Ha	Hector	Association	
		UNAFFE	Uganda national farmers federation
		USAID	United States Agency for International Development
		USTA	Uganda seed traders association

Executive Summary



Uganda has been identified as one of the fastest growing economies in Africa, with Agriculture as a strong driver of inclusive growth as it contributes 23.4% of overall GDP, employs over 70% of the population and has been growing by between 1% and 3% since 2010. Uganda's agricultural growth is the result of strong market support from the private sector and robust local demand for crops currently under production. Government of Uganda (GoU) priorities are clearly outlined in the Agriculture Sector Strategic Plan (ASSP) 2015-2020. Effective delivery of this strategy will enable Uganda to achieve inclusive agricultural transformation by striving to contribute to wealth creation and employment through implementation of actions for value chain development of twelve priority and four strategic commodities.

Despite the growth over a number of decades, a number of challenges persist and sector growth has not been smooth. Yield gaps range between 50-75% for many commodities and the uptake of improved seeds and fertilizers is quite low. As a result of low productivity in the sector, 83% of the population is said to be minimally food insecure resulting in 26% undernourishment. With the highest population growth rate (3.3%) and fertility rates (5.9%) in sub-Saharan Africa there is a need to stimulate agriculture production for Uganda to feed its growing population.

AGRA's strategy will leverage current private and public sector investments by prioritizing initiatives that complement the work of other actors to significantly increase smallholder farmers' income, food security and nutrition by driving productivity, strengthening linkages between market and production systems, supporting government to deliver on its priorities and supporting development of an improved enabling environment. AGRA's strategy emphasizes gender inclusive transformation through gender integrated approaches to drive equitable access to inputs, finance and agriculture education. The strategy draws heavily from lessons learned from AGRA's past investments totaling ~\$31 million in Uganda's agriculture in capacity development, input systems development, market development and post harvest management. AGRA investments will focus on the following strategic choices:

- At National level, interventions will seek to support government in coordination and implementation towards meeting goals set under ASSP 2015-2020 as well as identifying and operationalizing staple crop flagship projects that strengthen national and sub-national coordination, and stimulate strong sector growth. AGRA will support evidence based policy making and advocacy to drive the implementation of relevant laws & regulations.
- At the systems level, AGRA will facilitate interventions that unlock market failures and systemic issues. In particular investments will support the development of a national agriculture finance policy and strengthen the national agriculture credit facility to include incentive based risk sharing facility. AGRA will also support development of structured and integrated trading systems that drive effective and efficient small holder access to inputs, finance and markets. Investments will also seek to unlock private sector investments in blended fertilizer facilities and input distribution and to support commercialization of disease and drought tolerant seed varieties for selected crops.

AGRA support will focus on selected value chains and regions and will seek to impact 1.5m smallholder at an estimated cost of US\$ 23.9m

Uganda's Agricultural Context

Uganda's Agricultural Agenda is Shaped by a Few Macroeconomic Trends and Contextual Factors



Uganda has experienced steady GDP growth at an average rate of >5% between 2011 and 2015, a slight decline from an average rate of 8% between 2006 and 2010

- Main contributors to the economy are the Service (48.4%), agriculture (23.4%) and industry (19.9%) in 2015/16.
- The contribution of the agricultural sector to GDP declined from 25.4% in 2010 to 23% in 2014.
- The growth in agricultural sector declined from 2.6% in 2010 to -0.2% in 2012, before recovering to 3.6% in 2013 and 2.9% in 2014. It was lower than the average annual GDP growth rate of 5.2% and the average annual population growth rate of 3% over the same period.
- In 2015 approximately 70.1% of population were employed in agriculture and more than 50% were women. Only 24% of women, compared to 33 % of men, use improved seeds. Only 18.6% have access to extension advisory services compared to 81.4 % of men

Major source of food supply is from local food production in key crops such as the cooking banana, cassava and maize as main staple crops. Major agricultural food imports comprise palm oil, wheat and rice.

- Currently, there's 14.062mil ha of agricultural land available of which 6.9Mil Ha is arable with 1.762mil Ha under cereals and only 0.0734% of agriculture land irrigated
- 2008 crop census indicate on average 19% of household had access to extension services, 10% had access to credit and 50.9% traveled more than 5Km to access inputs
- Rain-fed agriculture is the dominant type across all agro-ecological zones through there are bimodal patterns in some districts.
- The adoption rate of improved seeds is at 20% and fertilizer usage is at 2-3kg/ha
- Poverty is at 29% and under nutrition is at 26% of the population

Uganda's National Development Plan II strives to grow agricultural exports to US\$ 4 billion per year

- The Agriculture sector specifically is guided by the Agriculture sector strategic plan (ASSP) 2015-2020. The ASSP is a commodity based strategy and targets to catalyze a transformation in 12 priority and 4 strategic crops.
- Coffee represents the largest portion of export in terms of volumes and value. Maize, beans, cotton and sugar represent other major volumetric export but of lower value
- The COMESA region is Uganda's biggest export destination with Uganda, Rwanda, DRC and South Sudan leading
- In 2015, Uganda exported commodities worth \$2.31B and imported \$5.52B, resulting in a negative trade balance of \$3.21B

Financing for Agriculture:

- Public sector financing has averaged between 3-4.5%, between 2008-2014 below the 10% CAADP target
- The ASSP 5 year budget is US\$ 1.939B of which US\$ 578Mil is expected contribution by private sector.
- Close to 80% of ASSP's budget will go towards increasing production and productivity as well as improving access to inputs. Access to markets comprise 14.53% while strengthening agricultural services and enabling environment take up 7.69%
- A large number of donors invest in the sector though few provide general budget support. The world Bank has recently approved a US\$ 150mil agriculture cluster development project.
- The semi-annual report for 2016/17 indicates an 89.6% absorption rate of approved development budget. The high absorption rate is attributed to low funding to some Votes that struggled financially to meet their targets

In its strategy, Uganda envisions agriculture transformation to drive a competitive, profitable and sustainable sector



Under the Agriculture Sector Strategic Plan (ASSP) 2015-2020, the sector's vision is: 'A competitive, profitable and sustainable sector', its mission is: 'Transforming the sector from subsistence farming to commercial agriculture' and the overall goal is: 'To achieve an average growth rate of 6% per year over the next 5 years'. The envisaged transformation will help create employment opportunities, especially for the young and for women, and increase household incomes, while ensuring household food security and nutrition along the entire commodity value chain. The ASSP takes into account development priorities outlined in the **National Development Plan (NDP) II 2015-2020**.

Description

Core objectives /targets

- Target is to achieve 6% agriculture year on year growth through reforms in enabling environment, strengthened agriculture service institutions and increased focus and investment in production and productivity of 12 priority crops and 4 strategic crops.
- Achieve 50% yield potential by improving access to critical inputs.
- Achieve \$4B per annum in exports by improving access to markets and value addition and strengthen the quality of agricultural commodities

Priority investment areas

In line with the above targets, the government has prioritized four key investment areas that address issues around the enabling environment as well as delivery systems. These are:

- Increased agricultural production and productivity (38.85% of Unconstrained budget)
- Increase access to critical Inputs. (38.93% of unconstrained budget)
- Improved market access and value addition, (14.53 of unconstrained budget)
- Strengthen agricultural service institutions and enabling environments (7.69% of unconstrained budget)
- Priority is also placed on 12 crops for food security and 4 strategic- industrial crops

Major priority, investments

- Improve access to high quality seeds, planting and stocking materials Appx US\$ 254M of ASSP budget
- Control Pests, Vectors and Diseases (US\$ 105M)
- Accelerate the development and commercialization of the prioritized agricultural commodities (USD 127m)
- Implement a Single Spine Agricultural Extension system while promoting gendered innovation in agricultural research centres and extension services. (USD 137M)
- Strengthening ecologically sound agricultural research and climate change resilient technologies and practices (US\$ 151m)

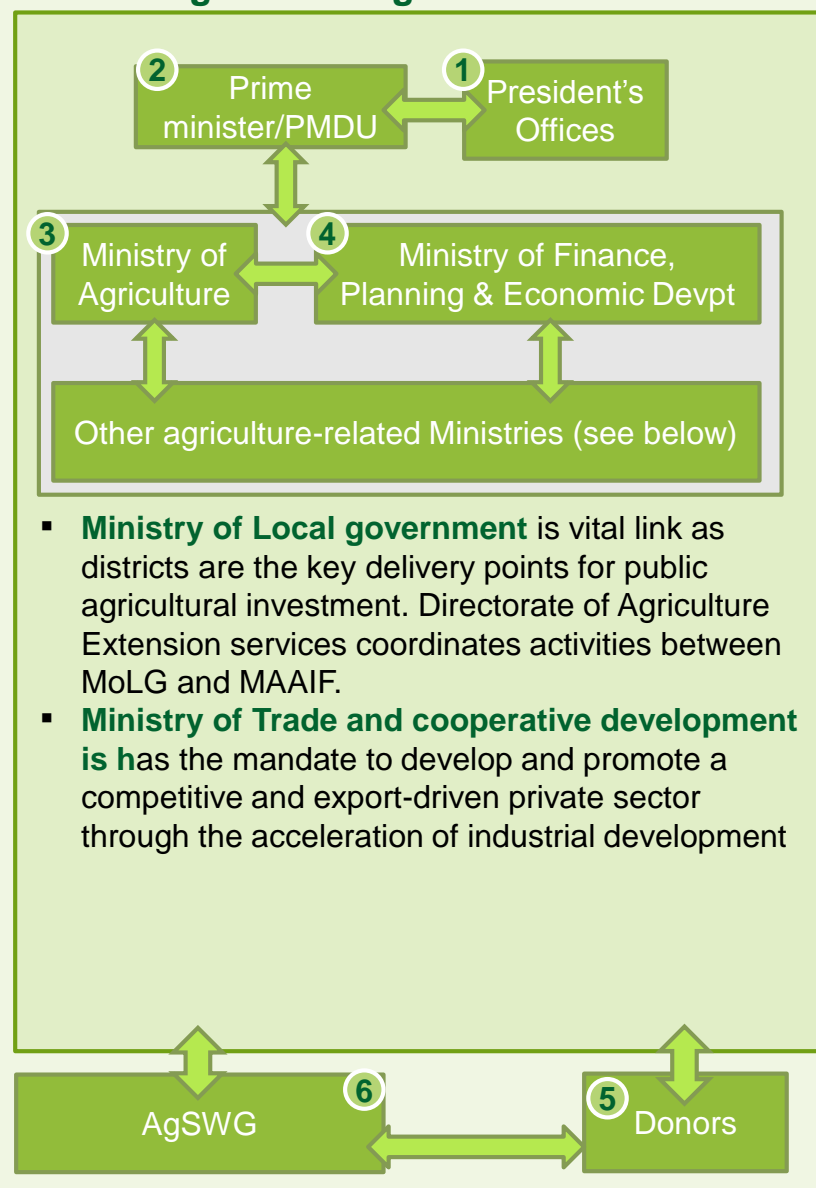
Government Resourcing

- The ASSP 2015-2020 has an estimated 5 year budget of US\$ 1.939 Billion allocated in the National Development Plan 2015-2020.
- GoU will seek to provide much of the funding required for implementing the ASSP. This will be done within the national budget framework or MTEF that stipulates the available resource envelope and sector ceilings for each year.
- Key donors expected to support the ASSP are World Bank, AfDB, EU, People's Republic of China, USAID, JICA, Danida, The Royal Dutch Embassy, FAO, IFAD, the French Development Agency and the Korean International Agency.

Sector governance is within the purview of the Ministry of Agriculture with Local government as a key implementation partner



National agriculture agenda

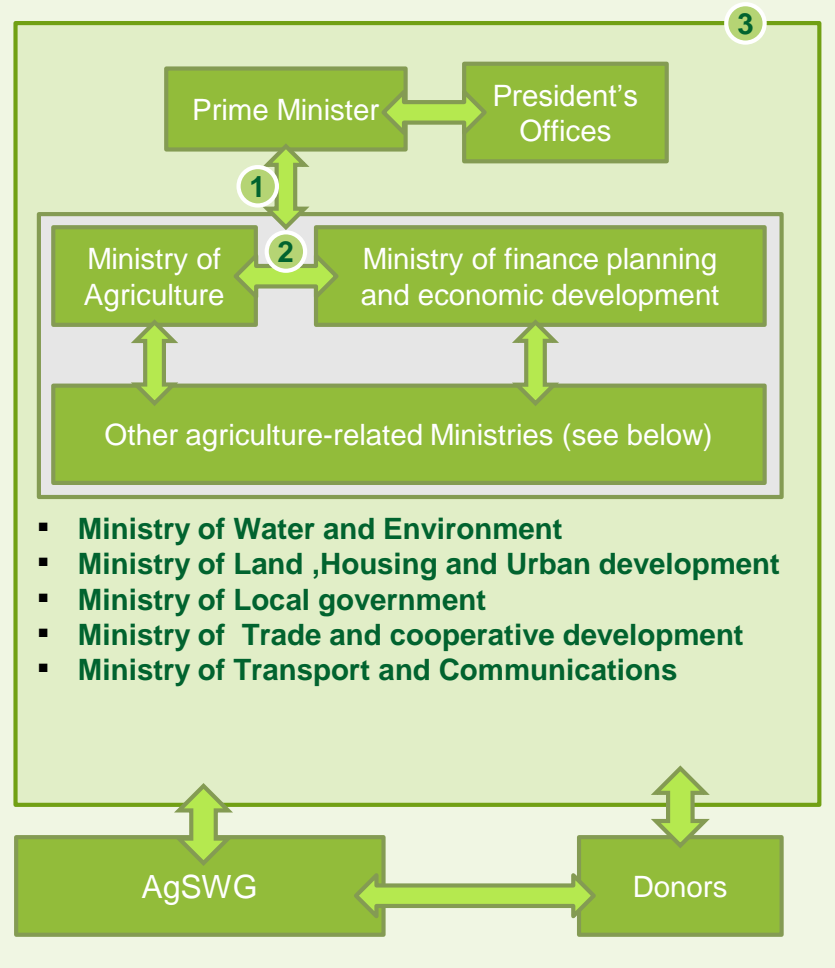


Institutional arrangement and responsibilities

- 1 President:**
 - Overall in charge of setting country strategic direction and priorities
- 2 Prime Ministers office/ Prime ministers Delivery Unit**
 - Leader of government business in parliament and is responsible for coordination and implementation of government policies across Ministries, Departments and other Public Institutions.
- 3 Ministry of Agriculture Animal Industry and Fisheries**
 - Responsible for formulating and implementing national policies and strategies along the value chain of crop, livestock and fisheries
- 4 Ministry of Finance Planning and Economic Development**
 - Responsible for formulation of sound economic and fiscal policies and mobilization of funds for implementation of government initiatives in Agriculture
- 5 Donor working group**
 - Donor working group currently chaired by JICA.
 - Other members are USAID, EU, World Bank, AfDB, DFID,, UNDP, IFAD
- 6 Agriculture Sector Working Group**
 - Co-chaired by PS MAAIF and JICA.
 - Other members are MoFPED, USAID, EU, WB, AfDB, DFID, Norwegian Embassy, UNDP, IFAD
 - Includes private sector and non-state actors

A number of mechanisms exist to ensure inter-ministerial and sector coordination

National agriculture agenda



Coordination bodies and responsibilities

- 1 Coordination with, and buy-in from national leadership**
 - The **Prime Ministers office** is in charge of government business and is responsible for coordination and implementation of Government Policies across Ministries, Departments and other Public Institutions.
- 2 Support inter-ministerial coordination**
 - Prime Ministers Delivery Unit (PMDU)** The overall purpose of the Delivery Unit is to facilitate faster implementation of select national priorities and enable delivery of big and fast results through a methodical approach to planning for implementation and execution
- 3 Coordination with regional bodies on CAADP**
 - Country CAADP Focal Point person – usually donor funded position within Ministry of Agriculture

In Uganda, the Agriculture sector has experienced a slow down in growth and is growing slower than overall GDP and population



Opportunities for sector transformation may lie in prioritizing areas that have the most impact to create employment and improve food security, improve government

Strengths

- GoU established Agriculture Credit Facility to increase access to credit by SMEs and SHF
- GoU in partnership with USAID established the e-verification system to provide quality assurance of available inputs.
- GoU established Operation Wealth Creation- a flagship program that focus investment in key crops for income diversification that include coffee, tea, and fruits.
- 23 Licensed seed companies striving to meet demand for seed estimated at 110,000 MT per year
- Improvements on key metrics – yields, GDP growth, private sector investment

AND

Opportunities

- High yield gaps (>50%) : Maize 2.17 vs 6.57 MT /Ha, Sorghum 0.9 vs 3.35MT/Ha, Rice 2.5 vs 4.87 MT/Ha
- Limited access to markets and high post-harvest losses in cereals (~ 18%)
- Low use of inputs, e.g. 20% famers use improved seeds, fertilizer use at 2-3 kg/ha vs. the target of 50 kg/ha under CAADP
- Limited lending to the agriculture sector (<10%)
- High rates of Input Adulteration
- Poverty at 29% and undernourishment at 26% of population

Sector strategy, governance and coordination

Strengths

- Strategy relevance – acknowledges declining Ag GDP growth and prioritizes commercialization, inclusivity, income creation and food security
- Government expenditure in agriculture has generally been on the rise compared to historical - 4.3% during 2008-2014 compared to 3.4% during 2003-2008
- Well defined coordination structures

AND

Opportunities

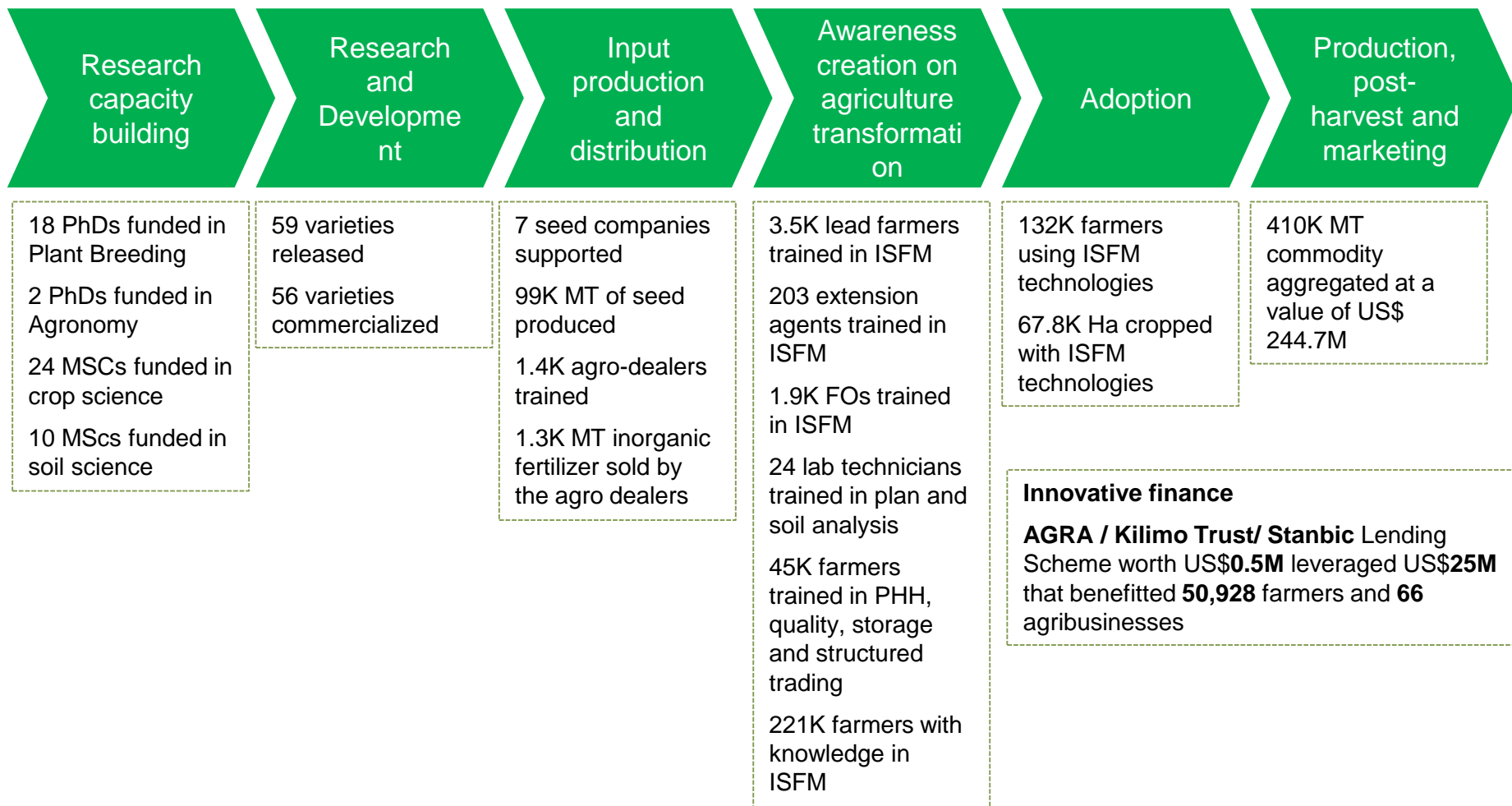
- Drop in government investment in agriculture within the 2008 – 2014 period from 6% in 2009 to ~3% in 2015. The drop in government expenditure has matched a drop in Ag GDP growth – the two may be correlated
- Sector coordination challenges – difficulty in actually effectively implementing on existing structures

Lessons AGRA has learned from its investments in Uganda

Over the last decade, AGRA has invested over \$31.4 million in Uganda and contributed to sector development...



AGRA's focus was to strengthen public institutions with human capacities necessary to drive the sector technological needs to improve yields while supporting private sector and other institutions to deliver services to farmers



AGRA has learned a number of that have implication driving future programming and investments in Uganda



Coordination and Enablers

- Coordination: With a decentralized governance system, Working with the central government in isolation is ineffective. There is increased need to strengthen systems that enhance coordination between central, local governments and support ministries as some critical functions like agricultural extension have been devolved to lower level systems and agriculture finance is coordinated under MoFPED. Coordination is needed between MAAIF and MoLG as well as other ministries critical to the development of agriculture
- Importance of coordination and leverage: AGRA's investment represents less than 1% of the total agricultural investments estimated to catalyze an agricultural transformation In Uganda. Increased engagement with government, private sector and Development partners is critical to have consensus on how to drive systemic change in the agriculture input and output market systems.
- Despite increased GoU spending in the sector, growth has been slow. There is increased need to intergrate private sector to drive sector growth. This can be done through flagship projects and other incentives to derisk private sector investments.

Systems Development

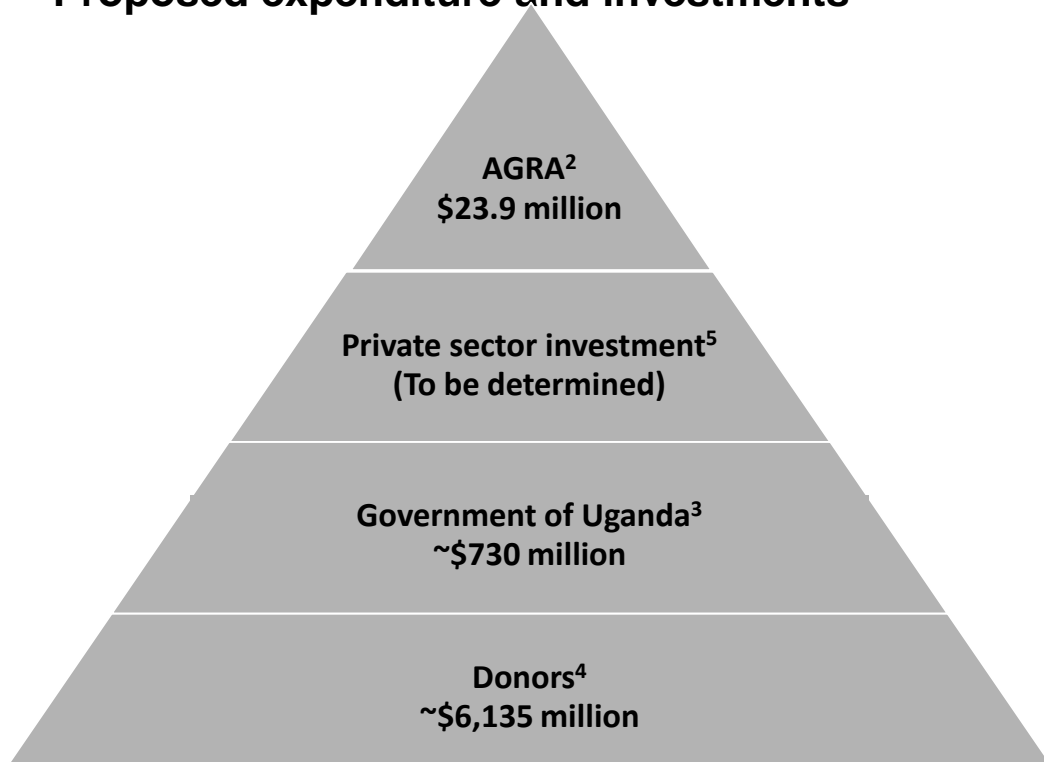
- Stand-alone interventions are less effective and there is need for intergrated interventions to reduce financial risks. Structured trading systems greatly enhance access to finance initiatives as well as yield enhancing technologies. Market access has emerged as a clear incentive to the uptake of improved seeds and fertilizers.
- Access to finance is a big constraint for private sector expansion. There is need for affordable access to working capital for trading purposes and longer term financing for capital expenses. There is also need to help design financial products that are appropriate to small holder farmer systems.
- Adoption of technologies is greatly influenced by access to training. There is need to enhance the capacity of the existing extension system using ICT tools. There is also need to enhance farmers access to Inputs by enhancing the reach of Uganda's agrodealer network.
- With increased loss in soil nutrients there is need for widespread adoption of crop and geography specificaly fertilizer blends. Assured markets have been identified as a major pull factor for soil technology uptake. Private sector investments can be greatly boosted by development of soil maps and availability of soil testing facilities

These lessons culminate in a critical recognition that AGRA's funds are insufficient to drive transformation in Uganda



AGRA recognizes that with \$25 million its investments are < 1% needed of what is needed to drive an inclusive agriculture transformation in Uganda; therefore going forward, AGRA will selectively invest where it sees opportunities to be catalytic

Proposed expenditure and investments¹



- AGRA's strategic vision in Uganda can only be achieved through strong partnerships with other players in Uganda
- AGRA will prioritize interventions that catalyze and complement funding committed by the Government and donors
- As such, AGRA is committed to:
 - Alignment with Government priorities and programs
 - Boosting government capacity for strategic planning and implementation
 - Participating in and supporting government coordinating mechanisms
 - Committing resource to catalytic system development that allow for scale known models and technologies

1: Figure not drawn to scale

2: Proposed country investments for country strategy 2017 - 2021

3: FAOSTAT 2014 data flat-lined for 5 years

4: Official Development Assistance (ODA) flows, Other Official Flows (OOFs) and Private Grant/Flows reported by donor countries, multinational organizations and private entities to OECD DAC Directorate for all purposes related to agriculture except forestry and general environment protection

5: Exact estimates for private sector investment are unknown and therefore conceptual

SOURCE: FAOSTAT; ReSAKKS; AGRA analysis

AGRA's Strategic Choices and Operational Plan

AGRA's Strategy and Vision in Uganda



Having worked in UGANDA over the last 10 years, AGRA and partners have build an assets base in technologies, partnerships and models that if scaled can have significant impact on the status of inclusive agriculture in Uganda. AGRA's new strategy seeks to bring all of these elements together with the following vision For Uganda:

Uganda's vision for Agriculture development

Under the Agriculture Sector Strategic Plan (ASSP) 2015-2020, the sector's vision is: 'A competitive, profitable and sustainable sector', its mission is: 'Transforming the sector from subsistence farming to commercial agriculture' and the overall goal is: 'To achieve an average growth rate of 6% per year over the next 5 years'. The envisaged transformation will help **create employment opportunities, especially for the young and for women, and increase household incomes, while ensuring household food security along the entire commodity value chain.**

Increased agricultural
production and
productivity

Increase access to critical
Inputs.

Improved market access
and value addition

Strengthen agricultural
service institutions and
enabling environments

AGRA's strategy for Uganda

To catalyze and sustain inclusive agriculture transformation in Uganda by contributing to:

- 1) the government's need for a strong Agriculture sector that creates employment and improves food security through support for effective coordination and implementation capabilities;
- 2) Strengthening the Agriculture sector delivery systems for improved productivity and marketing of produce to impact incomes and improve food security for at least 1.5 million smallholder households

AGRA's approach in Uganda will focus on Country Support and policy engagement and support to systems development



AGRA believes that in Uganda there is room to drive scale through: a) a well planned and coordinated approach to resources in the public domain, b) working with private sector to build systems that improve access and drive sustainability

Country support and policy engagement (preliminary)

- ❑ Enhanced sector evidence based planning and analytics - Support MAAIF to undertake a mid term review of the ASSP and ensure its alignment with CAADP commitments as well as identify flagship initiatives
- ❑ Enhanced sector coordination - Provide technical assistance to support MAAIF to strengthen the institutional coordination mechanisms such as the AgSWG, mutual accountability platforms and institutionalization of Joint Sector Reviews process and biennial reviews
- ❑ Support development of an enabling environment e.g. Facilitate development of an agricultural financing policy, strategy, law and regulations, Support micro policy reform of key systemic issues in the seed and fertilizer sectors, Support the harmonization and domestication of regional standards and policies

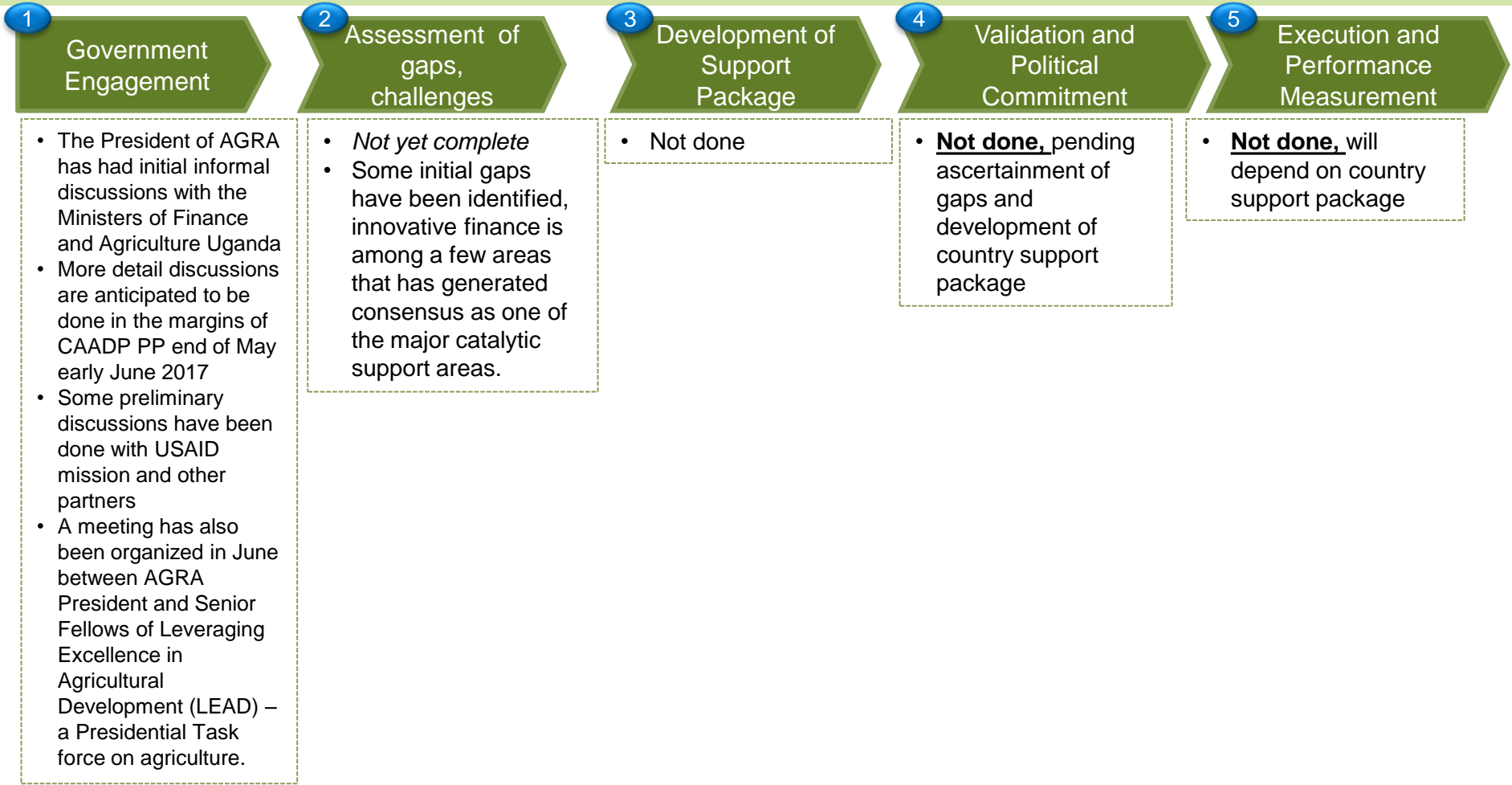
Value chains and market systems development

- ❑ Promote structured and integrated trading platforms. This intervention will seek to link small holder farmers to buyers in structured arrangements to ensure efficient access to markets, inputs and credit. Activities will include provision of BDS to SME & FO and support in PHM
- ❑ Enhance access to improved seeds and blended fertilizers: initiatives will support the development of sufficient volumes of local seed varieties and blended fertilizers. Activities will seek to strengthen the agrodealer network, enhance input verification and soil testing practices.
- ❑ Stimulate demand and supply of agriculture finance products in Uganda: Interventions will seek to strengthen the agricultural credit facility with incentive based risk share facilities, work with financial institutions to enhance digital finance tools as well as improve products targeted at the agriculture value chain. Financial literacy will also be promoted to enhance borrowers capacity and collateral.

AGRA's has had **limited** discussions with the government of Uganda & initial dialogue provide a guide on nature of actions that will constitute country and policy support package



As the full roll out of AGRA's engagement model is slotted to take place in 2018, AGRA has not prioritized Uganda for early engagement with government. Over the next two to three months, AGRA intends to engage the Ministry of Agriculture and ascertain the gaps and country support and policy engagement package. The following approach details the basic steps AGRA has taken and will follow in engaging government of Uganda from assessing the gaps, needs and challenges, to developing support packages. This is not a linear but an ongoing process where AGRA and partners will need to determine what to move through this approach.



Country support initiatives (preliminary)



Leveraging AGRA's comparative advantage in building institutional capacity and creating a favorable environment for the private sector, some initial and preliminary areas have been proposed below. AGRA review and refinement of its support areas will be geared towards strengthened capacity for evidence based planning, implementation alignment between government bodies, increased coordination between the Ministry of Agriculture MAAIF and external stakeholders, and an enhanced policy environment for private sector investments

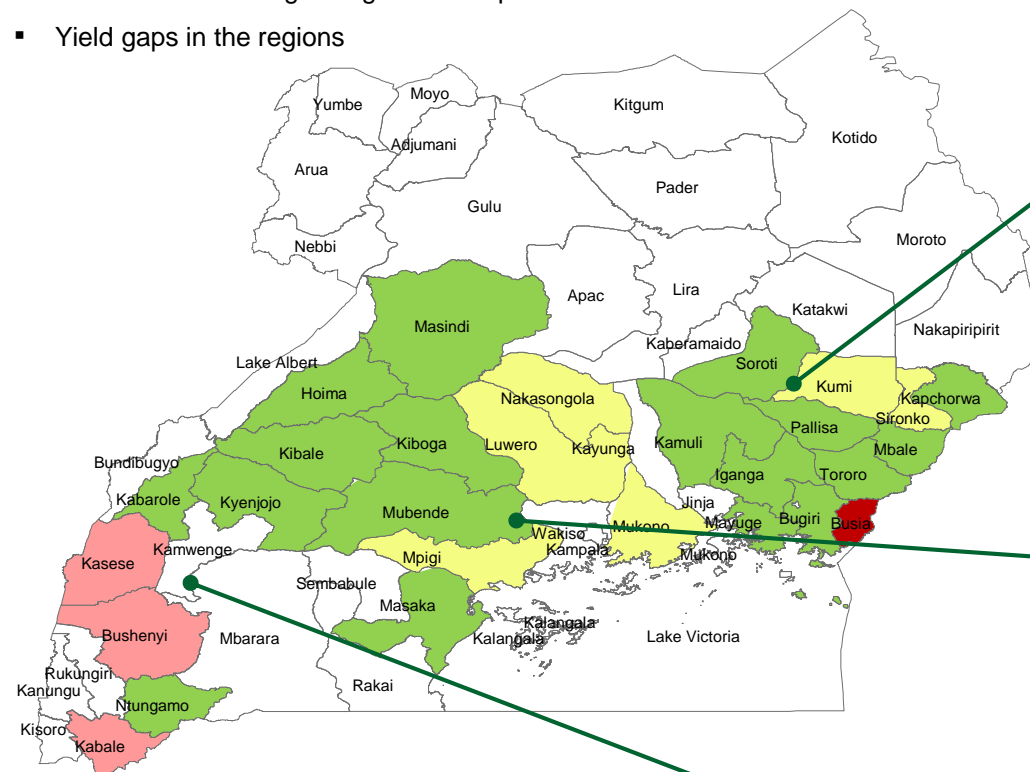
Strategic engagement area	indicative interventions	Potential partners	Link to results framework
Enhanced sector evidence based planning and analytics	Support MAAIF to undertake a mid term review of the ASSP and ensure its alignment with CAADP commitments as well as identify flagship initiatives	TBD	IO 8.1
Enhanced sector coordination	Provide technical assistance to support MAAIF to strengthen the institutional coordination mechanisms such as the AgSWG, mutual accountability platforms and institutionalization of Joint Sector Reviews process and biennial reviews	EPRC	IO 8.1
Support development of an enabling environment	Facilitate development of an agricultural financing policy, strategy, law and regulations	IFPRI, Uganda Agribusiness Alliance, MAAIF, Ministry of Finance	IO CC 9
	Support micro policy reform of key systemic issues in the seed and fertilizer sectors.	EPRC, USTA, UNADA	IO CC 9
	Support the harmonization and domestication of regional standards and policies	EPRC	IO CC 9

To deliver system and farmer level interventions, AGRA will prioritize 3 regions with high potential impact



To prioritize interventions, regions were assessed based on:

- Number of farmers growing select crops
- Yield gaps in the regions



Region 1: Eastern Province

- Key producer of maize, cassava and rice in Uganda. Yields are however 50% below potential (2.9MT/Ha maize, 3.6MT/Ha rice, 3.1MT/Ha Cassava)
- Has well developed roads and proximity to domestic and export markets. Developed private sector
- Region has Appx 1.109m farming HH with average of 1.1 ha per farmer. Soroti District has Highest poverty rate at 66%
- Maize, rice and other staples marketed in Uganda and South Sudan. (35.5% of Maize, 59.2% of rice, 22.9% rice and 17.% Cassava)

Region 2: Central Province

- Yield gaps exist (2.4MT/Ha Maize, 0.8MT/Ha rice, 1.4MT Beans and 3.2MT/Ha cassava. 57.1% of maize sold, 68.2% of rice, 57.2% of beans and 29.9% of cassava.
- Closest to capital city Most produce is sold and very little stored. Shrinking agricultural land due to urbanization
- Region has Appx. 807k farmer HH with average of 1.0Ha per farmer. Kiboga district has highest poverty rate at 47%
- Marketable surplus but high post harvest losses

Region 3: Western province

- Number 1 producer of beans 30.9% sold, 67.5% of beans sold. Depleted soils, suboptimal yields
- Bimodal rain patterns in some areas.
- Region has Appx 1.125m farmer HH with an average of 0.8ha per farmer. Kasese district has highest poverty rate at 48%
- Marketable surplus exported to Rwanda, DRC

Crop	Acreage, 000 ha	HH, 000	District
Maize	577.141	1,620	20
Beans	75.57	482	13
Rice	49.8	75	8
Cassava	75.657	425	20

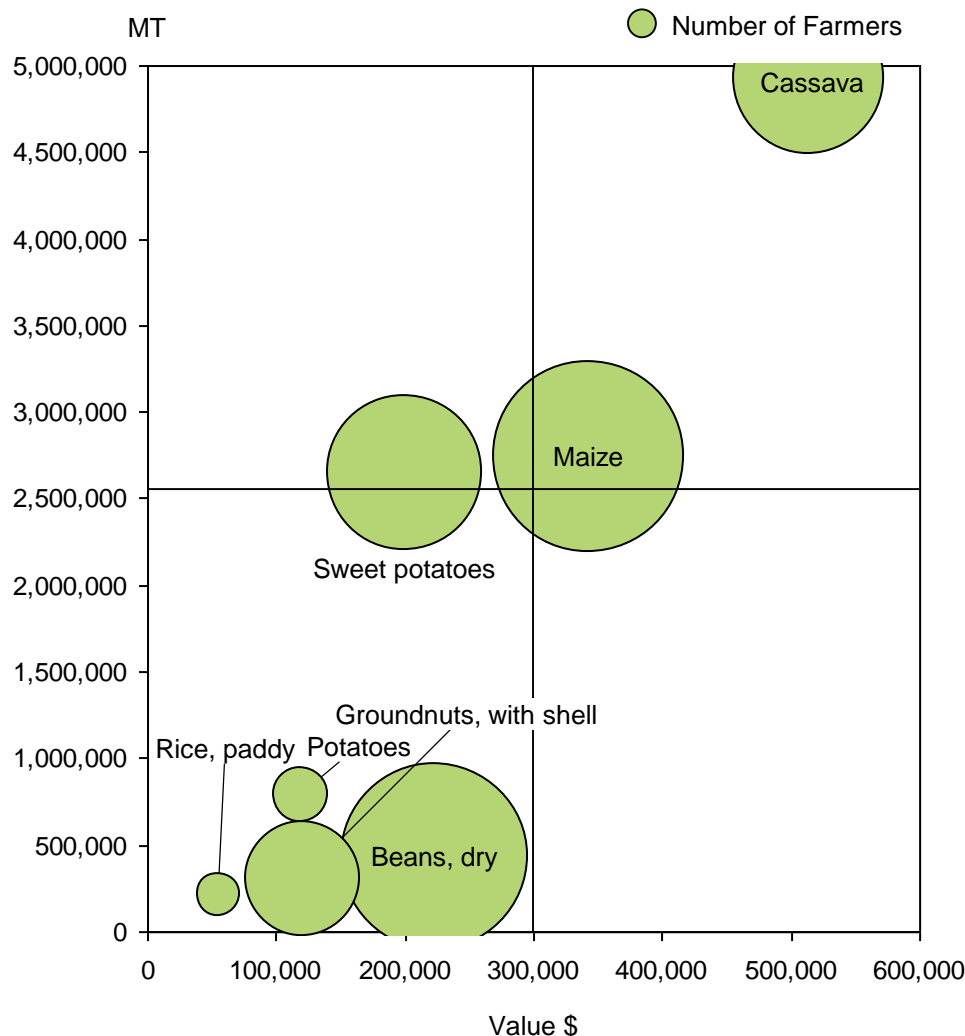
Key

- Maize/Beans/Cassava/Rice
- Beans Only
- Cassava Only
- Rice Only

Within these regions, AGRA will focus on Four primary staple crops



Crops selection and prioritization



Maize (20 Districts)

- Number of HH: 1,620,901 Households
- Volumes in region: 1,740,500MT
- Crop disposition: 41% of production is sold
- Yield gaps: 2MT/Ha vs Potential of 4-5MT/Ha
- Post harvest loss: 18.8%

Beans (13 districts)

- Number of HH: 482,811 House holds
- Volumes in region: 113,55MT
- Crop disposition: 31% of production is sold.
- Yield gaps; 1.6MT/Ha vs potential of 6.3MT/Ha
- Post harvest Losses: 20%

Rice (8 districts)

- Number of HH: 109,798 Households
- Volumes in region: 14,621 MT
- Crop disposition; 28% of production is sold
- Yield gaps: 2.5MT/Ha vs potential of 5MT/Ha
- Post Harvest Losses; 17.9%

Cassava (20 Districts)

- Number of HH: 425,614 Households
- Volumes in region: 277,425MT
- Crop disposition: 22.2% of production is sold
- Yield gaps: 3.3MT/ha vs. potential of 30MT/Ha
- Post harvest Loss: 48.6%

PRIORITIZATION: 1 Yield Gaps 2 Number of Farmers 3 Economic Opportunity 4 Agro-ecological zones

Meanwhile, a number of major donors and private sector firms are focused on scattered segments of the value chains

Not Exhaustive



	Seed supply & research	Fertilizer supply & research	Other ag. inputs	Infrastructure	Farmer access (agrodealers)	Farmer awareness (extension)	Farmer organization	Market linkages	Post-harvest management, quality and standards
Maize Beans	 			 	 	 	 	 	
Rice	 			 		 			
Cassava				 					
National & regional policy	 	 		 	 	 	 	 	
Agri-cultural finance									
Human & institutional capacity	 								
Private sector investments	 Uganda Seed Traders Association	 UGANDA DEVELOPMENT BANK Inspiring Development			Uganda National Farmers Federation			 The Grain Council of Uganda Making Uganda the Grain Basket of the region	

Specific areas of agricultural systems and staple food chains have significant need and are currently under-resourced



Not a challenge; or, outside AGRA's core focus areas

Challenge area; effective partners already present or intend to intervene in alignment with AGRA's Theory of Change

Challenge area; partners already present or considering entering; AGRA's expertise/influence could guide more effective or scaled interventions

Challenge area; partners not present



	Seed supply & research	Fertilizer supply & research	Other ag. inputs	Infrastructure	Farmer access (agrodealers)	Farmer awareness (extension)	Farmer organization	Market linkages	Post-harvest management, quality and standards
Maize Beans									
Rice									
Cassava									
National & regional policy									
Agri-cultural finance									
Human & institutional capacity									

Value chain structured trading platforms



Uptake of inputs is quite low in Uganda. One of the reasons is limited access to markets. Where markets are available SHFs are not able to get the best value due to poor quality of produce offered to the markets. Interventions will seek to promote structured and integrated trading platforms to ensure farmers have better access to markets that can then unlock access to inputs and finance

Strategic choices	Intervention description & AGRA's role	Potential partners	Approach to scaling	Results framework
Promote structured and integrated trading platforms	Promote value chain digitization to improve governance and enhance linkages among stakeholders	Akorio, G – Soko,ARIFU	Digital platforms promote VC transparency and enhance trade between VC actors thus contributing to sustainability.	IO 5.1
	Facilitate provision of business development services to SMEs and FOS in select value chains	UDET,TNS,SNV,aBI Trust	Growing businesses demand more raw material from higher number of farmers that drives sustainability	CC 12
	Facilitate SME access to storage facilities and Post harvest technologies for FOs and SHFs	UDET,TNS,SNV,aBI Trust	Leverage partnership with AGCO and TGPU that already intends to install 160,000 MT of storage capacity in Uganda	IO 3.1, 3.2
	Facilitate FO and SHF access to improved seeds, blended fertilizers, mechanization services and market information	UDET,TNS,SNV,aBI Trus	Establish procurement platforms together with WFP under the Farm to Market Alliance	IO 1.3 2.1, 2.2
	Develop regional grain hubs	UDET,TNS,SNV,aBI Trus	Partnership with TGPU that is already piloting 6 regional grain hubs and aims at setting up 16 more by 2020	IO 5.1, 5.2,5.3, CC13

Input systems development



Input use in Uganda is quite low with fertilizer use recorded as the lowest in the world at 2-3Kgs/Ha. The low adoption is as a result of lack of awareness, limited access to input shops with more that 1.5M farmers traveling more that 5km to access an agrodealer. Adoption is also constrained by adulteration of inputs at the retail levels. This intervention will seek to promote production of improved seeds and blended fertilizer as well as enhance small holder access to the improved seeds and fertilizers.

Strategic	Intervention description & AGRA's role	Potential partners	Approach to scaling	Results framework
Enhance access to improved seeds and blended fertilizers	Enhance the Agro Dealer network in select regions	UNADA	Link the UNADA with Structured platforms and farmer organizations in underserved regions.	IO 1.1 1.3
	Enhance access to soil testing facilities and blended fertilizers	Grain Pulse, UNADA	Partnership with private sector and UNADA to enhance soil testing for farmers as well as improve access to blended fertilizers	IO 1.2,1.3,2.1, 2.2, CC13
	Facilitate capacity building of seed companies to increase production of seeds and their distribution	USTA,UNADA	Partner with USTA to entrench training curriculum and ensure all existing and prospective seed companies are trained on a regular basis.	CC12, IO 1.1, 2.1, 2.2
	Promote Input verification among seeds companies, fertilizer companies, agro dealers, farmer organizations and farmers	Akorion	Increased use of Input verification will increase assurance of product quality and increase uptake and adoption of technologies	IO 1.3, 2.2

Market systems development through Access to finance



Financial institutions provide less than 10% of their loan book to agriculture as a result of perception that agriculture is high risk. As a result, access to agriculture credit is as low as 10% in Uganda. Bank of Uganda has also indicated that the highest rate of non-performing loans is in the agriculture sector. Interventions in agriculture finance will seek to reduce the risk associated with lending to the agriculture sector and at the same time systematically unlock demand and supply of credit to the sector.

Strategic	Intervention description & AGRA's role	Potential partners	Approach to scaling	Results framework
Stimulate demand and supply of agriculture finance products in Uganda	Support to enhance the agriculture credit facility to include an incentive based risk share facility	Deloitte, Dalberg, McKinsey	Including a risk share facility will provide an incentive for more financial institutions to participate in the ACF and uniformly reduce the cost of credits and increase financing to the sector	IO 6.1, 6.2
	Facilitate the development of digital financial delivery solution that will enhance access to agriculture finance for SHFs and SMEs	Akorion, UDB, Centenary Bank, DFCU	Digital solutions provide a path to scale through innovation and lower distribution costs. These solutions will reduce costs for financial institutions leading to profitability and increased scale	IO 6.1, 6.2
	Facilitate capacity building in financial literacy among SME's and FOs in select value chains	TNS, UDET	FOs and SHF are at different levels of bankability. Providing financial literacy training will help improve the capacity and character of borrows and in turn increase the uptake of financial products	CC 12

Country results framework and budget

Uganda Results Framework

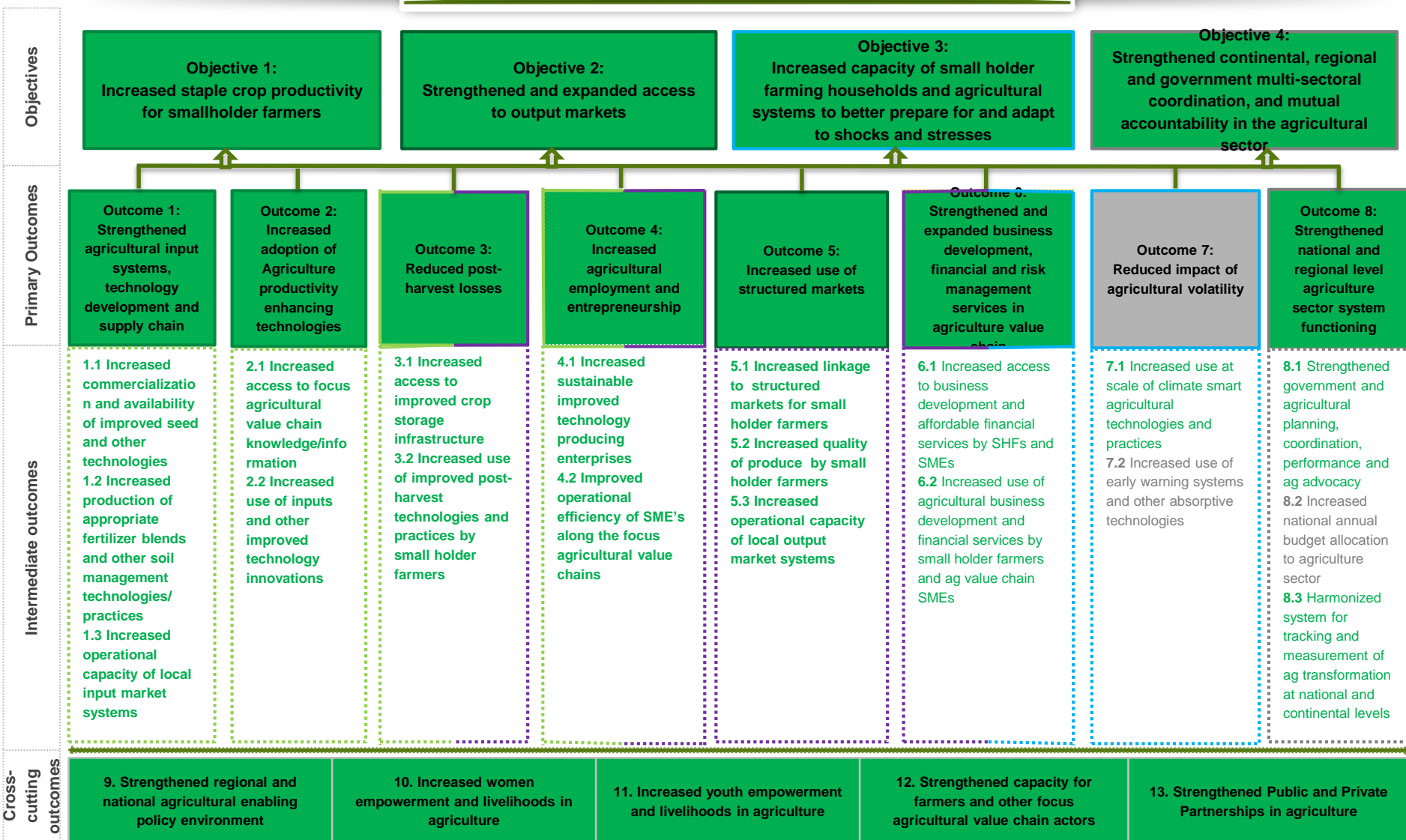


- AGRA's overall goal in Uganda is to Catalyze and Sustain an Inclusive Agricultural Transformation to increase Incomes and improve Food Security of 1.5 million smallholder farming households through strategic country support and government engagement coupled with a set of targeted catalytic downstream and systemic investments made through its alliance of partners.
- Agricultural transformation is defined as a **process by which farmers shift from highly diversified, subsistence-oriented production towards more specialized production** oriented towards the market or other systems of exchange, involving a greater reliance on input and output delivery systems and increased integration of agriculture with other sectors of the domestic and international economies.
- Uganda's goal and objectives are directly contributing to the SDG two of ending hunger, achieving food security and improved nutrition and promoting sustainable agriculture. AGRA is equally committed to implementing interventions that are contributing to the AU Malabo declaration, aligning the Uganda Results Framework with the CAADP framework .
- To achieve its ambitious goal, AGRA seeks to contribute to four inter-related and inter-dependent objectives: 1) Increased staple crop productivity for smallholder farmers, 2) Strengthened and expanded access to output markets, 3) Increased capacity of smallholder farming households and agricultural systems to better prepare for and adapt to shocks and stresses, and 4) Strengthened continental, regional and government multi-sectoral coordination and mutual accountability in the agriculture sector. Interventions in Uganda will contribute directly to 7 of the 8 overall AGRA Primary Outcomes, all the five cross-cutting outcomes and directly contribute to most of the overall AGRA's intermediate outcomes.

Uganda results framework



Goal: Catalyze and Sustain an Inclusive Agricultural Transformation in Africa to increase incomes and improve food security



Uganda - Key Country Indicators and Targets



AGRA is tracking 73 indicators across its strategy and at country level, but a version of the following dashboard will be tracked for ongoing management and summary reports

1 GOAL LEVEL IMPACT INDICATORS I		Baseline 2017	2018 Target	2019 Target	2020 Target	2021 Target
Average number of months of adequate household food provision		-		-		-
Improved food security: Household dietary diversity index)		-		-		-
Percent of people living below the national poverty line		-		-		-
Percent of people living on less than \$1.90/day)		-		-		-
2 OBJECTIVE LEVEL OUTCOME INDICATORS		Baseline 2017	2018 Target	2019 Target	2020 Target	2021 Target
Average yield (MT/ha) of Crop1		-	-	-	-	-
Average yield (MT/ha) of Crop 2						
Average yield (MT/ha) of Crop 3		-	-	-	-	-
Domestic Food Price Volatility index		-	-	-	-	-
Percent national annual agricultural budget allocation to spending needs on resilience building/response initiatives		-	-	-	-	-
3 PRIMARY LEVEL OUTCOMES INDICATORS		Baseline 2017	2018 Target	2019 Target	2020 Target	2021 Target
Rate of diffusion of improved seed varieties, fertilizer blends and other productivity technologies at farmer levels		-	-	-	-	-
Adoption rate of target improved productivity technologies or management practices at farmer level)		-	-	-	-	-
Percent of crop losses during storage)		-	-	-	-	-
Number of jobs created by SMEs receiving AGRA support along the focus value chains)		-	-	-	-	
Percent of total household produce sold through structured market facilities/arrangements)		-	-	-	-	-
Percent of loan/risk facilities directed to agricultural activities/SMEs in target financial/risk providers		-	-	-	-	-
Percent of target households with perceived adaptive or coping strategies to shocks and stresses		-	-	-	-	-

Uganda - Key Country Indicators and Targets



4 INTERMEDIATE OUTCOMES LEVEL INDICATORS	Baseline 2017	2018 Target	2019 Target	2020 Target	2021 Target
Quantity (MT) of targeted improved seeds of focus crops produced by enterprises/entities supported by AGRA	-	-	-	-	-
Quantity (MT) of fertilizer blends produced by local fertilizer producers supported by AGRA	-	-	-	-	-
Percent of households using target certified seed of improved varieties, fertilizer blends and other improved productivity technologies or management practices	-	-	-	-	-
Cubic meter of storage space developed or refurbished /rehabilitated	-	-	-	-	-
Number of post-harvest technologies sold/distributed to farmers	-	-	-	-	-
Percent national annual agricultural budget allocation to spending needs on resilience building/response initiatives	-	-	-	-	-
Average fertilizer use (Kg/Ha)	-	-	-	-	-
Percent of farming households using post-harvest technologies/facilities	-	-	-	-	-
Percent of target SMEs along focus value chains operating profitably	-	-	-	-	-
Percent of farmers using structured trading facilities/arrangements	-	-	-	-	-
Quantity (MT) of target crops sold through structured markets)	-	-	-	-	-
Percent target farmers using financial/risk management services of engaged institutions	-	-	-	-	-
Percent of farmers and other stakeholders accessing early warning information to use for value chain planning	-	-	-	-	-
Percent annual government agriculture budget allocation of total government budget	-	-	-	-	-

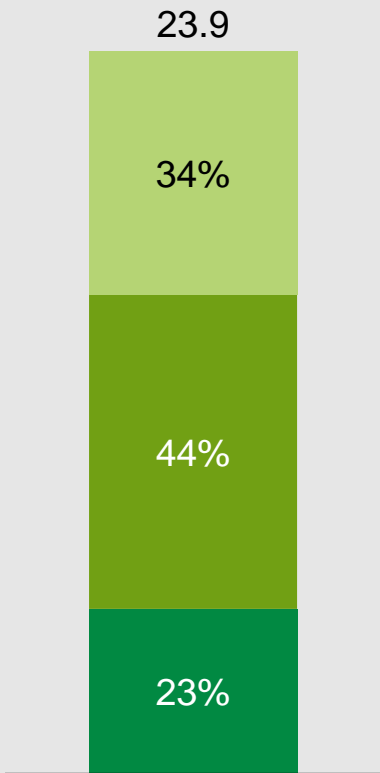
AGRA Projected program costs for UGANDA



\$M

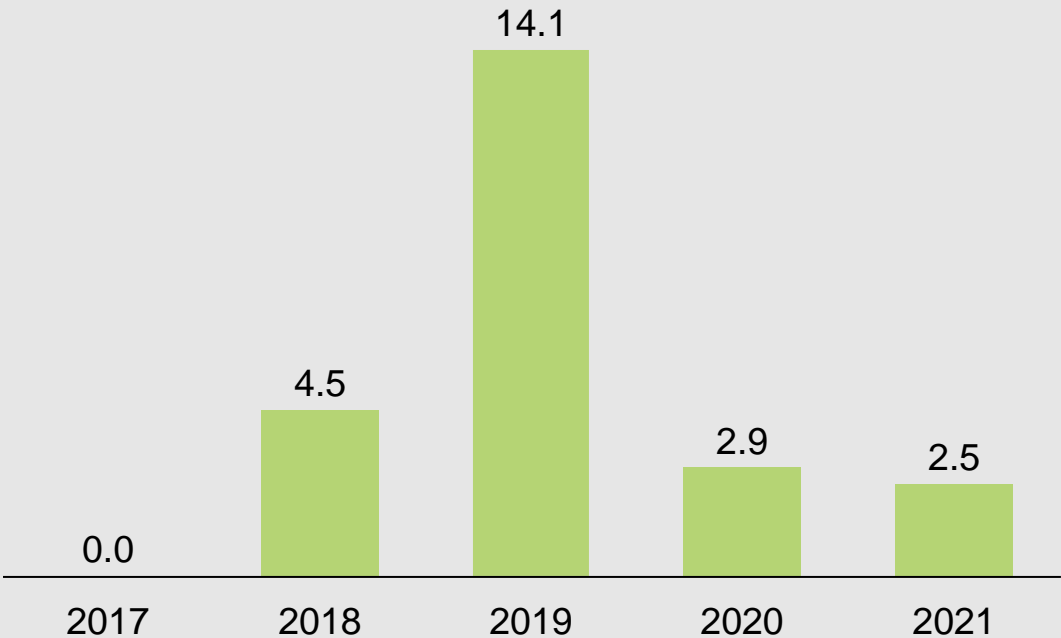
Funding areas

Uganda year-by-year projected investments
(excl program implementation cost)



Uganda

- Input systems development
- Market systems development
- Country support and policy engagement



The Uganda operational plan is scheduled for full roll-out in 2018. A catalytic fund exists out of which high priority investments in Uganda can be made in 2017

AGRA's organizational capacity to deliver

Uganda's country office will be the frontline for delivering AGRA's interventions in country



VP Country Support, Policy & Delivery

Regional / Country Manager (Uganda)

- **Geographic service teams (GSTs) will lead regional and country delivery**
- POs and APOs will be **responsible for managing an integrated portfolio of ongoing programs, as well as new initiatives** reflecting the new organizational strategy
- **New initiatives will be developed on the frontlines**, but draw on the expertise and existing body of knowledge within the Nairobi teams (i.e., Program Development & Innovation, Business Development and Strategic Partnerships)

Admin Assistant

Lead Country PO, Uganda with significant country experience

2 APOs – to cover focus regions and value chains

GST Finance Administrator

GST M&E Officer