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## Distribution of agricultural inputs in Uganda: what are the key challenges?

### Overview

The Government of Uganda (GoU), through the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) has adopted an intensive approach as part of its strategy in providing support to farmers in form of agricultural inputs and extension services. The distribution of agricultural inputs is a decentralized service that is mainly undertaken by MAAIF and the semi-autonomous agencies through local governments to ensure service delivery at market prices to intended beneficiaries. The focus is on agricultural inputs such as seeds and seedlings, fertilizers, agro-chemicals agricultural equipment and fuel, tractors, agricultural tools (cultivators, levelers, irrigation, pump sets, motors, sheds etc.). The strategy is aimed at increasing productivity in food cultivation and export promotion.

The Budget Monitoring and Accountability Unit (BMAU) reports for FY 2010/11-FY 2013/14, revealed a number of constraints hindering effective distribution of agricultural inputs leading to poor performance of this sector.

This brief highlights the key challenges affecting the distribution of agricultural inputs procured under MAAIF and also provides policy recommendations.

### Key Issues

- Failure of local governments to follow established criteria for distribution has resulted into wastage and abuse of the practice.
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- Poor quality of inputs distributed limited productivity gains.
- Inaccessibility of some areas hinders input distribution. This was worsened in some areas by inadequate provision of fuel.
- Late release of funds partly contributed to the late delivery of inputs.
- Inadequate supervision and monitoring of the distribution processes, affected quality of inputs distributed. This was partly due to limited staffing under local governments.

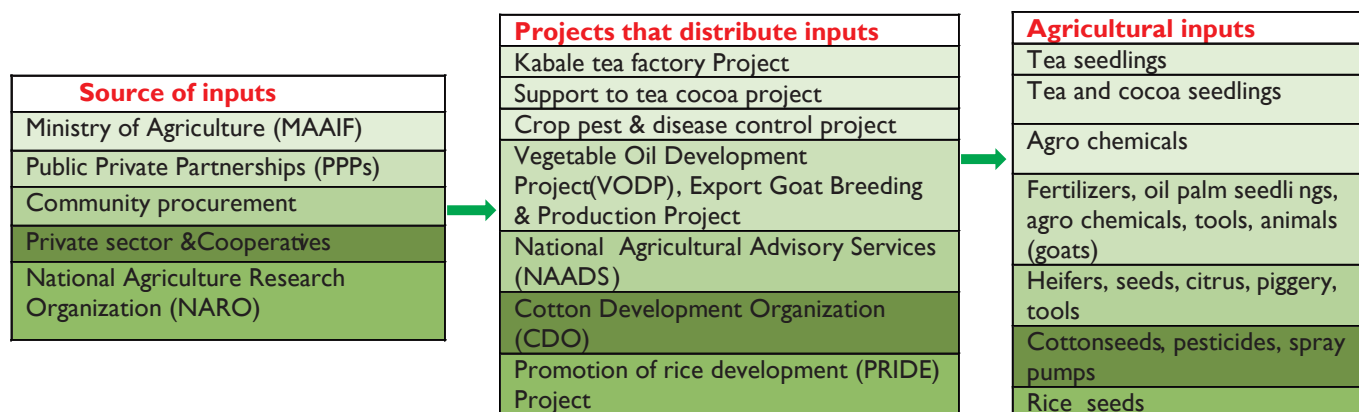
### Introduction

The Government's mission in the agriculture sector is to transform subsistence farming to commercial agriculture. Agriculture is the main source of economic livelihood for the majority of Uganda's population. The sector contributes 23.2% of GDP and the vast majority of the populations directly or indirectly depend on agriculture.

Agricultural inputs are those materials used in the production or handling of agricultural products. Timely and convenient availability of these inputs is a critical factor for attaining production targets in the sector.

The government has adopted a commodity based approach focusing on 11 selected commodities for increased food security, production and exports. These include maize, beans, coffee, market fruits; vegetables, rice, bananas, dairy and beef cattle; and fish. The approach is to ensure availability of improved seed varieties and animal breeds by research organizations. The Government distributes inputs through various ways, these include; Public Private Partnerships (PPPs) arrangements as in the Vegetable Oil Project; community procurement under NAADS; and the MAAIF through provision of seedlings; and the private sector and cooperatives.

## Sources of Agricultural inputs in Uganda



## Input distribution by various projects under MAAIF



**NAADS beans procured through procurement process ready for distribution to farmers in Kashenshero Sub County, Mitooma District**

The MAAIF is a regulator of both importers and distributors of inputs to farmers directly through; lower local governments; service providers such as nursery operators, agro-dealers and distributors, and cooperatives whose responsibility is to ensure timely delivery of all inputs to farmers.

Inputs are procured in compliance with the Public Procurement and Public Asset Authority (PPDA) Act of 2003, for distribution to farmers before the planting season based on the ecologies in the different agricultural sectors.

The inputs are delivered accordingly to district stores or beneficiaries by suppliers under each project. For instance with NAADS, the main program through which government provides inputs, communities work with private suppliers to source inputs and the districts quality assure. The farmer fora's at various district levels are also empowered to oversee the supply and distribution of agricultural inputs for some projects; inputs sourced under the MAAIF are distributed directly to beneficiaries by private suppliers.

Projects under PPPs, such as VODP import all agricultural inputs. The seeds are raised in private nurseries and later distributed to beneficiaries.

Inputs sourced under NARO are produced at research centres and later distributed to farmers for multiplication. Projects that source inputs under the private sector such as the Cotton Development Organization, buy inputs from ginners and distribute them to farmers at a subsidized price



**Imported palm oil seedlings raised in nursery bed at OPUL nucleus estate before distribution to farmers in Kalangala.**

## Key challenges to effective distribution of agricultural inputs

1. **Failure by local governments to follow established criteria of distribution:** The distribution of inputs valued at less than Ug shs 100,000 to food security farmers under NAADS requires full recovery of inputs for further redistribution to other beneficiaries. This is not followed leading to misuse of inputs due to famine and poverty. In Iganga district for example, in Q4 FY 2010/11, redistribution of NAADS food security inputs was inevitable because the beneficiaries consumed the rice seeds and also sold implements to raise income.

2. **Loss and theft of inputs:** Poor methods are attributed to inadequate records and lack of transparency leading to theft and misappropriation of inputs during the distribution process. In Mukono district for example, in Q2 FY 2013/14, distribution of cocoa seedlings was poor as beneficiaries received less quantity than what they requested for as most seedlings were stolen.

3. **Untimely distribution of inputs;** associated with delayed procurements and delayed release of funds .For example in Q3 FY 2012/13, Kapchorwa district received a consignment of agro chemical inputs for the Crop Disease and Pest Control project for controlling the Coffee Leaf Rust, Coffee Berry Disease and other pests that were highly prevalent but the inputs weren't distributed to the intended beneficiaries upon receipt (March 2013) because they were delivered in the dry season which was not the right season for spraying.

4. **Pests and diseases:** The high prevalence of pests and diseases in areas where beneficiaries are located hinder the distribution of inputs. For instance, in Masaka district, in Q4 FY 2010/11, NAADS pigs were not distributed to beneficiary farmers as per schedule due to the outbreak of the swine fever in the area.

5. **Political pressure and influence peddling:** This has resulted into poor and inequitable distribution of agricultural inputs to farmers. In Manafwa district, for instance in Q2 FY 2012/13, Crop

Disease and Pest Control project implementation was constrained due to political pressure and influence peddling from politicians who tried to hijack the project activities so as to benefit from the inputs provided which resulted in to poor and inequitable distribution of the inputs.

6. **Poor quality of inputs distributed;** some district officials aren't sufficiently involved in verifying inputs delivered to farmers. In Gulu and Lira districts for example, in Q4 FY 2010/11, inputs under the Agriculture/Improved Rice Production Project such as storage bins, jab planters and line makers distributed to farmers were inappropriate and rice seeds distributed to farmers had low viability, the oxen that were supplied were either sick, immature or of poor quality hence died.

7. **Accessibility of areas:** The poor road network and transport availability makes distribution of inputs to farmers difficult. In Buhweju district, for example, in Q2 FY 2011/12, transporting of acquired agricultural machinery under the Agricultural Credit Facility Project to the tea factory was difficult and costly. This was due to the hilly terrain and impassable roads especially during the wet season which in turn increased the installation costs of the machinery.

8. **Late release of funds:** The late release of quarterly funds delays beneficiary selection, enterprise selection and initiating procurements for distribution to sub- counties. In Nwoya district for example, in Q2 FY 2013/14, the funds for Q1 under the NAADS project were released late in September 2013 which led to the delay in beneficiary and enterprise selection hence late delivery of NAADS inputs.

9. **Wrong weather forecast** from the metrological department has led to the untimely distribution of seedlings, hence most inputs such as seeds either end up destroyed because they were distributed or planted in the wrong season. For example in Jinja district, in Q3 FY 2013/14, distributed cocoa plantlets under the Support to Tea/ Cocoa project were kept in nursery beds in farmer's gardens while those that were planted had dried up due to the prolonged dry weather spell.

10. **Fuel scarcity:** The distribution of inputs requires transportation to intended beneficiaries' which includes fuel. Scarcity of fuel affects distribution. In Kalangala district for instance, in Q2 FY 2012/13, the distribution of fertilizers to small holder farmers under the Vegetable Oil Project was affected due to fuel scarcity.

### Other challenges:

Staffing challenges in local government to verify all procurements in districts; poor coordination whereby MAAIF calls Local Governments to come for inputs that were not planned for such as delegated procurements and with no funds allocated for distribution of inputs; and the changing policy guidelines used by projects every year. All these negatively affect sustainability of long term enterprises such as citrus seeds. Farmers switch from one input to another before realizing the benefits of the established enterprises. For example this was evident in the NAADS project in Q2 FY 2013/14, in Buyende district.

### Conclusion

The distribution of agricultural inputs is a key component in the government's food security, and export drive. To curb the above challenges, there is need for efficiency and effectiveness in the distribution of agricultural inputs. To that effect, MAAIF together with other stakeholders have a very important role to play in the distribution process of inputs beyond the initial adopters. Agricultural stakeholders should put in place a mechanism for smooth distribution of farm inputs and their prudent utilization that will facilitate the transformation of Uganda's agriculture and ensure food security.

### References:

- Budget Monitoring Reports for Q4 FY 2010/11, Q2 FY 2011/12, Q2 FY 2012/13, Q3 FY 2012/13, and Q2 FY 2013/14

### Policy Recommendations

- ❖ The MAAIF should develop a long term strategy for distribution of inputs where different measures are well coordinated and implemented throughout the country.
- ❖ MAAIF should ensure that future distribution of inputs to farmers is based on verifiable needs assessments, transparent criteria for allocation and timely distribution to beneficiaries.
- ❖ The MoFPED should release the bulk of the development funds in the first quarter so that procurement and distribution of inputs to farmers is timely and re-aligned for cropping seasons.
- ❖ Government should open up roads where large investments are made to allow easy accessibility.
- ❖ MAAIF should step up inspection during the distribution of inputs countrywide.
- ❖ Government should give a grace period for NAADS project inputs before farmers switch to others to allow for impact and proper assessment..

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