

EASTERN AND SOUTHERN AFRICA SMALL SCALE FARMERS FORUM (ESAFF)



**THE IMPLEMENTATION OF THE COMPREHENSIVE AGRICULTURAL DEVELOPMENT PROGRAM IN EAST AFRICA,
THE CASE OF SMALL SCALE FARMER' PARTICIPATION IN UGANDA**

A DESKTOP STUDY

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List of acronyms

| | |
|--------|--|
| ACP | Africa Caribbean Pacific |
| AGRA | Alliance for the Green Revolution for Africa |
| ATAS | Agribusiness Technology and Agribusiness Advisory Services |
| AU | African Union |
| CAADP | Comprehensive Africa Agriculture Development Programme |
| CDM | Clean Development Mechanism |
| CDO | Cotton Development Organization |
| CET | Common External Tariff |
| COCTU | Coordinating Office for the Control of Trypanosomiasis in Uganda |
| COMESA | Common Market for Eastern and Southern Africa |
| DB | Data and Bank |
| DDA | Dairy Development Authority |
| DP | Development Partner |
| DPs | Development Partners, |
| DSIP | Agricultural Sector Development Strategy and Investment Plan |
| EAC | East African Community |
| EAFF | Eastern Africa Farmers' Federation |
| EALA | East Africa Legislative Assembly |
| EC | European Commission |
| EPA | Economic Partnership Agreement |
| ESAFF | Eastern and Southern Africa small scale farmers' forum |
| EU | European Union |
| FAO | Food and Agricultural Organisation |
| GE | Genetic Engineering |
| GMO | Genetically Modified Organisms |
| GoU | Government of Uganda, |
| MAAIF | Ministry of Agriculture, Animal, Industry and Fisheries |
| MDG | Millennium Development Goals |
| MFPED | Ministry Of Finance, Planning and Economic Development |
| MP | Member of Parliament |
| MTEF | Medium Term Expenditure Framework |
| NAADS | National Agricultural Advisory Services |
| NAADS | National Agricultural Advisory Services, |
| NAGRIC | National Genetic Resources Information Centre |
| NARO | National Agricultural Research Organization |
| NDP | National Development Plan |
| NDP | National Development Plan |
| NEPAD | New Partnership for Africa's Development |
| NGO | Non-Governmental Organisation |
| NPCA | Planning and Coordinating Agency |
| NTB | Non-Tariff Barriers |
| OAU | Organisation of African Unity |
| OECD | Organisation for Economic Co-operation and Development |
| PLI | Pillar lead institutions |
| PMA | Plan for Modernization of Agriculture |
| PPF | Pastoralist Policy Framework |
| REC | Regional Economic Communities |

| | |
|--------|---|
| SLM | Sustainable Land Management |
| SLWM | Land and Water Management |
| SSF | Small Scale Farmer |
| UBOS | Uganda Bureau of Statistics |
| UCDA | Uganda Coffee Development Authority |
| UNFCCC | UN Framework Convention on Climate Change |
| WFP | World Food programme |
| WSSD | World Summit on Social Development |
| WTO | World Trade Organisation |

1.1 Background information on ESAFF

The East and Southern African Farmers Forum (ESAFF) is a regional forum of Small-scale farmers, pastoralists and traditional fisher folks (ESAFF, 2011a). It is a network of small holder farmers that advocate for policy, practice and attitude change that reflects the needs, aspirations, and development of small-scale farmers in East and Southern Africa. It aims at bringing together small scale farmers into a social movement so as to build common aspirations, learning and linkages. This then is meant to enhance their leverage in improving their livelihoods in a constrained environment. ESAFF as a regional small scale farmers' coalition was started in 2002 during the World Summit for Sustainable Development (WSSD) which was held in Johannesburg, Republic of South Africa. It is registered in Tanzania under Non Governmental Organisations (NGO) Act 2002 of the United Republic of Tanzania. To-date ESAFF operates in the following countries; Tanzania, Kenya, Uganda, Zambia, Zimbabwe, Lesotho, South Africa, Malawi, Rwanda, Burundi, Madagascar, Mozambique, and Seychelles.

1.1.1 ESAFF Uganda

ESAFF Uganda is a small scale farmer-led movement formed to facilitate processes through which smallholder farmers' development concerns can be solicited, articulated and ultimately addressed through local and national policies and programs. ESAFF Uganda aims at strengthening the capacity of small scale farmers to engage in democratic processes for more accountability and transparency in resources allocation to agriculture and rural development in the country. The farmers target to increase their opportunities to participate in all policy and democratic processes at regional, national and grassroots level to ensure that authorities accord national resources to the agriculture and rural development sector. Like its umbrella body, ESAFF Uganda contributes to building a common regional forum of small scale farmers in order to jointly address challenges, constraints and develop common strategies for the development of Small Scale Farmers (SSF) in the region. The vision of ESAFF is to "Empowered Small Scale Farmers with Improved and Sustainable Livelihoods" and the mission is "To nurture and promote participation of SSF in creating an environment that is responsive to their needs and concerns". ESAFF Uganda's objectives and activities are in line with the key results areas of the ESAFF regional strategic plan. ESAFF Uganda plans and feeds into the regional plans and reports.

1.1.2 Guiding Principles of ESAFF Uganda

ESAFF Uganda is guided by a set of principles in all its interventions in the field and at institutional level (ESAFF, 2011a):

1. Increasing Institutional efficiency: Defining new roles and functions for ESAFF membership to make them more responsive to the needs of SSF. Furthermore, creating new avenues to increase the effectiveness of ESAFF participation in decision-making processes at all governance levels;
2. Fostering participation: Actively involving SSF in identifying agricultural advisory needs, setting priorities, formulating plans, and monitoring and evaluating outputs and outcomes;
3. Farmer Empowerment: Enabling SSF to organise and create institutions through which they can act collectively and get their voices heard in the decision-making processes. In addition enabling farmers to access information and resources to influence policies that affect them and thus have control over the provision of agricultural services;
4. Improving linkages to markets: Increasing SSFs' productivity and profitability through the provision of market information and linking farmers to markets for both inputs and outputs. In addition to gradually orient farmers from subsistence through market-oriented production to commercial production.
5. HIV/AIDS Mainstreaming: Making all ESAFF interventions responsive to the impacts of HIV/AIDS, such that the livelihoods of SSFs affected by, or living with, HIV/AIDS are improved.
6. Gender mainstreaming: Making all ESAFF interventions gender-responsive and gender-focused such that both men and especially the women are uplifted.

1.1.3 Coverage and activities of ESAFF Uganda

ESAFF Uganda now operates in over 24 districts of Uganda, having grown from only 4 districts and is working hard to expand to more districts to ensure a well balanced coverage to cater for all SSF categories by sub-region. The current districts of coverage are Jinja, Iganga, Kamuli, Bugiri, Mayuge, Mbale, Manafwa, Kabale, Kisoro, Masaka, Mubende, Mityana, Gulu, Nebbi/Zombo, Adjumani, Nwoya, Pader, Teso sub region (Soroti, Amuria, Bukedea, Ngora, Kumi).

Past activities focused on: building the capacity of SSF to advocate for an environment that is responsive to their needs; empowering the SSF with knowledge and techniques of influencing decisions affecting their rights and Strengthening ESAFF- Uganda as an Advocacy Movement. It is a reflection of the mandate of ESAFF Uganda in as far as the implementation of the CAADP is concerned.

1.1.4 Objective of this study

This study conducts a desktop analysis on the implementation of the Comprehensive African Agriculture Development Program (CAADP) in the East African Community (EAC), with specific emphasis on SSFs' participation in Uganda.

1.2 The genesis of NEPAD and evolution of CAADP and its current status within AU and EAC structures

The Comprehensive Africa Agriculture Development Programme (CAADP) was developed by the Food and Agricultural Organization (FAO) and the NEPAD Steering Committee, endorsed at the Conference of African Ministers of Agriculture, in Rome in June 2002. The African Union (AU) and NEPAD have given the programme high priority. During the Africa Union Food Summit (July 2003), African Heads of State and Government adopted the so called "Maputo Declaration on Agriculture and Food Security in Africa," and agreed to implement CAADP by making agriculture a top priority and to raise budget allocations for agriculture to a minimum of 10 per cent of their individual countries' total public spending by 2008 (African Union and NEPAD (2010)). The aim was to achieve at least 6 per cent annual rate of growth in the sector which is required in order to reduce poverty and hunger. CAADP targets helping African countries reach a higher path of economic growth through agriculture-led development which eliminates hunger and reduces poverty and food insecurity, and enables expansion of exports. The CAADP was launched in 2003 and it started with broad consultations with governments and regional economic communities on the scope and purpose of the programme, attempting to identify priority investments and early actions. (NEPAD (2008)).

The NEPAD was launched by the five initiating Heads of State (Algeria, Egypt, Nigeria, Senegal and South Africa) at the 37th Summit of the Organization of African Unity (OAU) in July 2001. They aimed at addressing the challenges facing Africa including eradication of poverty, achieving sustainable growth and development, integrating Africa fully and beneficially into the global economy, and accelerating the empowerment of women of which agriculture transformation was central to achieve. The AU and NEPAD thus launched CAADP in 2003 in an effort to accelerate agricultural growth in the region. It is the most ambitious and comprehensive agricultural reform effort ever undertaken across Africa, addressing policy and capacity issues and improving effectiveness of development assistance (African Union and NEPAD (2010)). The priority sectors of NEPAD include addressing the infrastructure gap, digital divide, energy, transport, water and sanitation, human resources, poverty reduction, education gap, health, agriculture, environment, among others.

CAADP is a genuinely Africa-owned and Africa-led framework through which the goal of transforming agriculture in Africa is being pursued. The Agriculture Unit of the NEPAD Planning and Coordinating Agency (NPCA) works with its partners at country level, the Regional Economic Communities (RECs) and Development Partners (DP) to accelerate the implementation of the CAADP agenda. The framework for agricultural development in Africa is thus articulated by a CAADP network that consists of governments, RECs, the AU, pillar lead institutions (PLIs) and a range of DPs (African Union and NEPAD (2010)). The NPCA was established by the AU Summit in February 2010 as an implementation agency that replaces the NEPAD Secretariat. At this Summit, NEPAD was integrated into the structures and processes of the AU (African Union and NEPAD (2010)). In spite of its approach being continental, CAADP is an integral part of national efforts to promote agricultural sector growth and economic development.

1.2.1 The principles of CAADP

There are seven principles guiding the implementation of CAADP:

1. Agriculture-led growth as a main strategy to achieve the Millennium Development Goal on poverty reduction and food security;
2. Pursuit of a 6 percent average annual agricultural sector growth rate at national level;
3. Allocation of 10 percent of the national budget to the agricultural sector;
4. Exploitation of regional complementarities and cooperation to boost growth;
5. Policy efficiency, dialogue, review, and accountability, shared by all NEPAD programs;
6. Partnerships and alliances to include farmers, agribusiness, and civil society; and
7. Responsibility for program implementation to individual countries; coordination designated to Regional Economic Communities; and facilitation by the NEPAD Secretariat.

The role of NEPAD in CAADP has evolved to broaden from the initial focus on specific policy initiatives under each CAADP pillar to address the need for deep-seated changes in the enabling environment, and how agricultural 'business' is done in Africa. In that respect NEPAD provides key support to regional and national initiatives aimed at bringing about these comprehensive changes in policy, and encourages investment in agricultural development programmes that directly target productivity goals and pillar priorities. NEPAD therefore (NEPAD 2008):

1. Promotes CAADP principles in CAADP implementation processes and investment programmes;
 2. Manages communication and information to support the implementation of the CAADP Agenda and partnerships;
 3. Facilitates and coordinates monitoring and evaluation and this includes assessing impact and facilitating the sharing of lessons and peer review;
 4. Builds partnerships and coalitions to link resources with agricultural investment programmes;
 5. Focuses on harnessing key thinking and experience on emerging national, international and global issues related to agriculture, to articulate African perspectives and contribute to the evolution of the CAADP Agenda; and
 6. Coordinates the development of pillar frameworks and forge links between the pillar frameworks and the country roundtables.
- NEPAD also take advantage of its position as a convener to mobilize expertise and technical backstopping.

In this context therefore, NEPAD coordinates the development of pillar frameworks and forges links between the pillar frameworks and the country roundtables. NEPAD convenes and mobilises expertise and technical backstopping of the entire CAADP process. In 2007, NEPAD supported the CAADP Agenda through country and regional backstopping, continental and international partnerships, and advocacy and communication.

1.2.2 CAADP Implementation

At the regional level, ownership and leadership of the CAADP implementation process is by the RECs. The RECs identify regional priorities under the CAADP agenda and establish coordination and governance structures at the regional level. The Common Market for Eastern and Southern Africa (COMESA) Secretariat is the one that plays that role for the EAC countries. At the country level, it is the CAADP Country Roundtables that launch and coordinate the implementation process with the objective of ensuring that CAADP growth and budgetary objectives are achieved. In this case, national governments consult with the private sector, farmers' organizations and DPs to take stock of on-going and planned national projects and programs. Regarding the implementation of commitments in terms of sector expenditures and development assistance, a country CAADP compact is endorsed. Country CAADP Compact serves as a framework for partnerships and dialogue to design and implement the required policy interventions and investment programs to achieve the CAADP targets. It is an embodiment of the commitments by the different stakeholders to realise the CAADP targets at the national level.

1.3 Elaborate relevance of CAADP and its four pillars to SSF in Uganda

1.3.1 Introduction

Agriculture plays a pivotal role in many economies in Africa and more specifically in the COMESA region; it is the main engine for economic growth. It is estimated that COMESA is made up of more than 90 percent of smallholder farmers and this translates into over 32 percent of GDP in the region and currently 20 per cent for Uganda. While this is the case COMESA spends about USD 19 billion per annum on food imports and intra-trade in agricultural commodities is only USD 3 billion per annum (ESAFF, 2011b). The COMESA region is characterised by food insecurity which is attributed to low agricultural production and productivity as a result of limited access to inputs, drought/Floods (Erratic rainfall), poor extension systems low irrigation development, low crop diversification, poor infrastructure and market access, un-sustainable farming systems (soil fertility and water management) and poor land tenure systems. The CAADP process identified four continent-wide entry-points (pillars) for investment and action in order to increase and sustain productivity in agriculture, forestry, fisheries and livestock management:

1. Pillar 1: Extending area under Sustainable Land Management (SLM) and reliable water control systems
2. Pillar 2: Improving rural infrastructure and trade-related capacities for market access
3. Pillar 3: Improved food supply, reduced hunger and improved response to food emergency crises
4. Pillar 4: Improving agriculture research technology dissemination and adoption

1.3.2 Pillar 1: Sustainable Land Management

The pillar embraces three mutually related aspects of sustainable resource management, namely; soil fertility and sustainable land management; reliable agricultural water control systems, and policy/land administration. There is prevalence of soil degradation, decline in productive capacity (biological, chemical, physical, hydrological properties) and adverse changes in micro and/or macro climatic conditions. There is farm land conversion into residential land and other forms, which has led to the decline in total productive land used for agricultural production. Land issues related to land degradation are complex and have strong policy, socio-economic and environment effects. The CAADP initiative on Land and Water Management (SLWM) is thus an important development and can make a significant contribution to revitalise energy on Sustainable Agriculture Development.

Whereas land is a vital resource and livelihood asset for SSF who depend on it for both food production and sale of surplus for income, they face a lot of challenges especially related to access, ownership and use of land (Obore Judith (2011). Land rights for SSFs such as land access and related conflicts in Uganda are increasing due to population pressure coupled with increasing demand from powerful international private sector corporations in search of land for agricultural production and for bio-fuel. There is a need to broaden the discussion beyond increasing land under sustainable management to discuss issues of secure and safe access for both men and women smallholders (ESAFF, 2011b).

CAADP resources have been deployed to focus on 'conservation agriculture' and do not pay significant attention to the real need for small-scale irrigation technologies to enhance yields and more critically overlook the need for land reforms. Although the Development Strategy and Investment plan (MAAIF, 2010) has elaborate mention for water for production, there is limited or no effort to implement the provisions which could be an area for advocacy. Furthermore, Uganda's laws and provision for land tenure system have not enhanced secure access to land especially for the small scale farmers. Either the provisions are vague or not implemented. Land tenure systems remain mostly insecure and have recently been exacerbated by the land grabbing phenomenon.

It is noticeable in the DSIP that very little is mentioned about the use of fertilizers, especially with the deliberate investment by government. The DSIP is vague on this matter, which is rather unfortunate. It is expected that farmers will invest in purchase of fertilizers as agriculture is a private business. This line of thinking is misleading in the context of small scale farmers. Fertilizers are extremely expensive and can only be used by SSF when government implements a fertilizer subsidy system. At the continental level, governments should emulate the example of Malawi that has come in strongly to subsidize purchase of fertilizers. The designers of CAADP and DSIP should revisit the fertilizer issue since it is a very critical issue in the achieving of the goals of increasing production and productivity in agriculture.

Therefore Pillar I is relevance to the issues of SSF specifically access to and use of land, soil fertility and water for irrigation. These can form advocacy issues on which ESAFF Uganda can draw an agenda to improve the livelihoods of especially SSF. These issues are well elaborated and articulated in the DSIP which ESAFF Uganda and translate into advocacy issues.

1.3.3 Pillar II: Improving Access to Markets and Infrastructure

The main objective of Pillar II; is to accelerate growth in the agricultural sector by strengthening the entrepreneurial capacity of large and small producers to meet the increasingly complex demands of local, regional and international markets in terms of quality and logistics. This involves the following themes and strategic areas:

1. Increasing competitiveness and seizing opportunities in international markets and facilitating agricultural trade quality management and certification services advocating for international trade and negotiation skills;
2. Investing in trade infrastructure and commerce to reduce the cost of supply infrastructure;
3. Develop value chains to enhance access to financial services agricultural investment and development platforms, fertilizer and seed systems; and
4. Strengthen technical and commercial capabilities of farmer organizations and trade associations.

A number of studies have shown how rural producers (especially the smallholders) face challenges because of their use of rudimentary technologies and also lack of appropriate post-harvest technologies. Furthermore, many smallholder areas do not have a reliable road or rail network. Under Pillar II, ESAFF may begin the process by mapping the priorities amongst the smallholders under the broad theme of infrastructure and trade. The focus of the policy advocacy should be on identifying low cost methodologies that can be adopted to ensure efficient production and reliable access to markets. The Alliance for the Green Revolution for Africa (AGRA) has an Agro-Dealer Network Programme where local retailers/shopkeepers are being trained and equipped with relevant inputs for smallholders and the dealers are also being positioned to be buyers of agricultural commodities especially in areas where state run grain marketing boards are not existent. The programme has been piloted in Kenya with considerable positive impact. ESAFF Uganda can draw lessons from this and advocate for its members to be included as agro-dealers or for the prioritization of certain areas that have hitherto not been well serviced by existing market players.

There have been efforts by government in the past that had yielded limited results regarding market access. Under the Plan for Modernization of Agriculture Framework, there was provision under one of its Pillars to increase market access (Market Access Programme). Due to funding and other constraints, implementation never took place. The design of the DSIP recognized the

importance of market access to the extent that the issue forms one of the four pillars to exclusively address the problem. The DSIP (MAAIF, 2010) thus seeks to implement the following:

1. Improved capacity for regulation and enforcement especially in safety standards and quality assurance, across crops, livestock and fisheries;
2. Farmers have improved access to high quality inputs, planting and stocking materials;
3. Increased participation of the private sector in value addition activities and investment;
4. Expanded network of rural market infrastructure including appropriate structures to improve post harvest losses;
5. The capacity of existing farmers' organizations built up in management, entrepreneurship, and group dynamics so they can engage in value-chain activities especially collective marketing.

This underscores the importance of market access which ESAFF Uganda should package into advocacy messages for pressuring the relevant institutions to implement. The raw material for such a design is the DSIP master document that spells out the CAADP- costed investment plan. Actually, all elements of the Pillar are well articulated and costed. Under this pillar is a comprehensive identification of value chains (enterprises) that Uganda and stakeholders in the agricultural sector should undertake. These value chains have been identified scientifically through elaborate studies conducted. Therefore, this pillar is extremely important and should be taken on.

1.3.4 Pillar III: Increasing food supply and reducing hunger by raising productivity and improving responses for food emergencies

Food security exists "when all people, at all times, have physical, social and economic access to sufficient food which meets their dietary needs and food preferences for an active and healthy life" (FAO, 1996). This concept is applied at three levels of aggregation: national, regional, and household or individual. Therefore, the Pillar targets to ensure that vulnerable populations have the opportunity to both contribute to, and benefit from agricultural growth. Progress made through Pillar III contributes directly to the overall CAADP objective of achieving a growth rate sufficient to reach the MDG goals of reducing poverty and hunger by half by 2015.

The CAADP and its Pillars in Uganda are operationalized through the MAAIF (2010) DSIP, a costed investment plan. The plan reports that between 1992 and 1999, Uganda's caloric intake per person per day increased although it declined in 2005. It also reports a sizeable proportion of Ugandans who are food insecure and concludes that the indicators of the nutritional status are unsatisfactory. The DSIP has increase in production and productivity as one of its four pillars further underpinning the importance and relevance of Pillar III of the CAADP compact. The Investment plan further articulates a number of steps to be undertaken to achieve increase in production and productivity that consequently reduces hunger and malnutrition which include:

1. Enhanced contribution of agricultural research to sustainable agricultural productivity, competitiveness, economic growth, food security and poverty eradication;
2. Increased farmer access to improved technologies and better advisory services delivery with proactive farmer participation in value chain development for profitable production;
3. Reduced losses through improved control of pests, vectors and diseases;
4. Enhanced productivity of land through sustainable use and management of soil and water resources;
5. Water resources developed for agriculture on the basis of sustainable irrigation, water for livestock and aquaculture;
6. Labour saving technologies developed and promoted including appropriate mechanisation and other farm management related investments;
7. The war-affected population of Northern Uganda engaged in productive and profitable agricultural and agri-business activities to ensure food security and increase household income;
8. Accelerated production of selected strategic enterprises on the basis of specialization and agro-zoning.

These areas for actions are quite relevant for advocacy by SSF organizations to ensure that government commits itself to allocating funds in order to realise results. However, there have been inadequate measures to improve some of the traditional challenges that smallholders face in terms of increasing production and productivity. SSF still faces challenges of accessing critical inputs such as improved seeds, improved technologies, fertilizers, irrigation and pesticides among others. The costs of accessing credit compounds the problem because SSFs lack collateral and are thus rationed out of the system. These form an advocacy areas to increase productivity and production for ESAFF Uganda to champion the struggle for improved and secure access to input and output markets as a precondition for the transformation of the agricultural sector.

1.3.5 Pillar IV: Improving agricultural research, technology and dissemination and adoption

Pillar IV targets strengthening agricultural knowledge systems in delivering profitable and sustainable technologies that are widely adopted by farmers resulting in sustained agricultural. This Pillar is well represented and articulated in the Pillar I of the DSIP. Among the sub-components are: generation of new technologies, practices and strategies; improvement of uptake of new technology and knowledge; and strengthening the effectiveness of the national agricultural research systems. Although it is a very technical, Pillar ESAFF Uganda can play a very crucial role in creating awareness among the SSF with regard to uptake of existing technologies. This is because research and technological advancements are ultimately used by smallholders and as such ESAFF Uganda can use this avenue to increase uptake. ESAFF Uganda should not only participate in the dissemination phase of technologies to farmers, but should get involved at the technology development stage to ensure that they advocate for affordable and appropriate SSF friendly technologies.

This area has been a missing link in the process of development and adoption of appropriate technologies. It is well known that technology development and research organizations like NARO and NARI have development varieties and technologies that double the productivity at current farm levels but, these have not reached the farmers demonstrating a missing link in the process. Largely this is because it involves financial resources to pass such information to farmers, but often times, it because of poor or nonexistent relevant extension systems. ESSAF Uganda can play a significant role in “down loading” such technologies and passing them on to farmers in addition to pressuring the relevant institutions to do so.

1.4 Brief updated facts and figures on CAADP implementation and financing (the 6 percent and 10 percent goals).

The DSIP is the major tool for setting priorities that define spending plans each year for CAADP. The budget in Table 1.4.1 is the sum of the budgets of all the sub-programmes. It is the budget representing what MAAIF would like to do if it had the funds, i.e. if it had funds closer to the CAADP target of 10 percent of the national budget (MAAIF, 2010). The total cost of the “ideal” five-year programme was estimated at UGX 2,794 billion with first year costs starting at UGX 467.6 billion. This money was largely budgeted for the Production and Productivity programme (67.1 per cent) with Market Access and Value Addition programme taking 24.5 per cent, Creating an Enabling Environment programme, 4.0 per cent and the Institutional Strengthening programme 4.5 per cent.

In Uganda the budget process is organised around the MTEF that sets the ceiling for different sectoral budgets within the means of the resource envelop. The DSIP likewise is operationalized through the MTEF which provides 3-year budget ceilings for the sector and for some of the agencies and sub-sectors within it. In the 2010/11 Budget Call Circular, the MTEF for agriculture was set at UGX311.53 billion and revised to UGX 342.2 billion. Under the Medium Term Expenditure Framework (MTEF) budget, allocations are spread more evenly across the four programmes, with 58 per cent of the budget going to the Production and Productivity programme, 31 per cent to the Market Access and Value Addition programme, 5.4 per cent to the Enabling Environment programme and 5.9 per cent to the Institutional Strengthening programme.

| Sub-Programmes | Yr 1 2010/11 | Yr 2 2011/12 | Yr 3 2012/13 | Yr 4 2013/14 | Yr 5 2014/15 | Total | % |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|--------------|
| Production and Productivity | | | | | | | |
| 1.1 Agricultural Technology Development | 62,712 | 69,308 | 73,810 | 70,189 | 68,024 | 344,043 | 12.3 |
| 1.2 Agricultural Advisory Services | 126,424 | 141,835 | 147,368 | 153,177 | 159,279 | 728,082 | 26.1 |
| 1.3 Pest and Disease control | 41,010 | 43,160 | 46,898 | 48,174 | 56,379 | 235,621 | 8.4 |
| 1.4 Sustainable Land Management | 13,700 | 15,000 | 20,360 | 24,212 | 30,094 | 103,366 | 3.7 |
| 1.5 Water for Agricultural Production | 32,000 | 41,600 | 50,210 | 52,331 | 54,464 | 230,605 | 8.3 |
| 1.6 Promotion of Labour Saving Technologies | 5,400 | 9,600 | 9,100 | 9,100 | 8,100 | 41,300 | 1.5 |
| 1.7 Agriculture in Northern Uganda | 10,781 | 11,860 | 13,045 | 14,350 | 15,785 | 65,822 | 2.4 |
| 1.8 Strategic Enterprises | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 125,000 | 4.5 |
| TOTAL | 317,027 | 357,363 | 385,792 | 396,533 | 417,125 | 1,873,840 | 67.1 |
| Market Access and Value Addition | | | | | | | |
| 2.1 Regulatory Services | 31,500 | 34,650 | 38,115 | 41,927 | 46,119 | 192,311 | 6.9 |
| 2.2 Inputs and stocking materials | 15,255 | 16,781 | 18,459 | 20,304 | 22,335 | 93,133 | 3.3 |
| 2.3 Increased Value Addition | 45,000 | 49,120 | 54,532 | 59,485 | 65,734 | 273,871 | 9.8 |
| 2.4 Rural Market Infrastructure | 10,000 | 11,000 | 12,100 | 13,310 | 14,641 | 61,051 | 2.2 |
| 2.5 Promotion of Collective Marketing | 10,420 | 11,462 | 12,608 | 13,869 | 15,256 | 63,615 | 2.3 |
| TOTAL | 112,175 | 123,013 | 135,814 | 148,896 | 164,084 | 683,981 | 24.5 |
| Enabling Environment | | | | | | | |
| 3.1 The Policy Framework | 500 | 750 | 500 | 500 | 500 | 2,750 | 0.1 |
| 3.2 Enhanced policy and planning capacity | 6,980 | 7,678 | 8,446 | 9,290 | 10,219 | 42,614 | 1.5 |
| 3.3 Public Education | 1,500 | 1,650 | 1,815 | 1,997 | 2,196 | 9,158 | 0.3 |
| 3.4 Enhanced Coordination in the Sector | 2,500 | 2,750 | 3,025 | 3,328 | 3,660 | 15,263 | 0.5 |
| 3.5 Agricultural statistics | 3,340 | 3,674 | 4,041 | 4,446 | 4,890 | 20,391 | 0.7 |
| 3.6 Establishment of Climate Change Capacity | 3,500 | 3,850 | 4,235 | 4,659 | 5,124 | 21,368 | 0.8 |
| TOTAL | 18,320 | 20,352 | 22,062 | 24,218 | 26,590 | 111,543 | 4.0 |
| Institutional Strengthening | | | | | | | |
| 4.1 MAAIF and agencies strengthened | 11,600 | 13,200 | 15,000 | 16,000 | 17,000 | 72,800 | 2.6 |
| 4.2 MAAIF HQ relocated to Kampala | 2,643 | 3,632 | 5,681 | 3,687 | 432 | 16,074 | 0.6 |
| 4.3 Productivity of sector personnel increased | 5,815 | 6,397 | 7,036 | 7,740 | 8,514 | 35,501 | 1.3 |
| TOTAL | 20,058 | 23,228 | 27,717 | 27,426 | 25,945 | 124,375 | 4.5 |
| GRAND TOTAL | 467,580 | 523,955 | 571,385 | 597,074 | 633,745 | 2,793,739 | 100.0 |

Table I.4.1 Summary of Ideal DSIP Budget (UgX Million)

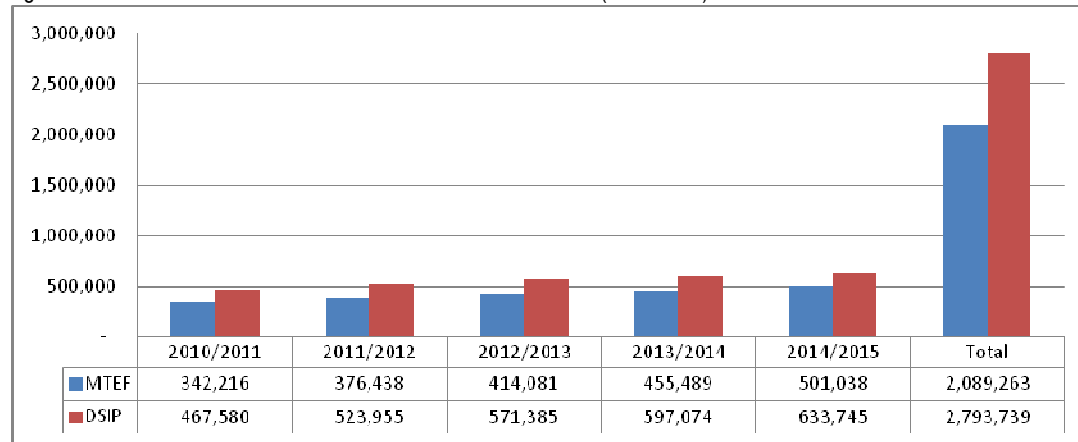
Source: MAAIF 2010

Table I.4.2 Summary of MTEF-related Budget (UgX Million)

| Sub-Programmes | Yr 1 2010/11 | Yr 2 2011/12 | Yr 3 2012/13 | Yr 4 2013/14 | Yr 5 2014/15 | Total | % |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|--------------|
| Production and Productivity | | | | | | | |
| 1.1 Agricultural Technology Development | 39,580 | 43,538 | 47,892 | 52,681 | 57,949 | 241,640 | 11.6 |
| 1.2 Agricultural Advisory Services | 90,320 | 99,352 | 109,287 | 120,216 | 132,238 | 551,413 | 26.4 |
| 1.3 Pest and Disease control | 26,766 | 29,443 | 32,387 | 35,626 | 39,188 | 163,409 | 7.8 |
| 1.4 Sustainable Land Management | 2,116 | 2,328 | 2,560 | 2,816 | 3,098 | 12,918 | 0.6 |
| 1.5 Water for Agricultural Production | 9,500 | 10,450 | 11,495 | 12,645 | 13,909 | 57,998 | 2.8 |
| 1.6 Promotion of Labour Saving Technologies | 3,600 | 3,960 | 4,356 | 4,792 | 5,271 | 21,978 | 1.1 |
| 1.7 Agriculture in Northern Uganda | 9,781 | 10,759 | 11,835 | 13,019 | 14,320 | 59,714 | 2.9 |
| 1.8 Strategic Enterprises | 15,000 | 16,500 | 18,150 | 19,965 | 21,962 | 91,577 | 4.4 |
| TOTAL | 196,663 | 216,329 | 237,962 | 261,758 | 287,934 | 1,200,647 | 57.5 |
| Market Access and Value Addition | | | | | | | |
| 2.1 Regulatory Services | 31,500 | 34,650 | 38,115 | 41,927 | 46,119 | 192,311 | 9.2 |
| 2.2 Inputs and stocking materials | 15,255 | 16,781 | 18,459 | 20,304 | 22,335 | 93,133 | 4.5 |
| 2.3 Increased Value Addition | 45,000 | 49,500 | 54,450 | 59,895 | 65,885 | 274,730 | 13.1 |
| 2.4 Rural Market Infrastructure | 10,000 | 11,000 | 12,100 | 13,310 | 14,641 | 61,051 | 2.9 |
| 2.5 Promotion of Collective Marketing | 5,420 | 5,962 | 6,558 | 7,214 | 7,935 | 33,090 | 1.6 |
| TOTAL | 107,175 | 117,893 | 129,682 | 142,650 | 156,915 | 654,314 | 31.3 |
| Enabling Environment | | | | | | | |
| 3.1 The Policy Framework | 500 | 550 | 605 | 666 | 732 | 3,053 | 0.1 |
| 3.2 Enhanced policy and planning capacity | 6,980 | 7,678 | 8,446 | 9,290 | 10,219 | 42,614 | 2.0 |
| 3.3 Public Education | 1,500 | 1,650 | 1,815 | 1,997 | 2,196 | 9,158 | 0.4 |
| 3.4 Enhanced Coordination in the Sector | 2,500 | 2,750 | 3,025 | 3,328 | 3,660 | 15,263 | 0.7 |
| 3.5 Agricultural statistics | 3,340 | 3,674 | 4,041 | 4,446 | 4,890 | 20,391 | 1.0 |
| 3.6 Establishment of Climate Change Capacity | 3,500 | 3,850 | 4,235 | 4,659 | 5,124 | 21,368 | 1.0 |
| TOTAL | 18,320 | 20,152 | 22,167 | 24,384 | 26,822 | 111,845 | 5.4 |
| Institutional Strengthening | | | | | | | |
| 4.1 MAAIF and agencies strengthened | 11,600 | 12,760 | 14,036 | 15,440 | 16,984 | 70,819 | 3.4 |
| 4.2 MAAIF HQ relocated to Kampala | 2,643 | 2,907 | 3,198 | 3,518 | 3,870 | 16,136 | 0.8 |
| 4.3 Productivity of sector personnel increased | 5,815 | 6,397 | 7,036 | 7,740 | 8,514 | 35,501 | 1.7 |
| TOTAL | 20,058 | 22,064 | 24,270 | 26,697 | 29,367 | 122,456 | 5.9 |
| GRAND TOTAL | 342,216 | 376,438 | 414,081 | 455,489 | 501,038 | 2,089,263 | 100.0 |

Given this scenario, where substantial differences as illustrated in Figure (1.4.1) between the DSIP planned figures to realise the 10 per cent and the MTEF, it is anticipated that insufficient resources will be available. Furthermore, what is in the MTEF is not always what is disbursed. Actually the “Ideal” budget was cut by 28 per cent to get it to fit into the new ceiling, where some sub-programmes were cut more than other in order to allow other (smaller) ones to retain a budget which is big enough to have some operational value.

Figure 1.4.1: The difference between the Planned and MTEF allocations (UGX billions)

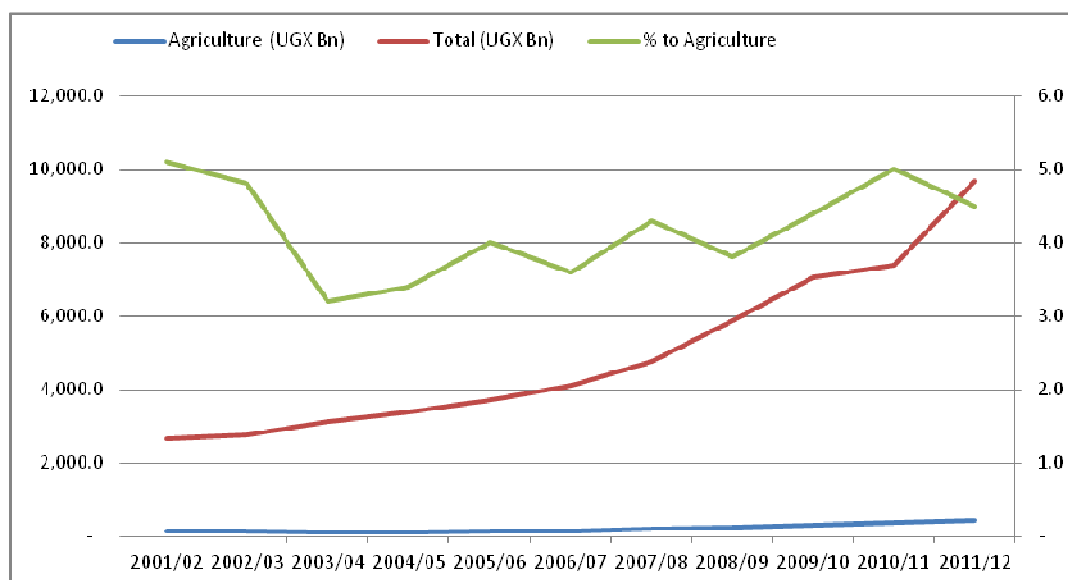


The Eastern Africa Farmers’ Federation (EAFF) conducted a study budgetary allocation to the agricultural sector in Uganda (Tibaindukira, 2011). Basically in the current situation this analyses the allocations to the Development Strategy and Investment Plan (DSIP). The study concludes that public spending on agricultural sector in Uganda is still too low to meet the country’s commitment to the Maputo Declaration (10 percent). In absolute terms, national budgetary allocations to agricultural sector increased from about UGX 135 billion in 2001/02 to UGX 366 billion in 2010/11 and this was estimated to reach UGX 437 billion in 2011/12. Although agricultural sector budget has more than tripled over the last decade, the growth does not match that of the total national budget. It emerges that the top three prioritized sectors for Uganda over the years are roads and works, education and public administration and public sector management, health and security.

Regarding the allocation of the resources within the agricultural sector Tibaindukira (2011) assertively notes that priorities of the agricultural sector as defined in the NDP and MAAIF DSIP have not been addressed. The DSIP has not been used to draw up sub-sector budgets. Advisory services and research are accorded the highest priority; taking about 59 percent of the sector budget in FY2011/12. While this is the case a number of other core public goods remain underfinanced, such as research. The critically underinvested areas are notably; livestock, plant pest and disease control, regulatory services and institutional development.

The budgetary allocations to the agricultural sector over the last ten years (2001/02 to 2011/012) have fluctuated between 3 and 5 percent (Figure 1.4.2). The allocation declined from 5.1 per cent in 2001/02 to the least value of 3.2 per cent in 2003/04. From 2004/05 to 2009/10, the allocation marginally increased from 3.4 and 4.4 per cent reaching 5 per cent in 2010/11. It is evident that the proportion allocated to the sector is still low and far from the Maputo declaration proportion of 10 percent. The expectation is that this proportion should have started increasing towards the 10 percent of the CAADP commitments.

Figure 1.4.2: The proportion of allocations to agriculture 2001/02 to 2011/12



Data source: MFPED Approved Estimates of Revenue and Expenditure (various years)

The performance of the growth of the sector is deplorable and way below the NDP recommendation or the Maputo declaration of 5.6-5.9 and 6 percent respectively. Figure (1.4.3) illustrates the trends in the growth in the agricultural sector. The performance in the financial year 2010/11 when the DSIP was first implemented was less than one percent. This slow growth has been attributed to the decline in the performance of cash crops sub-sector which registered a negative 15 percent growth rate (MFPED (2011)). This in a way is a reflection of the current investment in the sector which is below the threshold budget allocations to propel the growth to the desired levels.

Table 1.4.3: GDP growth of the agricultural sector at constant 2002 prices

| | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 |
|-------------|---------|---------|---------|---------|---------|---------|
| Cash crops | -10.6 | 5.4 | 9 | 9.8 | -1.1 | -15.8 |
| Foods crops | -0.1 | -0.9 | 2.4 | 2.6 | 2.7 | 2.7 |
| Livestock | 1.6 | 3 | 3 | 3 | 3 | 3 |
| Forestry | 4.1 | 2 | 2.8 | 6.3 | 2.9 | 2.8 |
| Fishing | 5.6 | -3 | -11.8 | -7 | 2.6 | 0.4 |
| Agriculture | 0.5 | 0.1 | 1.3 | 2.9 | 2.4 | 0.9 |

Source: Background to the Budget 2011/12 FY, MFPED June 2008;

Uganda therefore needs to reconsider its budgetary commitments to the agricultural sector. Public spending in the agricultural sector in Uganda is still too low to meet the country's commitment to the Maputo Declaration (10 percent). Although there is substantial off-budget spending by some donors and NGOs estimated to be equivalent to 10 – 20 percent of the agriculture budget, the information on off-budget spending to agriculture remains fragmented and difficult to obtain. Furthermore, agricultural interventions are scattered across many sectors and do not give an accurate picture of the public resources committed to agriculture. Finally, the budget allocations to the core sub-sectors/agencies in MAAIF are by far the most important indicator of the amount of public resources allocated to agriculture in Uganda.

1.5 The meaning of CAADP Compact Signing, its genesis and its implication to agriculture in Uganda.

In 2010, Uganda joined other AU countries in the CAADP process by signing the CAADP compact. The signing of the compact by the ministers of agriculture and finance, by the private sector and civil society and by DPs is the culmination of a country's roundtable process (African Union and NEPAD (2010)). The compact is a demonstration of high level political commitment. It is not legally binding, but rather, a commitment by all parties to the programmes and areas of investment defined by the roundtable. It signifies commitment

to a framework agreed on at a continental level to allocate up to 10 percent of the national budget and enhance agricultural growth to about 6 percent in order to reduce poverty and hunger and boost exports.

The CAADP aims at helping African countries reach a higher path of economic growth through agriculture-led development which eliminates hunger, reduces poverty and food and nutrition insecurity, and enables expansion of exports (CAADP Compact). It consists of four pillars:

1. Extending the area under sustainable land management and reliable water control systems;
2. Improving rural infrastructure and trade related capacities for market access;
3. Increasing food supply, reducing hunger, and improving responses to food emergency crises; and
4. Improving agricultural research, technology dissemination, and adoption.

Within the Ugandan context, the CAADP framework is implemented through the DSIP whose main priority areas for public sector investments include:

1. Enhancing Production and Productivity;
2. Improving Access to Markets and Value Addition;
3. Creating an Enabling Environment, and institutional; and
4. Strengthening in the Sector As a program of the African Union, it emanates from and is fully owned and led by African governments.

COMESA has the mandate to coordinate and harmonize CAADP implementation in its region as a partner with national governments. As part of the New Partnership for Africa's Development (NEPAD) initiative, CAADP fully reflects its broader principles of mutual review and dialogue, accountability, and partnership.

The CAADP framework seeks to strengthen the quality of Agricultural Sector Development Strategy and Investment Plan (DSIP) under the National Development Plan (NDP). It thus seeks to support the development and implementation of a coherent agricultural sector agenda, by:

1. Helping define a long term framework to guide the planning and implementation of current and future DSIP programs;
2. Identifying strategic options and sources of poverty reducing growth for the agricultural sector over the next five years; and
3. Developing existing and new strategic analysis and knowledge support systems to facilitate peer review, dialogue, and evidence based planning and implementation of agricultural sector policies and strategies.

1.5.1 Partnership in the implementation of the CAADP/DSIP

The compact was intended to support partnerships among the government of Uganda, the private sector, civil society and the development partners aimed at the successful implementation of the DSIP. The partnership modalities and principles result from wide stakeholder consultations. The government of Uganda by signing the compact confirmed its commitment to promoting long term economic development and social transformation in order to increase incomes, reduce poverty and achieve food and nutrition security, as identified in its NDP and DSIP. Further it was a confirmation that the DSIP was its framework to achieve the objectives related to the above vision in the agricultural sector through development of the private sector, supported by market-led development, regional integration, continued maintenance of macroeconomic stability and a conducive policy, fiscal and regulatory environment. In this respect therefore, the Government of Uganda was to develop strategic and viable programs with sound implementation arrangements in line with the DSIP. The Government of Uganda also affirmed that it would implement the DSIP as its strategy to achieve and exceed the 6 percent CAADP growth target over the next 5 years and commit 10 percent of its resources to agriculture to fulfil the Heads of State Maputo commitment.

Regarding DPs, this was recognition that the DSIP is an effective vehicle for ensuring that resources are targeted to the agreed agricultural sector priorities and programs. DPs also acknowledged country ownership of the programme. They further acknowledged that Uganda's development objectives will require increases in the volume and quality of public and private sector investments. Finally the DPs agreed to align their support with priorities and programs defined in the DSIP. This implied working collectively to scale-up assistance over the next 5 years to help meet investment requirements for the programs with sound implementation arrangements under DSIP.

Regarding the AU's commitment to the Maputo declaration, COMESA and its regional partners committed to support Uganda in its endeavours to define priority programs that would allow the country to meet the objectives of CAADP and be on the road to attaining millennium development goal 1. Therefore the AU, COMESA and other regional partners are to support Uganda's national strategies as defined in the NDP and DSIP through mobilizing political, financial and technical support for their implementation.

It is recognised that actual development of the agriculture sector ultimately rests on the initiatives of the private sector. This called for establishment of appropriate partnerships to realize the goals and objectives of the DSIP. The private sector and civil society committed themselves to effectively partner with the Government and the population at large to establish enterprises and initiatives to impact farm incomes, create employment, add value to and trade in agricultural produce. Furthermore, they committed themselves to actively engage with MAAIF and other stakeholders to dialogue, review and inform the Government Uganda in shaping policy through active stakeholder consultations. Finally through the CSO, the private sector is to hold the public sector accountable. .

1.5.2 Genesis

The CAADP process in Uganda was launched at a national stakeholders' workshop in December 2006. A number of analytical studies were done to ensure the appropriate technical information back up: Stock taking by national consultants with COMESA support, growth and investment analysis by Internal Food Policy Research Institute, World Bank's Uganda Country Economic Memorandum, National Agricultural Advisory Services Phase I evaluations, value chain studies by PMA Secretariat and Farmer needs assessment with IFAD support. These studies were used in the revision of the Agricultural Sector Development Strategy and Investment Plan (DSIP) which is the CAADP implementation document. The key questions that guided the analysis in the studies included: What has been recent growth performance in Uganda's agricultural sector? What are the likely future growth and poverty outcomes based on current trends? How do these compare with CAADP targets and Uganda's poverty targets? What are the prospects for meeting the CAADP targets? If Uganda meets the CAADP targets, what economic growth and poverty reduction will be achieved?

The process of developing the DSIP started in a visioning workshop in February 2008, which was followed by four thematic working groups. Later consultation workshops were held with Parliamentary Sectional Committee on Agriculture, Local Governments, Central Government MDAs, Civil Society Organizations and the Private Sector which culminated into the MAAIF Stakeholders Forum. Given the progress made, a Pre CAADP Roundtable Workshop was held in October 2009. The revision of the DSIP was guided and informed by the principles of the CAADP. Therefore, the design and implementation of the DSIP is Uganda's platform to achieve the goals and aspirations of the CAADP. The Government of Uganda, through the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) organised a CAADP Roundtable for key agriculture sector stakeholders. They included representatives of the Government of Uganda, Private Sector, Civil Society, Development Partners, COMESA and the African Union/NEPAD. The purpose of the Roundtable was to demonstrate ownership of and commitment towards the implementation of the Agriculture Sector DSIP. The output of the Roundtable was a CAADP Compact signed by representatives of the key stakeholders. The compact aimed at generating commitment and creating partnerships among the Government of Uganda, the private sector, civil society and the development partners towards successful implementation of the DSIP.

1.5.3 Implications for agriculture in Uganda

The CAADP compact provides an important statement by which the government of Uganda and its partners in agricultural development state their common interests regarding agricultural development and, ideally, and put in place the means to attain those interests (Benson, 2010). The CAADP compact thus define the duties of the government of Uganda to its citizens in assisting them to live healthy, productive, and creative lives through agriculture. It is also a formal statement of the commitments of the government of Uganda to its partners in agricultural development and the farming and agribusiness communities. The CAADP compact serves as an important map to guide donors and other DPs on allocation of resources and support to agriculture. Moreover, several key development partners of Uganda are aligning their support to agriculture across the continent to the CAADP framework. The CAADP also strengthens regional links to foster national agricultural development. Through the facilitation of COMESA, the Common Market for Eastern and Southern Africa, CAADP provides a basis for the formulation of supportive regional policies to enhance agricultural production and trade. This is based on the thinking that the future success for Uganda's agricultural sector is increased engagements in regional staple food markets; such regional, mutually beneficial initiatives can only enhance the economic prospects for Uganda's farmers.

1.6 Briefly examine Agrochemical Industries/Banks influence and possible use of the avenue of CAADP COMPACT to advance their goal to monopolise agriculture from seeds to markets in the region.¹

The design of the DSIP is in such a way that both the private and public sectors must finance it. In this way, the agro-chemical industry can play a very crucial role and the banks and other lending institutions have a role in financing the plan. The Compact sets the parameters for long term partnership in the agricultural sector; specifies key commitments on the part of government and all stakeholders including Development Partners, the private sector, farmer organizations, and CSOs; and clarifies expectations with respect to the agribusiness and farming communities in order to ensure successful implementation of the DSIP.

Regarding inputs, MAAIF has taken a step to strengthen the seed industry by holding dialogue with them. The Ministry intends to assist input dealers to increase their capacity to deliver quality agricultural inputs. This process identified the active participants and their capacities, particularly estimating the industry's capacity. In this case the Ministry has identified the deficits in the input supply chain and points of entry. The Ministry has come up with two proposes for regulation of the agricultural input supply industry: the first one is where the government proposes to hire, train and deploy more staff to ensure standards in the private sector activities regarding inputs and the other where the industry will strengthen itself with a self regulatory system. The latter implies a strong private sector with the capacity to monitor its own activities which is rather a very ambitious proposal. Overall this suggests that regarding inputs, there are still issues that need to be tackled like availability, quality, quantity, access, affordability. It also shows that government is operating a liberalised policy in agriculture with limited financial commitments and yet SSF may not afford the standard inputs that increase productivity and production.

The availability of agricultural credit for especially SSF has generally been very poor in Uganda. In Uganda there is evidence that commercial banks shy away from lending to agricultural production given the nature of the business. In 2008 agricultural lending constituted on 12 percent (Sekamwa, 2008). The risk is high and returns take too long for repayment to start. Largely the public policy seeks to encourage as much as possible the financial institutions to lend to agriculture for production. However, the response is weak. The government created the agricultural credit facility where funds were set aside to finance agriculture and this scheme has been in operation for more than three years. However, it was noted that only commercial and large scale farms have benefited from this scheme leaving out SSF. The credit has been used to purchase farm processing machinery and expansion. SSF were rationed out of this credit system because they do not have the required documentation like business plans, land titles among others.

Development partners like DANIDA have worked with rural banks like Centenary Bank and Stanbic to extend credit to farmers but again the beneficiaries are large scale farmers. The DPs guarantee the loans extended so that in case of inability to pay the bank does not lose. There are limitations with the scheme as well as only a few farmers benefit leaving out over 90 percent of the farmers who are SSF.

1.7 Identify SSFs' key issues within CAADP that ESAFF should play role to influence.

The overall goal of the CAADP is to accelerate agriculture sector growth of the in Africa. SSF are part of the private sector implying that any key issues with the latter affect them. It has been argued in this review that the formulation of the CAADP framework has set the foundations for greatly enhanced participation of the private sector, including farmers, agribusiness and civil society, in the development of agriculture on the continent (African Union and NEPAD (2010). ESAFF Uganda needs to focus its advocacy energy on promoting a smallholder food security/sovereignty and agricultural development in a holistic way (ESAFF (2011b).

1. Attaining the 10 per cent allocation to enable the envisaged 6 percent growth in the agricultural sector has not been attained in Uganda. The CSO can take this as an advocacy issue that ESAFF Uganda can pick on to ensure that the government honors the Maputo declaration commitment. ESAFF needs to consider a multi-country campaign for increased allocation to agriculture to this effect.
2. Uganda has large scale farmers who exist along SSF. The PMA framework focused in subsistence producers, which does not seem to be the case with the DSIP. ESAFF Uganda should consider budget allocation between these two categories of farmers as an advocacy issue to ensure that SSF are not left behind.

¹ <http://www.weforum.org/news/business-leaders-launch-strategy-boost-global-food-security> and <http://www.weforum.org/agriculture>

3. SSF need subsidies in as far as inputs are concerned to increase production and productivity. The CSO and in this context ESAFF Uganda need to compel government to rethink its policy on subsidies in order to channel allocations to inputs. The relegation of input provision to privatization has not worked as evidenced by deteriorating farm productivity as a result of limited inputs.
4. ESAFF Uganda should demand that specific interventions prioritize women smallholder agriculture and put emphasis on the link between agricultural investments and food security.
5. Given the intractable problem regarding land access and use, ESAFF Uganda should consider land issues as an advocacy area since this determines investment into the land. In addition issues of soil fertility and environmental health of the resource base should be taken on for advocacy since it is the SSF who are normally relegated to marginal lands that need a lot inputs to realize output.
6. Infrastructure for post harvest handling remain a challenge to SSF who are under paid by middlemen and make a lot of losses during the harvest season especially when bumper harvest occur. Rural producers especially the smallholders face challenges because of the use of rudimentary technologies and also lack appropriate post-harvest technologies. In addition to that, many smallholder areas do not have a reliable road or rail network to transport their produce. ESAFF Uganda should focus on policy advocacy that identifies low cost methodologies that can be adopted to ensure efficient production and reliable access to markets.
7. ESAFF Uganda needs to advocate for access to and use of improved input and output markets as a pre-condition for the transformation of the agricultural sector. Rural financing needs to be revisited in a pragmatic way different from pastes failed credit schemes which have been politicized.
8. ESAFF Uganda should take a leading and proactive role in advocating for affordable and environmentally innovations. Some technologies developed are good but not affordable to SSF implying that they do not use such technologies.

1.8 Identify issues for SSF engagement within the Pastoralist Policy Framework (PPF) of the AU.

1.8.1 Background

Pastoralism as a practice in Africa is characterised by heavy reliance on livestock as a source of economic and social wellbeing. Various types of strategies to access water and grazing resources in areas of high rainfall variability are employed (African Union 2010). Pastoralism is found in all regions of Africa. Pastoralists supply very substantial numbers of livestock to domestic, regional and international markets and therefore, make crucial contributions to national and regional economies in Africa. Their production systems are highly adaptive, constantly responding to market and climatic trends. Given this nature of characterisation, the AU considered a policy framework that adequately addresses the livelihood system. The Pastoral Policy Initiative of AU held a meeting in Kenya in July 2007 to begin the process of formulating a Pan-African Policy Framework on Pastoralism. The meeting attracted leaders of pastoral communities from 15 countries across Africa to discuss key issues and challenges facing pastoral communities in order to develop a pastoral policy framework. Key issues identified were that:

1. Governance should recognize traditional structures and representation in councils, parliament and local administration;
2. The land tenure systems should take into account customary management systems and the need for mobility;
3. Education should be relevant, accessible, and of high quality;
4. Markets and financial services need to be improved and the terms of trade between pastoral products and agricultural products made more favourable;
5. Financial services providers accept pastoral assets and group collateral to enable them access credit.
6. Conflict resolution to include dialogue between all stakeholders and to strengthen traditional conflict management mechanisms.
7. Specific policy measures should be undertaken to reduce and prevent further decline into poverty of pastoral communities and these should include reduction of vulnerability and reconstitution herds after disasters.

1.8.2 What is the Pastoralist Policy framework?

The Pastoralist Policy Framework is not a legally binding document but an instrument to guide national policy-makers and international agency programmes. It can be adapted to regional and national contexts. The Framework is an opportunity for pastoral communities and representatives to hold governments to account, if they openly fail to address issues they have signed up to or formulate policies, which go against the wider AU agreement. It is therefore an advocacy tool to social movements and organisations who are pressing governments for effective change. It can also be used as a foundation for activity plans, identifying key areas for investment, and particularly to ensure attainment of set goals.

Pastoralists have decreasing access to the natural resources on which their livelihoods depend, and very limited access to basic socio-economic services and infrastructure. Poverty, environmental degradation, marked rainfall variability, human and animal diseases, conflicts and civil strife are addressed in the PPF. Within the AUC, the framework is driven by recognition that reduction of pastoral poverty is central to the achievement of the Millennium Development Goals (MDGs). Furthermore, pastoralists represent a substantial segment of the population in many African countries. Given the extreme and worsening levels of food insecurity and vulnerability within African pastoral communities ESAFF Uganda could play a significant role of advocacy towards this cause. Therefore ESAFF Uganda will find this framework relevant in many aspects in as far as SSF are concerned

Analysis of objective I of the PPF

To secure and protect the lives, livelihoods and rights of pastoral peoples and ensure continent-wide commitment to political, social and economic development of pastoral communities and pastoral areas. The strategies to achieve this objective which ESAFF Uganda can draw from include:

1. Further recognize the role of pastoralism in development;
2. Demonstrate further commitment to pastoral development policy and related budgetary support;
3. Fully integrate pastoral issues into national and regional decision-making processes;
4. Acknowledge the legitimacy of traditional pastoral institutions;
5. Strengthen the roles and rights of women in pastoral communities.
6. Mainstream pastoral issues in poverty reduction programmes; and
7. Ensure policy support to models of basic service delivery which are designed specifically to suit the context of pastoral areas.

Analysis of objective II of the PPF

To reinforce the contribution of pastoral livestock to national, regional and continent-wide economies. The strategies to achieve this objective which ESAFF Uganda can draw from include:

1. Strengthen pastoralist access to their rangelands, through appropriate reform of land tenure policy and legislation, and supported by participatory land use planning;
2. Support the further development of regional and national policies to enable pastoral mobility within and between states, supported by locally-relevant livestock disease surveillance and certification systems;
3. Prevent avoidable losses of livestock assets through approaches such as improved veterinary services and institutionalization of risk-based drought management systems;
4. Support the marketing of pastoral livestock and livestock products, with emphasis on the policy and institutional constraints which hinder efficient marketing;
5. Support the further development of credit and financial services for pastoralists, drawing especially on private sector provision of livestock loans and insurance; genetic resources and therefore, should be protected on that basis; and which draws on their extensive indigenous knowledge; and
6. Protect African genetic resources – pastoral animals and plants

In many development endeavours, pastoralism has been at the periphery. ESAFF Uganda should advocate for more resource allocation towards this livelihood and mainstreaming of pastoralism into the main national and district planning framework. Following liberalization, livestock keeping is seen as a business with government leaving farmers to handle very crucial areas like diseases management, artificial insemination for breed improvement and supplementary feeding. The conflicts in cattle corridors have become endemic leaving households deprived of their livelihood base which needs to be addressed thus requiring advocacy. Currently conflicts over grazing rights are a strong issue in the Teso sub-region with the predominant communal land ownership system. Advocacy issues can be crafted along land ownership and use systems. There have been conflicts over the free movement of livestock to different regions of Uganda by cattle keepers which needs to be addressed through policy.

1.9 Identify key officials, names, contacts and their positions in driving CAADP processes as well as identify Farmer Organisation/ CSOs which have been involved in CAADP dialogues in Uganda.

1.9.1 Introduction

For the agriculture plans to succeed there is need for support and input of all the stakeholders. Implementing the MAAIF DSIP (2009-2015) is a collective responsibility, involving both the public and private sectors. These actors include MAAIF and the related public agricultural agencies, other ministries and agencies, the local governments, the private sector, civil society, development partners and the media. Following is the categorization of the different actors and their respective roles.

1.9.2 The institutions/organizations and persons implementing the CAADP

Political leadership: Political leadership is critical for purposes of providing direction and securing participation by stakeholders and beneficiaries.

His Excellency the President and the Cabinet: At the highest level, H.E the President, with advice and input of Cabinet articulates the national vision and national policy direction within which agriculture targets are further refined. At the agriculture sector level; the Minister- MAAIF and the Ministers of State concretize the national vision and national policy direction into concrete programmes. The Parliamentary Committee on Agriculture, the Top Policy Management (TPM) of MAAIF, and the Local Government Councils; all support, guide and influence the Policy/Political direction of the agriculture sector and in this case CAADP.

The Parliamentary Committee on Agriculture undertakes review and approval of annual sector policies and strategies. This is the group that should be targeted by the advocacy plans and activities of ESAFF Uganda.

The Top Policy Management Committee comprises the Ministry's political and technical leadership (Ministers, Permanent Secretary, Directors and Heads of Department) and it is responsible for overall sector policy implementation. In addition the political leadership articulates, defends and secures approval for sector positions in Parliament and Cabinet.

The Local Government Councils and Committees are responsible for leadership, direction inspection and monitoring and implementation in districts and sub counties. Local council officials are responsible for mobilization and empowerment of the farmers, farmers groups and organizations as well as engaging the private sector in implementation. The technical staff are responsible for delivery of advisory and regulatory services.

1.9.3 MAAIF and its Agencies

MAAIF² and its Agencies (NARO, NAADS, PMA Secretariat, NAGRIC and DB, CDO, DDA, UCDA and COCTU) are the lead for overall MAAIF and DSIP management and implementation. The agencies are responsible for implementation of the plans within their mandates. The CAADP National focal person is the Director of the Plan for Modernization of Agriculture Secretariat. The other direct implementations are the Ministry of Agriculture and Animal Industry Agencies like NARO, and NAADS. Currently this is being done through Agribusiness Technology and Agribusiness Advisory Services (ATAS). Other implementing Agencies are yet to take off.

Regarding capacity building, the CAADP offices of the NEPAD and AU have a component which seeks to build the capacity of the different stakeholders in the implementing countries. They contacted partners to support the programme in Africa and USAID under the Obama Feed the Future initiative agreed to support it. A company called Africa Lead was contracted to conduct the capacity building. Lead is involved in building the capacity of the stakeholders both state and non state (the private sector actors, faith based organizations, farmer associations, the academia, CSO, CBOs etc). So far Uganda has trained over 200 persons including members of parliament. The participants there after develop individual and group actions plans to actualise the DSIP/CAADP pillars and goals. PMA Secretariat is the interim coordinator of the network of what has come to be called the CAADP champions.

1.9.4 Other Government Ministries and Agencies

² NARO=National Agricultural Research Organization, NAADS=National Agricultural Advisory Services PMA=Plan for Modernization of Agriculture Secretariat, NAGRIC&DB=National Genetic Resources Information Centre and Data and Bank, CDO=Cotton Development Organization, DDA=Dairy Development Authority, UCDA=Uganda Coffee Development Authority, and COCTU=Coordinating Office for the Control of Trypanosomiasis in Uganda

Given the multi-sectoral nature of the DSIP, it is imperative that other Government Ministries and Agencies play a very significant role in its implementation. The plans embodied in the DSIP will not succeed without the complimentary roles played by other sector policies and investments that are outside the mandate of agriculture and these include:

1. **The Ministry of Finance, Planning and economic Development** responsible for financing the DSIP and coordinating the donors to the sector. It is also responsible for providing the enabling policy framework and support delivery of agricultural finance services;
2. **The Ministry of Water and Environment** is responsible for formulating appropriate water and environment policies and regulating and supporting other stakeholders to mainstream natural resource management within DSIP implementation;
3. **The Ministry of Tourism, Trade and Industry** is responsible for facilitating market access and trade facilitation on the domestic, regional and international scenes, including market information, trade negotiations and setting quality standards;
4. **The Ministry of Education and Sports** is responsible for human resource development within the spectrum of agricultural education as well as in matters to do with adult education and other informal and formal education issues;
5. **The Ministry of Lands, Housing and Urban Development** is responsible for formulating and implementing appropriate land and land use policies;
6. **The Ministry of Local Government** is responsible for coordinating and supporting Local Governments so that they provide sustainable, efficient, and effective services. It also build the capacities of LGs for planning, budgeting, implementation and monitoring generally but also specifically for the sector;
7. **The Ministry of Energy and Mineral Development** is responsible for access to electricity in rural areas to support agro-processing; and
8. **The Ministry of Gender, Labour and Social Development** is responsible for community empowerment, protection and promotion of rights of the specified vulnerable groups for social protection and gender responsive development.

1.9.5 Private Sector, including farmers

The private sector is key stakeholder in the entire agricultural sector. The private sector is involved in DSIP implementation through several activities that include:

- i. Carrying out actual production, marketing and processing activities as individuals, groups or through establishing Public Private Partnerships;
- ii. Providing co financing of these activities or investments; and
- iii. Enhancing Farmer Group empowerment through specialized agricultural product associations.

1.9.6 Civil society

Civil society includes NGOs, CBOs and higher level farmer organizations, traditional, cultural and faith based institutions. Their key activities in implementing the DSIP include:

- i. Mobilizing farmers to access credit, farm inputs, markets and other relevant agricultural goods and services;
- ii. Advocating for improvement in agricultural services and the prevailing policy and regulatory environment;
- iii. Monitoring the implementation of government programmes; and
- iv. Developing and implementing agricultural programmes in line with government policy and plans.

1.9.7 Development Partners

The development partners are important in terms of sharing good practices and alternative approaches to agricultural development with the other stakeholders. More specifically they provide financial and technical support to programmes/projects where Government priorities meet their funding criteria. They also provide Technical Assistance and galvanizing or supporting global collaborative advantage. These include and not limited to the World Bank, USAID, DFID, NORAD, GIZ, IFAD, FAO, WFP and etc.

1.9.8 The Media

The media as a whole and the media programmes targeting promotion of awareness of agriculture agro-processing and agric-related market and trade concerns is very important for success of the sector. They provide a clear framework with symmetrical, information from the farm to the fork (or table); and to all categories of consumers for agric-sourced commodities. Examples of the media include print, audio, electronic and video.

1.10 Outline key challenges that impede ESAFF Uganda participation in CAADP National Dialogue and propose ways for effective participation.

Organizations are impeded to participate in given activities as a result of lack of a legal basis, inclusion and exclusion criteria and lack of facilitation. What has been presented and discussed above demonstrates that there are largely no impediments to ESAFF Uganda participation in the CAADP National dialogue in Uganda. ESAFF Uganda has the legal basis to participate in the activities pertaining to CAADP as part of the CSOs and NGOs. During the signing of the CAADP compact, CSOs were represented by the NGO Forum. What should rather be done is to explore the existing avenues for effective participation.

1. ESAFF Uganda is an association of farmers and there are a number of farmer organizations where the association's views and participations can be channeled, such as Uganda National Farmers Associations;
2. During the signing of the CAADP compact, CSOs were represented by the Uganda National NGO FORUM and this can be an avenue;
3. ESAFF Uganda can and should engage parliamentarians concerned with the agricultural sector;
4. ESAFF Uganda in its own right can directly participate in the CAADP National Dialogue. What is needed is to know the activities and timetable for activities that are coordinated by the National CAADP person based at the PMA Secretariat.

1.11 Review effectiveness and extent of the Agricultural Budgeting Campaign (ABC) conducted by ESAFF Uganda in 2010 -11 and its relevance to CAADP processes.

ESAFF Uganda organized a meeting with the parliamentary Budget Committee on Agriculture (BCA) with the intention to create a forum where Small Scale Farmers (SSFs) in Uganda can deliberate on and voice their concerns (Details in ESAFF Uganda (2011a)). The major aim of the meeting was to create a platform for dialogue between the farmers and parliamentarians. This meeting was held between farmer leaders and a representative from the budgets office in parliament. The objectives of the meeting were to:

1. Enable small-scale farmers present their most pressing needs to their national leaders;
2. Create linkages between the SSF and their national leaders (Budget Committee on Agriculture); and
3. Understand how the SSF's input at Local Council I level planning meetings influence the budget at the national level.

The meeting did handle one aspect very well and that was educating SSF leaders on how the budget process is conducted and what is involved. As a lobby and advocacy group, this was an excellent venture as it equipped the leadership with the necessary information to influence policy and allocation of funds. The exposure on how the budgeting processes are triggered up to the final allocation of funds is very important. This gives an idea on how priorities are set which becomes an entry point for advocacy. The interaction identified the key players in the process who become the primary targets to influence by ESAFF Uganda, which include all levels, that is village, district and national. SSF leaders were able to discover the entry points for CSOs in the budget process.

The meeting raised the challenges that SSF encounter especially regarding acquiring inputs and accessing extension services. These are strong DSIP/CAADP issues that the investment plan seeks to respond to. In order for Uganda to realise increase in agricultural production and productivity, there should be a deliberate strong response to inputs and extension. Arguing that subsidies should not be given to farmers by especially the development partners is a wrong policy direction. Farmers need the correct seeds, seedling, fertilizers, water, among others and these are very crucial to a radical policy change in agriculture to ensure not only food security but high incomes for farmers.

Regarding creating linkages between the SSF and their national leaders it seems this achieved less than the objective as most of the committee members were not present. During the signing of the CAADP compact all CSOs were represented by the Uganda NGO Forum who was in effect a signatory to the compact. The fact that there are Umbrella associations that SSF can use to reach the Budget Committee on Agriculture implies that these channels should be used effectively. The problem is that farmers associations' in Uganda are rather fragmented making it difficult to have a uniform voice. Therefore, although individual NGOs and Farmers groups have a right to meet national leaders, due to the multiplicity of such group, it is advisable for CSOs to generate a common agenda and channel it through the appropriate forums.

The meeting was relevant to the CAADP process given that the CSO and the private sector in general are partners in realising the DSIP objectives. It is echoed in the Compact that the development of the agriculture sector ultimately rests on the initiatives and investments of the farmers, their organizations and the private sector. This actually calls for appropriate partnerships to realize the

goals and objectives of the DSIP. The meeting held with the BCA is part of this process. It was acknowledged that CSOs will have to commit themselves to actively engage with MAAIF and other stakeholders like parliamentarians to dialogue, review and inform the Government of Uganda in shaping policy through active stakeholder consultations and Agricultural Sector Wide Group meetings. Finally the CSOs committed themselves to playing their role as CSO actors to ensure that the public sector is accountable and delivers effective and results-driven programmes.

1.12 Proposed small scale farmers positions on CAADP and its 4 pillars (pillar 1) Land and water management (Pillar 2) Market access (Pillar 3) Food supply and hunger (Pillar 4) Agricultural research

1.13 Examine roles that EALA can plan to strengthen oversight towards the CAADP achievement in EAC.

1.13.1 Background

The role of parliamentary oversight and budget control are paramount to Africa's development. There have been efforts already to strengthen the role of parliamentary oversight and budget control in African development focus on NEPAD and CAADP. Members of Parliament (MPs) in Africa can effectively fulfil their oversight roles in support of development work through budget control and legislation. The section draws from a number of initiatives so far³. The acceleration of CAADP implementation at the national level has been given high priority by the African Union and NEPAD.

There was a Pan-African conference "Championing Agricultural Success for Africa's Future in Support of CAADP", that took place in Cape Town in May 2006, which set general principles for parliamentary engagement. It targeted enhancing MP expertise on the role of parliamentary oversight and budget control, especially as it relates to NEPAD and CAADP, in order to strengthen oversight and budget control capacity supporting good governance. Emphasis was put on building MP expertise on CAADP as it is related to poverty reduction (rural development, gender) and sustainable development (climate). Finally they proposed recommendations on what MPs can do in view of national parliamentary procedures and legislation for efficient parliamentary budget control in general and regarding the implementation of NEPAD/CAADP.

Actions EALA: The following actions/roles were recommended by the participants concerning the role of parliamentarians and these are relevant for the EALA in regard to the implementation of NEPAD/CAADP:

- 1 Designate the agriculture and associated committees of parliament to monitor progress towards the CAADP goals;
- 2 Annually verify the implementation of the CAADP programme, including progress towards the Maputo Declaration by reviewing annual budget allocations and actual expenditure;
- 3 Engage in sub-regional dialogues that affect the achieving of CAADP goals;
- 4 Alert constituencies to the importance of agriculture and increased investment in agriculture;
- 5 Require briefings by the executive to parliament on all initiatives related to agriculture;
- 6 Monitor governments progress in achieving the Maputo Declaration (6 percent growth and 10 percent budget allocation);
- 7 Introduce private member resolutions advocating achievement of the Maputo Declaration;
- 8 Encourage exchanges of experience and mutual learning with other parliamentarians and technical experts.

ESAFF should advocate for MPs being equipped on the role of parliamentary oversight and budget control, especially as it relates to NEPAD and the CAADP agenda, with a special focus on the role parliament can play in achieving the goals of NEPAD and the CAADP. ESAFF should ensure that MPs create a forum for championing parliamentary oversight and budget control, especially as it relates to the CAADP agenda. Therefore the EALA can play the following roles in advancing the CAADP agenda:

- 1 MPS should hold National and Constituency Press Conferences to inform the people about developments.
- 2 As much as possible MPs should hold parliamentary and public hearings on CAADP to comprehensively inform parliamentary colleagues in a multi-sectoral and integrated manner, and to listen to the views of civil society, the private sector and the international community on agricultural policy recommendations.

³ Strengthening the Role of Parliamentary Oversight and Budget Control in African Development focus on NEPAD and CAADP1

- 3 MPs should debate in standing committee on agriculture and other relevant portfolio committees. Participants who sit on the agricultural committee in parliament should lobby the Chair to make the CAADP agenda a priority.
- 4 Where a current White Paper on Agriculture is not yet available, Parliamentary Resolution on a White Paper should be formally requested by parliamentary resolution.
- 5 Capacity building and research to support parliamentarians. Continuous capacity building for parliamentarians to provide them with updated information to facilitate informed debate and decision making is a crucial part of the CAADP implementation process and should be facilitated.
- 6 Existing research should be used to inform committee work, and priorities should be identified for future research topics related to parliamentary work.
- 7 Monitoring and evaluation. The programme partners should undertake monitoring and evaluation and this should include the EALA Parliamentarians. This is in line existing initiatives such as the NEPAD Secretariat tracking mechanism on agricultural budgets.
- 8 Conduct joint-initiative of Parliamentary Committees on Agriculture, Gender, Environment, Finance (and other committees where appropriate) to formulate joint recommendations to provide synergies with regard to implementation on budgetary issues, legislation, poverty reduction strategies, national development plans etc.

1.14 Identify ways ESAFF Uganda can engage EALA national MPs as a way to lobby the EALA on CAADP

The avenues ESAFF Uganda can use to engage the EALA national MPs to lobby for CAADP have been exhaustively discussed in the preceding sections. What can be highlighted however is the ability of ESAFF Uganda to conduct research to provide accurate information. MPs require well organised information to conduct business and research can provide that. ESAFF Uganda should consider having a news letter through which it can voice its strong views targeting the EALA MPs. ESAFF Uganda can organise TV and Radio Talk shows that can cause debate and ignite discussion of pertinent issues. ESAFF Uganda should also use the NGO forum avenue to reach out to MPs. Reach out to the stakeholders in the implementation of the CAADP to access the EALA MPs. The Focal persons should be encouraged to access the MPs.

1.15 Outline other new emerging issues that small scale farmers should organise, lobby and campaign for or against; such as intra regional trade in agriculture produce, trade on seeds, GMOs, EPAs, Carbon Credit, land grab, bio fuel and global food crisis etc).

Intra regional trade in agricultural output

The EAC Customs Union trade regime has been designed to encourage intra-regional trade in agricultural produce. This policy regime is expected to stimulate increase investments in the agricultural sector targeting the intra-regional market. The EAC has put in place measures to protect regional markets in a bid to encourage investments in the production of grain by adopting a Common External Tariff (CET) structure on grain at about 75 percent and rice at 50 percent. Thus, intra-regional agricultural trade flow dominated by trade in maize, rice, beans, pulses, millet and wheat will increase investments within the grain sub-sector which is good for SSFs. Although this has had a positive response, there is lack of market intelligence or structures to facilitate the movement of agricultural produce from the farms to the consumers (World Bank, (2010). Key impediments that continue to hamper the exploitation of Eastern Africa potential in intra-Regional trade include seasonal export/import ban or restrictions geared towards protection of the grain sector, lack of a policy on regional food balance sheet, lack of a regional integrated market information system, linking the various players in the value chain through a credible price discovery mechanism. These should form advocacy issues which ESAFF Uganda can take on to form activity plans.

The implementation of the EAC Customs Union that started in 2005 targeted reduction of tariff barriers. At the same time commitments to eliminate Non-Tariff Barriers (NTB) to trade were also made. However the latter have persisted and remain a serious obstacle to trade within the region'. Most of the NTBs highlighted are administrative and regulatory, rather than trade policy-based tools. The EAC Customs Union (CU) Protocol commits partner states to immediate elimination of all existing NTB to trade on intra-EAC trade and to further refrain from introducing new ones. However, to date, trade among the EAC countries is greatly hampered by the existence of NTBs. The World Bank (2010) published a study on NTB in the EAC which concludes that although the five members of the EAC have succeeded in eliminating many of the tariffs on intra-regional trade, there has been limited progress in reducing NTBs. This is partly because of 'the absence of a clearly defined monitoring mechanism with time limits for action', so that each Partner State is responsible for voluntarily removing or reforming listed NTBs and is not subject to any sanctions if it fails to do so.

Other serious problems include; trade facilitation of intra-regional trade and divergent national standards. In terms of trade policy tools, the government of Tanzania maintains restrictions on exports of certain food and agricultural products (e.g. cereals and beans), on food security grounds. These range from the periodic introduction of export bans, through the use of export taxes and export licensing arrangements. Uganda and Kenya also prohibit exports, but to a lesser degree than Tanzania. The World Bank (2010) study further notes that, health standards for dairy products points to the need to ensure that they actually protect the consumer in practice without being set at unattainably high levels. What is happening is that there is manipulation of standards and conformity assessment procedures in order to advance the sales own products and block market access for competitors.

Regarding agricultural policy under the EAC Treaty (2006) the main aim was to promote food security and achieve rational agricultural production. The ultimate aim was to establish a common EAC agricultural policy via progressive harmonisation of national policies. While progress has been made in cooperation on a range of technical issues, in 2010 regional experts were still calling for the urgent creation of an EAC common agricultural policy (World Bank (2010)). Actually, regional trade in agricultural commodities is largely resisted by national farmers' groups fearing dumping. In this context, they argue for common rules to ensure a level playing field between all agricultural producers within the EAC.

Despite the efforts under way to bring about regional coordination, agriculture and agricultural trade policy remain a national responsibility. National governments nurse different perspectives on what constitute appropriate policy tools for the promotion of agricultural development and the relative importance to be accorded to the use of specific tools. Whereas some governments favour the use of financial support measures, such as input subsidy programmes, as a means of promoting agricultural development in key sectors, other governments favour the more extensive use of trade policy tools to promote the development of specific sectors.

There is need for an Integrated Regional Policy for promotion of intra-regional trade in staple foods. Furthermore, a green channel for intra-regional trade in staple foods -trade regulatory institutions to play facilitative role in linking origin (warehouses/traders) and end markets (processors/traders). Regarding standards there is need for an enabling SPS and Standards trade facilitation arrangement. Finally there is need for a regional Food Balance Sheet as a Policy Tool for Regional Food Availability and management of food security concerns

Genetically Modified Organisms (GMOs)

Genetic Engineering (GE) or Genetic Modification (GM) technology is promoted in the form of GM crops with the argument that technology as helps to achieve fast growth ensures food security. However, a number of groups have strongly come up to oppose GM. One of the points of contention is that GM bio-fuel crops are being developed and yet African countries have not yet developed the necessary bio-safety policies to regulate and monitor GM in food crops. Cross pollination and contamination of existing agriculture is under threat. Africans and for that matter Uganda risk multiple disasters in adopting GM technology. GM crops are patented by the corporations that sell them, making seed saving illegal. Farmers will lose their rights to save their seed if they adopt patented GM crops. Monsanto Corporation (which owns 95 percent of global GM crops) has successfully sued farmers for patent infringement when their crops were cross-pollinated by neighbouring GM farms. The SSF largely rely on saved seed and if they become dependent on GM seeds this may not be sustainable. Consumers in Europe and Japan have rejected GM crops for food and agriculture due to fear of contamination. Since Uganda mainly relies on exports consumers in Japan and Europe who have rejected GM are likely to reject imports from Uganda for fear of contamination.

Food security and livelihoods in rural areas are likely to be negatively affected with the advent of patented GM seed. GM crops can easily cross-pollinate with local varieties and wild relatives, which means that genes from other species may accidentally and irreversibly contaminate the food chain and environment. Local varieties will be lost, and scientists do not know the likely impact of GM genes will be on ecological systems. GM crops have barely been tested for human or environmental safety, in spite of the large possibility of new toxins or allergens created through the insertion of new genes. The few animal tests that have been carried out have raised cause for concern.

In summary, the public capacity for ensuring quality assurance, regulation and food safety is very inadequate. The current Food Act does not provide for new technological developments in the food industry, for example, the safety of Genetically Modified Organisms (GMOs). In this context, it is the ultimate responsibility of ESAFF Uganda and other similar institutions to raise the red flag to any efforts to develop and use GM crops in Uganda. Given that SSF will not have a rights over the seeds which comes with hug costs, adoption of GMs should not be accepted. It is important to note that DSIP/CAADP and NEPAD deliberately avoided GMs in the formulation of the investment plans

The Economic Partnership Agreements (EPA)

In September 2002, the European Union (EU) and the Africa Caribbean Pacific (ACP) countries started negotiations on EPAs in Brussels, intend to take a five year period. The negotiations were aimed at redefining the trade regime between the two groups of countries. It was anticipated that with effect from 2008, the waiver obtained from the WTO at the Doha ministerial conference would have come to an end to be replaced by a new framework that must be compatible with WTO rules. This target was missed due to unresolved differences in the trade negotiations between the EU and ACP countries.

The European Commission (EC) market access offered to the ACP countries under **EPAs** consists of duty-free, quota-free treatment for all imports. This treatment would apply from entry into force of the agreements for all products except for sugar and rice, whose duty-free, quota-free treatment would be phased over a transition period. ACP countries have insisted that the EU should build capacity of African countries before the **EPAs** are concluded to ensure fair reciprocity in trade. In practical terms, ACP countries cannot adequately compete with the EU in trade due to the formers' poor infrastructure and diverse socio-economic problems being faced by several countries. In terms of trade in agriculture, there is a very big production gap between EU and ACP countries as the former heavily subsidises its **farmers** while the scenario is totally different for the latter. Given the unequal levels of development between Uganda and the EU, SSF are likely to lose out on markets once governments in the region decide to hurriedly sign EPAs. SSF farmers in the region will lose even the little markets that exist if we allow the EPAs to be signed.

Agriculture, predominantly composed of SSF in most ACP countries, has not yet reached its peak and developing nations say allowing competition with already developed industries would hurt the local producers. During negotiations, the ACP countries raised concerns regarding the impact and benefits of SSF from the proposed EPAs and regional trade arrangements. It is observed that market liberalization of agricultural trade and the speedy process of regional integration under EPAs would worsen poverty levels in rural areas where most of the people depend on agriculture for their livelihood.

ACP members will no longer be in a position to protect agro based or industrial based products through tariffs, as they will be forced to open up their markets and reciprocate in all sectors of their economies leaving them vulnerable to external competition. This will defeat the agro-processing capacity that are being developed majority of which benefit SSFs. It is highly likely that ACP States' SSF will be put out of production as a result of inability to access their own local markets due to an influx of EU subsidized and cheap merchandise. Therefore the following requirements should be taken into consideration:

1. Uganda must be given time and means to carry out impact assessments of different trade regimes and to strengthen the capacity of the EAC region's negotiators to be able to chart a negotiating position without attaching the signing of an EPA as a prerequisite for technical assistance;
2. The EU should not force discussions on investment, government procurement and competition policy which are yet to be agreed on at the WTO level;
3. The EU should not tactfully force the Uganda governments to abandon their constitutional obligation of supporting their farmers and other citizens in the name of reciprocity.
4. The EPA negotiations should not be time bound as most ACP states are not ready for implementation of these trade arrangements since some of them have not even implemented their impact assessments for implementing EPA;
5. An Alternative to the EPA must be given a chance to be pursued so as to come up with a trade environment, which is favorable towards sustainable development with specific developmental benchmarks on poverty reduction.
6. Participation by Farmers' Organizations through the Civil Society and other Non State Actors in the preparation and negotiations of the EPA must be guaranteed beyond the democratic principles as included in the Cotonou Agreement

It is noted that most farmers and specifically SSF are not aware of the current EPAs negotiations that are taking place although the outcomes will greatly affect their basic livelihoods. Therefore aside the content the first step is to sensitise the SSF about the EPAs. They should know the rationale, opportunities and threats, their likely impact, what is at stake and the negotiations processes (**EAFf (2010b)**). There should be adequate resources availed aimed at supporting farmer organizations and specifically SSF involvement so that their capacity is built to rationally get involved in the negotiations and make meaningful contributions. Trade liberalization with Europe should not take place until key production and trade —related supply side constraints are addressed such as provision of adequate roads, transport, water, sustainable land, telecommunications and market information services, energy, technical training and extension support, without which small scale farmers would not be able to take advantage of the opportunities that may come with the new agreements. Implementation of any reforms must be such that small scale farmers are not marginalized further and are given an opportunity to increase production. Although the lists of sensitive commodities have been drafted to be excluded from liberalisation,

farmers should be further consulted to make the list inclusive. In this context, food self sufficiency by the region should be a fundamental right that should be protected.

The EPA that farmers would want according to EAFF is: one that gives priority to regional integration —leading to opening and developing regional markets; one that defines a trade regime based on asymmetry and equity — gap between EU and ACP; improve participation by farmer organizations and other actors; ensure capacity for thorough preparation and participation in the negotiations to ensure that ACP states define and defend a negotiating position in conformity with challenges and the interests of each ACP region; and an EPA that ensure sustainable food security through improved production and improved incomes.

Carbon Credit

Introduction

Environmental markets originate from the successful reduction of acid rain in the 1990 in the United States. This was done in a way that power plants that exceeded their emissions quotas could buy permits, while power plants that took cost effective measures to reduce emissions could sell their excess permits **Orrego Jessica (2005)**. The emergence of a carbon market is rooted in the UN Framework Convention on Climate Change (UNFCCC), which resulted from the Rio Earth Summit in 1992. This was followed by the, the Kyoto Protocol which was signed in 1997. After much waiting, Kyoto Protocol went into force on 16 February 2005. The Kyoto Protocol sets forth legally binding reductions in greenhouse gas emissions for governments in developed countries to be accomplished during 5-year commitment periods, with the first commitment period set for 2008-2012. Therefore the Kyoto Protocol has ignited the development of a robust market for carbon dioxide.

The most well known project on carbon credit is the Clean Development Mechanism (CDM) based on the Kyoto Protocol on climate change **Pfeifer Gregor and Geoff Stiles (2010)** Under the CDM, buyers from developed countries acquire Certified Emission Reductions (CERs) for each tonne of greenhouse gas that is prevented from entering the atmosphere as a result of a CDM project in a developing country. In this way carbon emission are controlled. Developing countries cannot trade these credits, but they can develop projects and sell the credits to entities (companies and governments) in developed countries. The CDM has proven successful in generating emission reduction projects in many developing countries. As of end-2007, proceeds from the sale of emission credits from CDM projects amounted to about \$7.4 billion. The overall carbon market has risen, reaching \$60 billion in 2007 or six times its value in 2005 (ibid).

Although prospects to expand carbon markets to include agriculture look quite enticing, many groups are concerned that these promises will come to nothing and will threaten farmers' livelihoods (Anderson Teresa (2010)). There are concerns about putting African farmers under the control of fickle carbon markets. Carbon markets are likely to collapse, and projects will have unreliable and inadequate finance. Carbon markets will not work for Uganda because the majority of Ugandan farmers' farm on an average of one hectare and less. This is inadequate to sequester an amount of carbon that would be meaningful to sell. The challenge is that the offset schemes will lead to a perversion of African agriculture, where farmers will switch to farming what is incentivized, and giving up traditional crops hence hunger and poverty. Carbon markets increase chances of large scale land grabs, which would be a disaster for Uganda already suffering from a land grab epidemic. Therefore carbon credits are likely to exacerbate the land related issue of SSF and therefore should be resisted by ESAFF Uganda.

Land grabbing crisis

It is argued by **Nyeleni (2011)** that secure access to and control over land and natural resources are inextricably linked to the enjoyment of the rights enshrined in the Universal Declaration of Human Rights and several regional and international human rights conventions, such as the rights to an adequate standard of living, housing, food, health, culture, property and participation. Land-grabbing is a global phenomenon led by local, national and transnational elites and investors, and governments with the aim of controlling the world's most precious resources. The global financial, food and climate crises have triggered a rush among investors and wealthy governments to acquire and capture land and natural resources.

The World Bank, IFAD, FAO and UNCTAD have proposed seven principles that legitimize farmland "grabbing" by corporate and state investors. Led by some of the world's largest transnational corporations, the Alliance for a Green Revolution in Africa (AGRA) aims to transform smallholder agriculture into industrial agriculture and integrate smallholder farmers to global value chains, greatly increasing their vulnerability to land-loss. Land grabbing displaces and dislocates communities, destroys local economies and the social-cultural fabric, and jeopardizes the identities of communities, whether they are farmers, pastoralists, fishers, workers or indigenous peoples. In some cases those who stand up for their rights are beaten, jailed and killed.

In this context small-holder farmers in the Eastern Africa region face a myriad of problems related to land access. Although the causes of these problems vary from country to country and include historical and cultural causes; poor governance of land; under-funded and under-staffed land control organizations at the country level; poor implementation of existing land regulations; among others, women are particularly marginalized in terms of access to, and ownership of land, despite the important role that they play in agriculture and food production (EAFF, 2010c). The problem is made worse by the fact that land in this region is under several forms of ownership, including communal land, public land, and private land. Therefore securing the access to, and ownership of land for small scale farmers especially women, farmer organizations, and pastoralists is key to addressing hunger and poverty

The agricultural sector in Uganda is predominantly subsistence where the major part of farm production is used for household consumption rather than for market. Small holder farms cultivate close to 95 percent of the total cropped land and produce more than 90 percent of the total agricultural output. The sector is highly constrained by shortage of assets like land. The per capita land holding is less than 1 hectare. In Uganda, what is generally perceived as land grabbing, is in most cases, driven by speculative demand for land encouraged by good long term prospects of macro-economic stability on the one hand, and land tenure insecurity caused by uncertainty, lack of awareness of property rights and the absence of legal-institutional designs supporting rural and urban planning, development management and strategies for resolving land disputes (Rexford, 2009).

There are already varied responses to this problem. In a meeting in Entebbe from 9th to 10th November 2010 members of EAFF drafted a declaration to this effect. The declaration recognizes that land is a central asset to farmers in the region and the key factor of production for farming as a business.

There are various policy efforts at the national, regional, continental and global levels to address land issues. At the national level, several countries have comprehensive and pro-poor policies, laws and regulations regarding land tenure, access, governance and investment in land. In addition, some of the foreign investors endeavor to follow the existing country laws and regulations. At the regional level, the East African Community has efforts to advance the Common Market Protocol and in the formulation of the Agriculture and Rural Development Policy both of which have an implication on land access and investment in land. EAC Partner States have endorsed the position for access to, and use of land. In this case land shall be governed by the respective national policies and laws, as per Article 15 of the EAC Common Market Protocol. However all these efforts have not stopped land grabbing as this still happens. ESSAF Uganda should commit to:

1. Organize rural and urban communities against land-grabs in every form.
2. Strengthen the capacities communities to reclaim and defend land;
3. Win and secure the rights of women in communities to land and natural resources;
4. Create public awareness about how land grabbing is creating crises for all society; and
5. Build alliances across different sectors, constituencies, regions, and mobilize societies to stop land-grabbing

This may require taking some of the following actions.

1. Development of political arguments to expose and discredit land-grabbing;
2. Building CSOs databases about land-grabbing by documenting cases, and gathering the needed information and evidence about processes, actors, impacts;
3. Ensuring that communities have the information they need about laws, rights, companies, contracts, etc., so that they can resist more effectively the business investors who try to take their lands and natural resources;
4. Setting up early warning systems to alert communities to risks and threats;
5. Strengthening communities through political and technical training;
6. Securing land and resource rights for women by concertizing communities; and
7. Building strong organizational networks and alliances at various levels—local, regional and international with small-scale food producers/providers at the centre of these alliances.
8. Condemning all forms of violence and criminalization of struggles and mobilizations in defense of land rights;
9. Building strategic alliances with press and media, so that they report accurately messages and realities;
10. Take messages and demands to parliaments, governments and international institutions.
11. Demands that the governments fulfill human rights obligations by stopping land and natural resource transfers to business investors, cancel contracts already made, and protect rural and urban communities from ongoing and future land-grabs.

Bio-fuels

It is evident that with the world's reserves of oil going down and the search for alternatives is on especially by governments and multinational companies (NEMA (2010)). As a result the global market for bio-fuels has been developing during the past ten years, which partly explained the sharp increase in food prices in 2008. In 2006, an increase in the use of grain worldwide for conversion to bio-fuels led to a 60 percent increase in global grain prices and speculator interest in what had previously been a stably priced commodity. In this context, the cultivation of crops for bio-fuels, such as jatropha, has been a hot topic in the international development debate. Therefore are bio-fuels an opportunity for small-scale farming, or a threat? Intuitively, the immediate threat is food security although other consequences do exist. Could the use of bio-fuels exacerbate hunger and malnutrition? Since food security is a function of available food supply, incomes (access) to purchase food, and the nutritional quality of available food the price of food has a two ways impact: higher food prices could increase farmers' net incomes, but also would hinder the ability of net food consumers to afford sufficient nutrition. Since growing of crops for bio-fuels is likely to compete with growing food crops this is a critical issue.

Over the years, the increased demand for bio-fuels production has led to increased demand for maize resulting in a near doubling of the price of corn globally. The prices of other agricultural commodities have begun to rise as well as farmers substitute maize for relatively less profitable crops like soy and wheat, and as livestock producers switch away from corn-based feeds. The issues related to bio-fuel production and uses are linked to SSF and salient among them are: food versus fuel debate, sustainable bio-fuel production, human rights issues, poverty reduction potential, ethanol prices and energy balance and efficiency. The food versus fuel debate refers to the risk of diverting farmland or crops for ethanol production to the detriment of the food supply. Proponents argue that growing crops for bio-fuel is good for developing countries like Uganda because this improves farm income through increased produce prices. As a result food security is increased through employment and increased incomes for poor farmers generated through bio-fuel production. However, in Uganda even small scale sugarcane production has been linked to decreased farm household food security, and encroachment on forest and wetlands in Uganda. According to Bahigwa (1999) bio-fuel production is rooting in Uganda amidst problems of malnutrition and looming food insecurity. Promotion of bio-fuel feedstock calls for the need to harmonize policies related to food and nutrition security.

A number of NGOs wrote an Open letter to the African nation delegates urging them to call for rejection of large-scale Biofuels as possible ways to achieve fast growth or more efficient fuel conversion under the Clean Development Mechanism (CDM). They point out that dependence on Bio-fuels may in fact exacerbate the problems of climate change, environmental degradation, social inequality and poverty, particularly in Africa (ibid). The key issues raised included:

1. Large scale bio-fuels development can put pressure on food crop stocks, threatening food security and opening commodity markets up to increased speculation;
2. Bio-fuels are often inefficient at saving energy or carbon emissions; and
3. Bio-fuels developments threaten forests and peat lands.

Using important agricultural land and water to grow bio-fuels instead of food for domestic consumption will have a detrimental effect on food security in Africa. It is noted in Uganda that SSF consist of over 90 percent of households involved and in this case will be detrimentally affected. The amount of grain required for one tank of bio-ethanol in a 4x4 vehicle would feed one person for a year. While African countries may yet explore the possibilities of small-scale farming of bio-fuel crops for local household and domestic grid energy use, the consequences of growing fuel for export to the wealthy developing countries instead of food for Africans are likely to be severe. Regarding energy inefficiency, studies from the US established that the amount of fossil fuel energy required to produce and process bio-fuel crops such as soya and maize (fertilizer, farm machinery, processing and transport) is almost as much as the amount of energy contained in the fuel produced. Bio-fuels therefore give us very little carbon saving and low energy saving.

On Kalangala Islands in Uganda, large areas of tropical forest are being converted into BIDICO palm oil plantations, which will be used to produce bio-diesel. BIDICO are currently lobbying government to be able to further expand their plantations into other forested areas. This has implications as SSF are being displaced in some areas and deforestation is taking place. ESAFF Uganda and other CSOs should position themselves to advocate for non adoption of bio-fuels in Uganda irrespective of the envisaged "benefits".

Global food crisis

Strong upward trends and increased variability in global food prices over the past two years have led to concern that hunger and poverty will increase across the world (Benson 2008). The world food prices of all crops nearly doubled between the 2005 and 2007 marketing years (Abbott 2009), and continued rising in early 2008. Primorac (2011) predicts that these prices are likely to remain high as global demand for food remains high in the face of increased supply side risks exacerbated by bad weather in leading producer countries. The increases in agricultural commodity prices have been a significant factor in driving up the cost of food and have led to

fuller awareness and justifiably heightened concern about problems of food security and hunger, especially for developing countries. Within households, members are likely to be affected by a crisis to varying degrees, with the nutritionally vulnerable members—women of childbearing age and young children—most at risk. However, rising food prices provide an incentive and opportunity for many developing countries to strengthen the contribution their farmers make to national economic growth and poverty reduction.

Rising of food prices has continued to affect Uganda' food inflation since the global financial crisis in 2008. This follows a global trend, where food prices are attributed to general increase in food demand where global food price index was estimated at 57 percent (Wiggins and Levy 2008). Further rise in food prices has reached alarming proportions at 45 percent recently (UBOS, 2011). The rise in food prices is worrisome precisely because food price inflation is the most regressive of all taxes as it hurts the poor the most.

Trend data since 2008 demonstrate that Uganda food index has increased sharply and led to increase in the overall CPI and inflation rate. It is evident that the major driver of inflation is food price followed by prices of other consumer goods which are components of headline inflation, including utilities and energy. The OECD (2008) reveals that the impact of high food prices on a developing country like Uganda depends on the interplay of various factors. In general commercial producers of these commodities will benefit directly from higher prices, and the people they employ (assuming, of course, that governments do not prevent higher prices on the world market from being transmitted domestic markets). For farm households producing mainly for their own consumption or for local markets insulated from price fluctuations on national and international levels markets, the impact can be mitigated. But for the urban poor and the major food importing developing countries, the impacts will be strongly negative as an even higher share of their limited income will be for food.

The causes of high prices are observed to be complex and due to a combination of mutually reinforcing factors including droughts in key grain producing regions, low stocks for cereals and oil seeds, rapidly rising oil prices and continuing devaluation of US dollar, the currency in which the indicator prices for these commodities are usually quoted. The episodes in commodity markets is occurring against the backdrop of unsettled global economy, which in turn appears to have contributed to substantial increase in speculative interest in agriculture futures market. The causes of high food prices in Uganda may not differ significantly from those from other developing countries. The supply shock in food commodities in the domestic market amidst high local and regional demand, leave alone international demand, explains high food prices since 2008, with food inflation reaching the peak level of about 45 percent, the highest ever since 1990. A population growth of 3.2 percent per annum, in excess of food production will continue to create excess demand for food in the domestic market. Factors affecting food supply in Uganda include socio-economic, structural, fiscal and financial incidence of poor roads, inadequate extension services, poor budget allocations to agriculture and limited access to agricultural credit for farm inputs and value additions.

With the recent developments in the regional markets in Southern Sudan, Rwanda, DRC and Kenya for Ugandan food, the situation may worsen. Whether this will benefit the economy in the medium terms is a point of debate. There is evidence that increase in food demand from Uganda is not covered by food imports and this leaves a larger food imbalance that is likely to impact further on food inflation.

The foregoing discussion demonstrates that issues of food security are pertinent and ESAFF Uganda could make a commendable contribution to ensuring that SSF are food secure given the rising food prices. SSF need to be empowered to withstand the negative impacts of increasing global prices but at the same time to benefit from such markets.

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