

***AGRICULTURE GROWTH PERFORMANCE,  
AGRICULTURE TRADE AND ACCELERATING  
AGRICULTURE GROWTH IN LINE WITH  
CAADP***

By;

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# OUT LINE

- 1-Relevancy of the Agric sector to Uganda's economy
- 2-Agric sector growth performance
- 3-Agriculture trade in Uganda
- 4-Govt allocations to Agric in Uganda
- 5-FY 2018/19 agriculture strategies by gov't
- 6-current status v CAADP process and outcome logic
- 7-Way forward
- 8-Conclusion

# 1. Relevancy of the Agric sector to Uganda's Economy

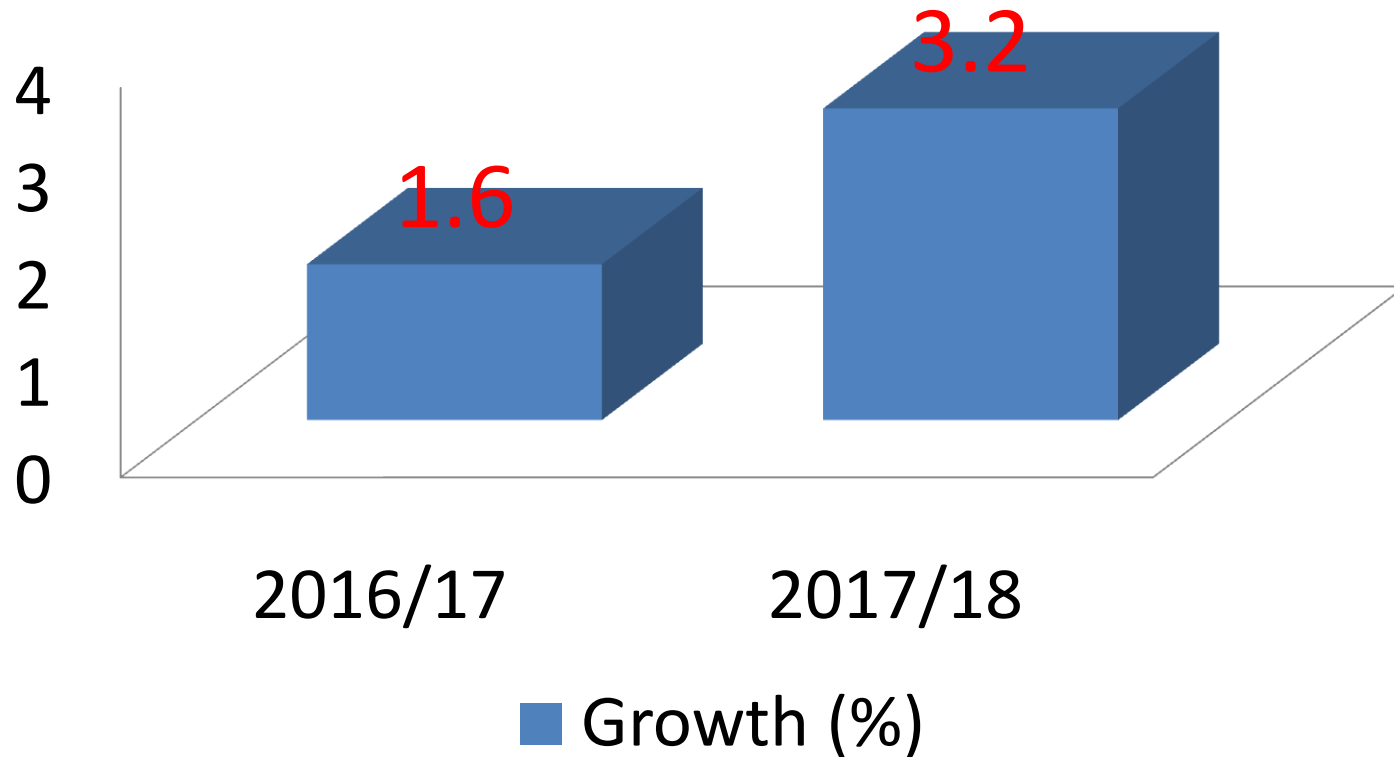
- Employs over 60% of Ugandans
- Main foreign exchange earner- (coffee, cotton, tea, Tobacco)
- Food security in home steads
- Financial security in homes
- Forward and backward linkages eg supporting agro industrialization

## 2.0. Agriculture growth performance

- According to MAAIF, Agric sector growth averaged at 2.8% for the past 8 years.
- For FY 2016/17 and 2017/18, growth in the agriculture sector has oscillated between 1.6% and 3.2%

Agric sector growth for FY 2016/17 and FY 2017/18 in next slide

# 2.1. Agricultural growth Cont...



## 2.2. Observation

- Agriculture sector growth of 2.8% for the last 8 years is less than Uganda's annual population growth of 3%.

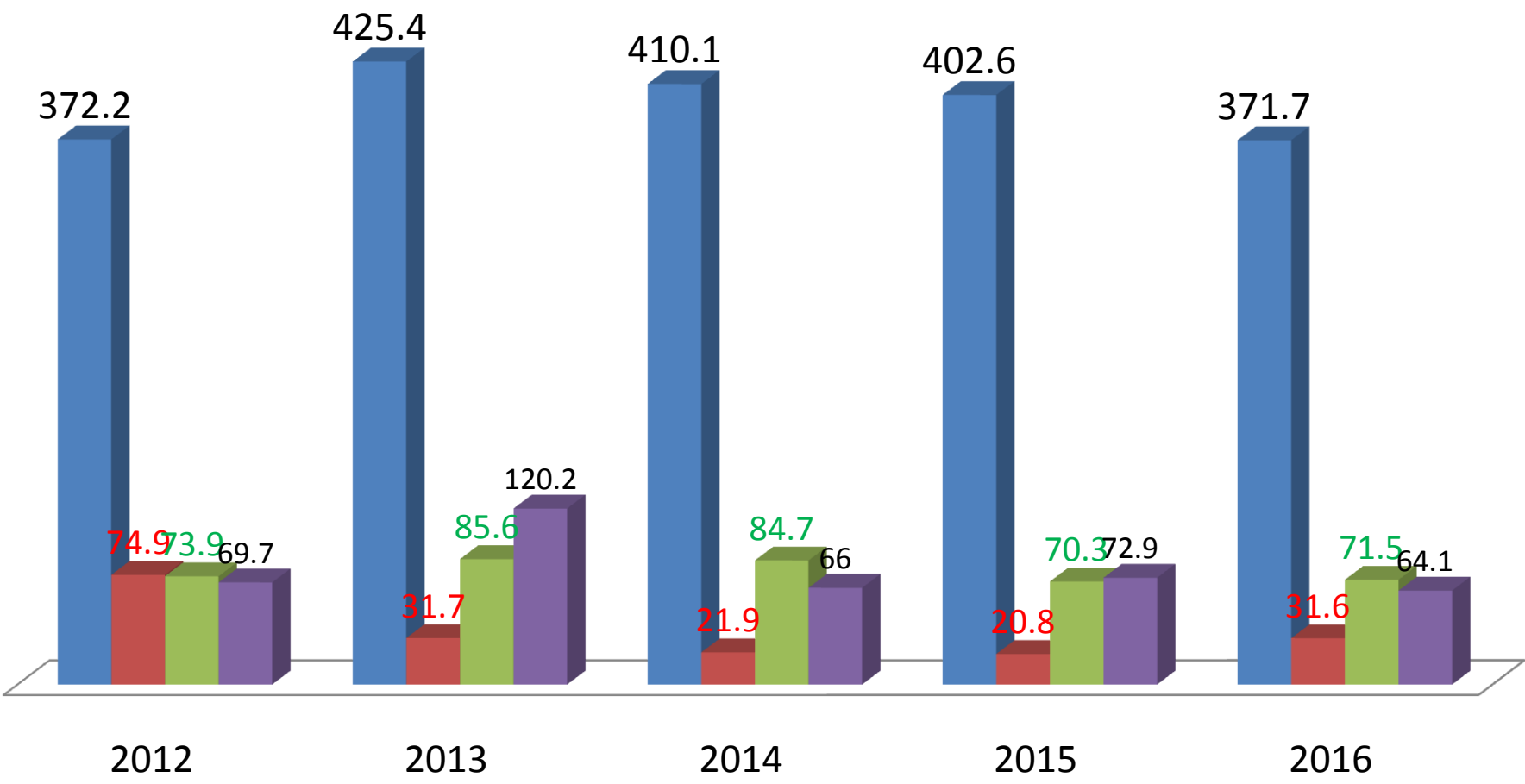
## 3.0 Agriculture Trade in Uganda

Agricultural trade in Uganda takes place at different stages;

- **Farm gate level** (buyers go directly to farmers)
- **Market level** (Farmers take produce to gazzated markets)
- **Cooperatives** (eg Bugisu Cooperative Union, etc)
- **International level** (export of agricultural products)

# 3.1. Traditional Agricultural Exports, 2012-2016- UBOS

■ Coffee ■ Cotton ■ Tea ■ Tobacco

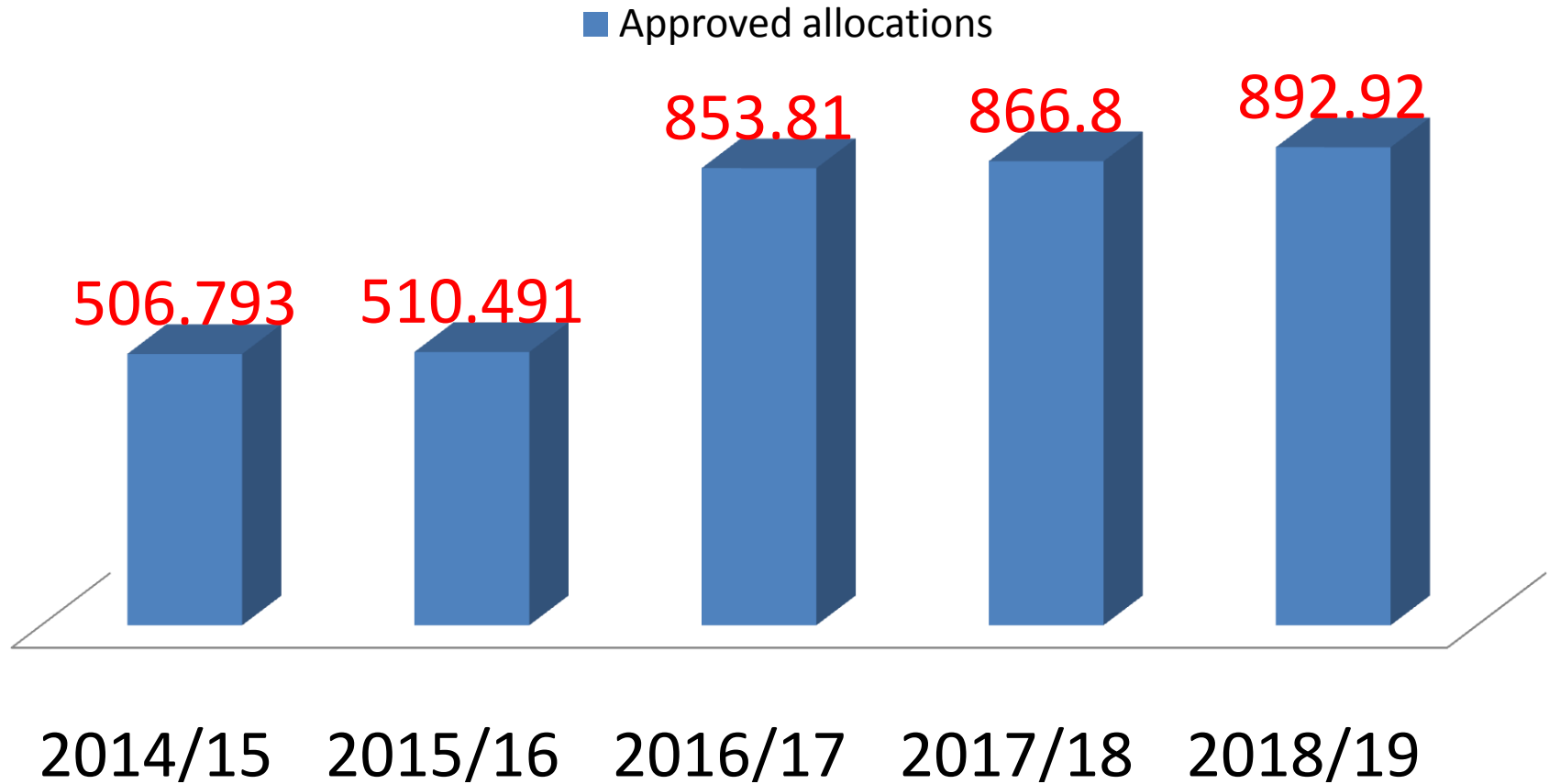




## 3.2. Observation

- Coffee reduced by 8.3% from 402.6 tones in 2015 to 371.7 tones in 2016
- Tea registered a minimal improvement of 1% from 70.3 tones in 2015 to 71.5 tones in 2016.
- Tobacco reduced by 12.07% from 72.9 tones in 2015 to 64.1 tones in 2016.

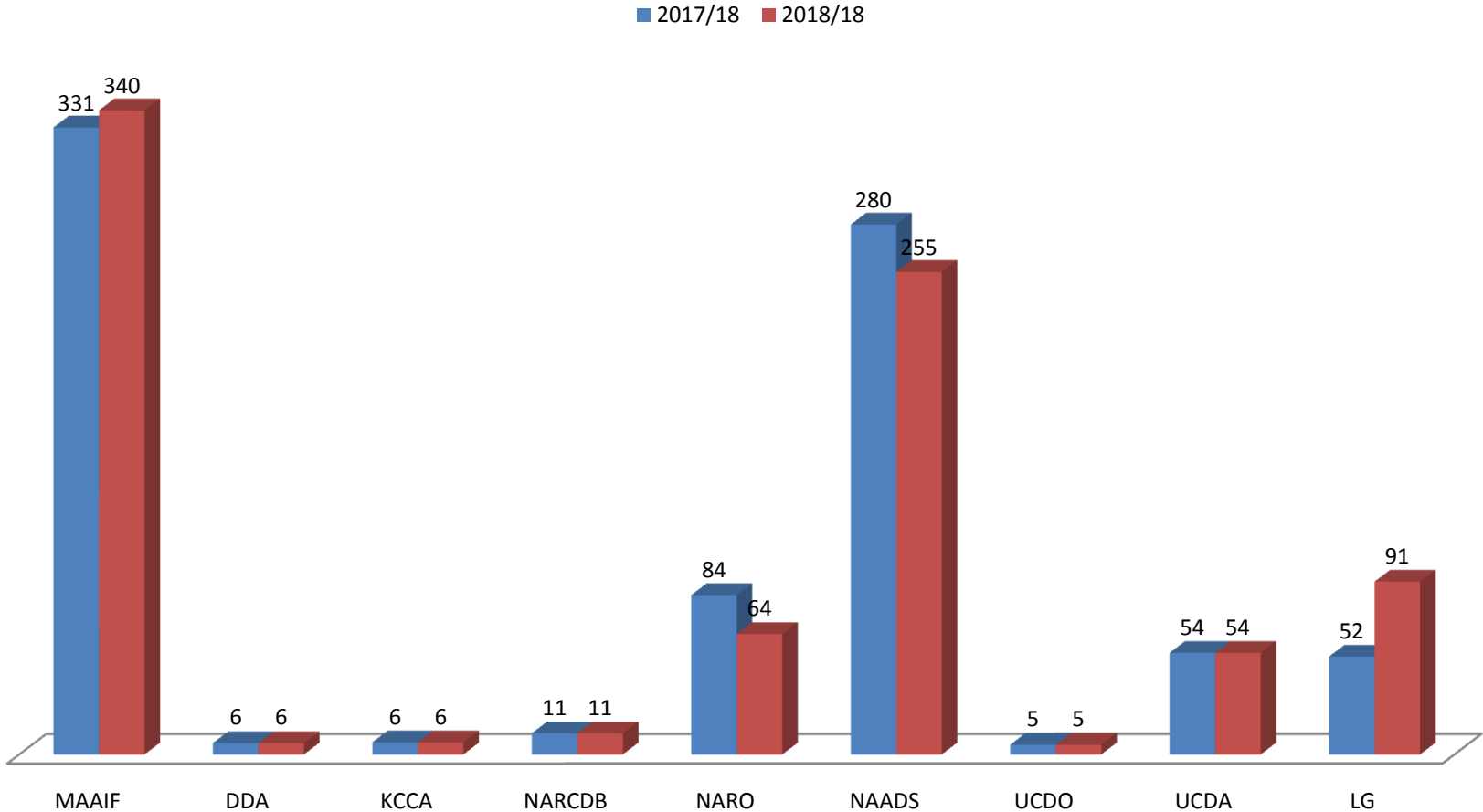
## 4.0 Government allocations to the Agriculture sector



# Approved budget for FY 2018/19

FY	Recurrent		Devt.		A.I.A Total	Grand Total
	Wage	Non- Wage	GoU	Ext. Fin		
<b>2017/18</b>	74.471	149.425	400.64	203.98	36.687	865.203
<b>2018/19</b>	74.471	148.542	400.64	208.006	41.93	873.589

# Intra sectoral allocation for FY 2017/18 & 2018/19 (Bn)



## 4.1. Observation

- Government allocations to the Agric sector rising since FY 2014/15- FY 2018/19
- In FY 2018/19, agric sector was allocated UGX 892.92 billion, which is 3.56% of the entire budget.
- This is below the Maputo declaration which requires African gov'ts to allocate 10% of total budget to Agric sector

# Table 1. The CAADP process and outcome logic

Process inputs > > > > > > > >	Process outcomes > > > > > > >	Impacts
<ul style="list-style-type: none"><li>■ Present investment programmes (PRSPs, SWAPs etc.)</li><li>■ Facilitation, coaching and process management</li><li>■ Knowledge input/analytical services</li><li>■ Partnership and coalition building</li><li>■ Capacity development, including organisational development and change management</li></ul>	<ul style="list-style-type: none"><li>■ Improved agricultural sector development strategies and programmes</li><li>■ Increased investment in agriculture</li><li>■ Improved infrastructure and markets</li><li>■ Better policies for agricultural growth</li><li>■ More effective agricultural services</li><li>■ Improved regional integration</li><li>■ Changes in values and institutional practice</li></ul>	<ul style="list-style-type: none"><li>■ 6% annual growth in agricultural domestic product</li><li>■ Reduction of poverty and malnutrition</li><li>■ Improved sustainability of agricultural production and natural resource use</li></ul>

## **5.0 Government Strategies in the agric sector for FY 2018/19**

- The budget strategy for FY2018/19 and the medium term focuses on accelerating economic growth in agricultural sector through Commercialization.

## 5.1. Govt Agric strategies cont...

Enhancement of Agricultural Productivity through provision of;

- Extension services
- Agricultural inputs (Seedlings, fertilizers and acaricides-control pests and diseases)
- Water for production and for construction of irrigation schemes eg-
- Supporting commercialization of agriculture through provision of affordable financing in the Agriculture Credit Facility. To date the government has provided Ush 141.4 Bn.
- Supporting agricultural Insurance. Ushs 5 Bn has been provided as programmed for each year since FY 2016/17 to date



## 6. Current status v CAADP process and outcome logic

Mismatch between current status in Uganda and the CAADP process and outcome logic in table 1

- Annual growth rate below 6%
- Poverty stands high at 21.4%-UBOS
- One third of every children under 5 years is stunted (sign of malnutrition)

## 7. Way forward

- Need for government to invest in Agriculture research
- Government should honor the Maputo declaration
- Need for government to create an enabling environment for agri-business to thrive.

## 8. Conclusion

- Agriculture remains a backbone to Uganda's economy. There is need to re-energize the Agric sector to ensure it grows at a faster rate than the population. This should come with both medium and long term strategies.

**THANK YOU**