

# Vote:155 Uganda Cotton Development Organisation

## V1: Vote Overview

### I. Vote Mission Statement

To promote and monitor production, processing and marketing of high value cotton and its by-products for the welfare of our society

### II. Strategic Objective

To increase cotton production and quality with the aim of contributing to the National economy through increased incomes

### III. Major Achievements in 2017/18

A) Output level achievements:

A total of about 2,647 Mt of seed were supplied to farmers and an estimated 270,000 acres were planted to cotton in 64 districts in Eastern, Northern, West Nile and Mid-West & Central and Western Regions. 3,965 demonstration plots were established and used to train about 103,000 farmers (including members of 171 women groups and 124 youth groups) on crop establishment, crop management, pest control, soil and water conservation and harvesting and post-harvest handling of cotton. 329 Field Extension workers belonging to Uganda Ginners and Cotton Exporters' Association (UGCEA) were trained on cotton agronomy, soil & water conservation as well as harvesting and post-harvest handling of cotton. Cotton production inputs were procured by UGCEA and distribution systems were put in place to avail the inputs to farmers. About 1,230,700 one-acre units of pesticides, 5,156 litres of herbicides, 481 Mt of fertilizers and 3,040 spray pumps were supplied to farmers. Under mechanization of land opening, a total of 3,197 acres were ploughed by tractor for cotton while 62,660 acres and 65,840 acres were ploughed by oxen for cotton and other crops respectively.

B) Outcome level achievements:

The cotton marketing season opened in October and by end of 12th March, 2018, a total of 201,641 bales of lint (185 kg) had been purchased from farmers contributing over Sh. 187 billion to household incomes.

Out of the 201,641 bales, 133,422 bales were classed and 68% of the bales were graded in the top three grades.

### IV. Medium Term Plans

Medium term plans will focus on:

1. Strengthening and consolidating the Ginners Cotton Production Support Program for continued support towards key cotton production activities with a view to reducing dependence on Government funding for the Sub-sector. Cotton Production Support Program activities will include the following activities:
  - a) Organize procurement, processing and distribution of cotton planting seeds to farmers.
  - b) Continue to promote cotton growing as an income generating activity in Eastern, Northern, West Nile, Mid-West and Western Regions including hard-to-reach districts such as Kaabong, Zombo, Adjumani, Moyo, Yumbe, Kween, Katakwi, Bulambuli and Ntoroko.
  - c) Organize and coordinate the establishment of demonstration plots for training farmers on cotton production techniques. CDO will target to train women and youth groups that participate in cotton growing.
  - d) Train Field Extension Workers (FEWs) who will offer extension services to cotton farmers.
  - e) Organize distribution of key production inputs (pesticides, herbicides and spray pumps) to cotton farmers.
  - f) Facilitate women groups and youth groups to access inputs for cotton production.
  - g) Organize tractor hire services for cotton farmers and train farmers on animal traction.
  - h) Facilitate women groups and youth groups to access tractor hire services or animal traction for land opening.
2. CDO will collaborate with the Cotton Research Program to accelerate development and release of new cotton varieties which are early maturing, high yielding, drought, disease and pest tolerant and with the desired lint quality parameters.
3. Commission and operate the new cotton planting seed processing facility constructed under Project 1219 in Pader District.
4. Highlight the urgent need for increased domestic value addition to lint as a means of reducing the impact of fluctuating World market prices on farm-gate prices of cotton.
5. Provide lint stocks to local textile manufacturers under the Government funded Lint Buffer Stock Fund

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6. Promote commercial medium/large scale production of cotton by providing technical support to Uganda Prison Services (UPS) and other medium/large scale cotton producers.

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## V. Summary of Past Performance and Medium Term Budget Allocations

Table 5.1: Overview of Vote Expenditures (US\$ Billion)

	2016/17 Outturn	2017/18		2018/19	MTEF Budget Projections				
		Approved Budget	Expenditure by End Dec		2019/20	2020/21	2021/22	2022/23	
<b>Recurrent</b>									
Wage	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Non Wage	0.890	0.665	0.124	0.584	0.712	0.819	0.983	1.179	
<b>Devt.</b>									
GoU	6.157	4.411	0.951	4.411	5.381	6.458	6.458	6.458	
Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
<b>GoU Total</b>	<b>7.047</b>	<b>5.076</b>	<b>1.076</b>	<b>4.995</b>	<b>6.093</b>	<b>7.276</b>	<b>7.440</b>	<b>7.637</b>	
<b>Total GoU+Ext Fin (MTEF)</b>	<b>7.047</b>	<b>5.076</b>	<b>1.076</b>	<b>4.995</b>	<b>6.093</b>	<b>7.276</b>	<b>7.440</b>	<b>7.637</b>	
Arrears	0.000	1.160	1.081	0.000	0.000	0.000	0.000	0.000	
<b>Total Budget</b>	<b>7.047</b>	<b>6.236</b>	<b>2.156</b>	<b>4.995</b>	<b>6.093</b>	<b>7.276</b>	<b>7.440</b>	<b>7.637</b>	
<b>A.I.A Total</b>	<b>2.081</b>	<b>2.447</b>	<b>1.168</b>	<b>4.818</b>	<b>4.872</b>	<b>4.972</b>	<b>5.072</b>	<b>5.172</b>	
<b>Grand Total</b>	<b>9.129</b>	<b>8.683</b>	<b>3.325</b>	<b>9.813</b>	<b>10.965</b>	<b>12.248</b>	<b>12.512</b>	<b>12.809</b>	
<b>Total Vote Budget Excluding Arrears</b>	<b>9.129</b>	<b>7.523</b>	<b>2.244</b>	<b>9.813</b>	<b>10.965</b>	<b>12.248</b>	<b>12.512</b>	<b>12.809</b>	

## VI. Budget By Economic Classification

Table V6.1 2017/18 and 2018/19 Budget Allocations by Item

Billion Uganda Shillings	2017/18 Approved Budget				2018/19 Draft Estimates			
	GoU	Ext. Fin	AIA	Total	GoU	Ext. Fin	AIA	Total
<b>Output Class : Outputs Provided</b>	<b>0.665</b>	<b>0.000</b>	<b>2.447</b>	<b>3.112</b>	<b>0.584</b>	<b>0.000</b>	<b>4.818</b>	<b>5.402</b>
211 Wages and Salaries	0.025	0.000	1.228	1.252	0.025	0.000	2.302	2.326
212 Social Contributions	0.000	0.000	0.114	0.114	0.000	0.000	0.232	0.232
213 Other Employee Costs	0.000	0.000	0.015	0.015	0.000	0.000	0.422	0.422
221 General Expenses	0.157	0.000	0.171	0.328	0.069	0.000	0.357	0.426
222 Communications	0.029	0.000	0.030	0.059	0.024	0.000	0.050	0.074
223 Utility and Property Expenses	0.059	0.000	0.062	0.121	0.031	0.000	0.236	0.267
224 Supplies and Services	0.141	0.000	0.028	0.169	0.200	0.000	0.272	0.472
225 Professional Services	0.030	0.000	0.035	0.065	0.000	0.000	0.038	0.038
226 Insurances and Licenses	0.050	0.000	0.120	0.170	0.050	0.000	0.126	0.176
227 Travel and Transport	0.125	0.000	0.390	0.514	0.135	0.000	0.520	0.655
228 Maintenance	0.050	0.000	0.245	0.295	0.050	0.000	0.254	0.304
273 Employer social benefits	0.000	0.000	0.010	0.010	0.000	0.000	0.010	0.010
<b>Output Class : Capital Purchases</b>	<b>4.411</b>	<b>0.000</b>	<b>0.000</b>	<b>4.411</b>	<b>4.411</b>	<b>0.000</b>	<b>0.000</b>	<b>4.411</b>
281 Property expenses other than interest	0.020	0.000	0.000	0.020	0.360	0.000	0.000	0.360

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312 FIXED ASSETS	4.391	0.000	0.000	4.391	4.051	0.000	0.000	4.051
Output Class : Arrears	1.160	0.000	0.000	1.160	0.000	0.000	0.000	0.000
321 DOMESTIC	1.160	0.000	0.000	1.160	0.000	0.000	0.000	0.000
Grand Total :	6.236	0.000	2.447	8.683	4.995	0.000	4.818	9.813
Total excluding Arrears	5.076	0.000	2.447	7.523	4.995	0.000	4.818	9.813

## VII. Budget By Programme And Subprogramme

Table V7.1: Past Expenditure Outturns and Medium Term Projections by Programme and SubProgramme

Billion Uganda shillings	FY 2016/17 Outturn	FY 2017/18		2018-19 Proposed Budget	Medium Term Projections			
		Approved Budget	Spent By End Dec		2019-20	2020-21	2021-22	2022-23
<b>52 Cotton Development</b>	<b>7.047</b>	<b>8.683</b>	<b>2.156</b>	<b>9.813</b>	<b>10.965</b>	<b>12.248</b>	<b>12.512</b>	<b>12.809</b>
01 Headquarters	0.890	4.272	1.205	5.402	5.584	5.791	6.055	6.351
1219 Cotton Production Improvement	6.157	4.411	0.951	4.411	5.381	6.458	6.458	6.458
<b>Total for the Vote</b>	<b>7.047</b>	<b>8.683</b>	<b>2.156</b>	<b>9.813</b>	<b>10.965</b>	<b>12.248</b>	<b>12.512</b>	<b>12.809</b>
<b>Total Excluding Arrears</b>	<b>7.047</b>	<b>7.523</b>	<b>1.076</b>	<b>9.813</b>	<b>10.965</b>	<b>12.248</b>	<b>12.512</b>	<b>12.809</b>

## VIII. Programme Performance and Medium Term Plans

Table V8.1: Programme Outcome and Outcome Indicators ( Only applicable for FY 2018/19)

<b>Programme :</b>	52 Cotton Development		
<b>Programme Objective :</b>	To increase cotton production and quality with the aim of contributing to the National economy through increased incomes.		
<b>Responsible Officer:</b>	Managing Director - Mrs. Jolly Sabune		
<b>Programme Outcome:</b>	Increased cotton production, quality and domestic value addition		
<i>Sector Outcomes contributed to by the Programme Outcome</i>			
<b>1. Increased production and productivity of priority and strategic commodities</b>			
Outcome Indicators	Performance Targets		
	2018/19	2019/20	2020/21
	Target	Projection	Projection
• Percentage change in quantity of cotton produced	23%	25%	28%
• Percentage change in quantity of lint classed in the top 3 grades	10%	12%	15%
• Percentage change in volume of cotton consumed locally	23%	25%	28%
N/A			

## IX. Major Capital Investments And Changes In Resource Allocation

Table 9.1: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

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FY 2017/18		FY 2018/19	
Appr. Budget and Planned Outputs	Expenditures and Achievements by end Dec	Proposed Budget and Planned Outputs	
<b>Vote 155 Uganda Cotton Development Organisation</b>			
<i>Program : 01 52 Cotton Development</i>			
Development Project : 1219 Cotton Production Improvement			
<b>Output: 01 52 72 Government Buildings and Administrative Infrastructure</b>			
Construct buildings and structures which will include 2 seed cotton stores, 4 cottonseed stores, 1 bale shed, weighbridge, electrical and mechanical installations and a front office.	- Procurement of a contractor was concluded. - The site was handed over to the contractor; M/s Bajaj Steel Industries Ltd to commence construction. - Arrangements for supply and installation of the weighbridge were concluded.	Organize construction of a bale shed, storm water drainage and drive ways at the Seed Processing Plant in Pader	
<b>Total Output Cost(Ushs Thousand)</b>	<b>4,211,000</b>	<b>951,494</b>	<b>3,830,000</b>
Gou Dev't:	4,211,000	951,494	3,830,000
Ext Fin:	0	0	0
A.I.A:	0	0	0
<b>Output: 01 52 77 Purchase of Specialised Machinery &amp; Equipment</b>			
Installation and commissioning of seed processing machinery and equipment.	Procurement of a contractor was done and the contract was awarded however commencement of transfer of machines was deferred to Q3 due to on-going seed processing activities because the machines were still being used.	Procure new seed delinting machine and transfer machinery from old sites to the new seed processing site in Pader	
<b>Total Output Cost(Ushs Thousand)</b>	<b>200,000</b>	<b>0</b>	<b>581,000</b>
Gou Dev't:	200,000	0	581,000
Ext Fin:	0	0	0
A.I.A:	0	0	0

## X. Vote Challenges and Plans To Improve Performance

### Vote Challenges

- Erratic weather patterns which affect production, productivity and quality.
- Emergence of new pests and high incidences of existing pests attributed to climate change.
- Fluctuating farm-gate prices.
- Competition for land and labour with other agricultural enterprises.
- Declining soil fertility couple with limited capacity for farmers to buy fertilizers even when they are provided at reduced prices.
- Low level of domestic value addition to lint which leads to dependence on volatile World market prices of lint.

### Plans to improve Vote Performance

Vote 155 intends to undertake the following actions to improve performance:

- Intensify training of farmers on cotton agronomic practices using demonstration plots in order to increase yields and quality for better profitability of cotton production.
- Promote use of yield and quality enhancing inputs in cotton production in cotton production by partnering with Uganda Ginners and Cotton Exporters' Association (UGCEA) to support cotton farmers during the production period.
- CDO will work with the NARO's Cotton Research Program at the National Semi-arid Resources Research Institute (NaSARRI) to improve generation and release of new cotton varieties that meet stakeholders' requirements in terms of drought, pest and disease tolerance, high yields and better lint characteristics.

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## XI. Vote Cross Cutting Policy And Other Budgetary Issues

Table 11.1: Cross- Cutting Policy Issues

Issue Type:	Gender
<b>Objective :</b>	Contribute to household incomes and food security of rural communities.
<b>Issue of Concern :</b>	Rural poverty and food insecurity
<b>Planned Interventions :</b>	1. Promote cotton production as an income generating enterprise for rural women and youth. 2. Organize tractor hire and animal traction services for the women & youth groups. 3. Organize distribution of key cotton production inputs at affordable prices
<b>Budget Allocation (Billion) :</b>	0.200
<b>Performance Indicators:</b>	1. No. of rural women and youth groups participating in cotton production. 2. Acreage ploughed by tractor and oxen for women and youth. 3. No. of women and youth groups that access production inputs
<b>Objective :</b>	Increase access to cotton information and training opportunities for women and youth groups
<b>Issue of Concern :</b>	Inadequate access to production information and training opportunities
<b>Planned Interventions :</b>	Organize establishment of demonstration plots for training women and youth cotton farmers.
<b>Budget Allocation (Billion) :</b>	0.100
<b>Performance Indicators:</b>	1. No. of demonstration plots established for rural women and youth groups. 2. No. of training sessions conducted for the women and youth 3. No. of women and youth trained at the demonstration plots.
<b>Objective :</b>	Increase access to and affordability of cotton production inputs by women and youth groups
<b>Issue of Concern :</b>	High cost of production inputs
<b>Planned Interventions :</b>	Mobilize and assist women and youth groups to access key cotton production inputs (seed, fertilizers, pesticides, spray pumps) and tractor hire services at affordable prices
<b>Budget Allocation (Billion) :</b>	0.080
<b>Performance Indicators:</b>	1. No. of women and youth groups that have received production inputs. 2. Acreage ploughed by tractors/oxen for the women and youth groups.

Table 11.2: AIA Collections

Source of AIA(Ush Bn)	2017/18 Budget	2017/18 Actual by Dec	2018/19 Projected
Rent & Rates - Non-Produced Assets – from private entities	0.120	0.000	0.132
Other Fees and Charges	2.297	1.507	4.546
Miscellaneous receipts/income	0.031	0.000	0.140
<b>Total</b>	<b>2.447</b>	<b>1.507</b>	<b>4.818</b>

## XII. Personnel Information

Table 12.1 Staff Recruitment Plan

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Post Title	Salary Scale	No. Of Approved Posts	No Of Filled Posts	Vacant Posts	No. of Posts Cleared for Filling FY2018/19	Gross Salary Per Month (UGX)	Total Annual Salary (UGX)
Accounts Assistant	CDO-5	1	0	1	1	2,400,000	28,800,000
Classing Trainee	CDO-5	1	0	1	1	1,700,000	20,400,000
Electrician/Supervisor	CDO-5	2	0	2	1	1,200,000	14,400,000
Gin Fitter	CDO-5	2	0	2	2	2,400,000	28,800,000
Internal Auditor Assitant	CDO-5	1	0	1	1	2,400,000	28,800,000
Office Attendant	CDO-8	1	0	1	1	1,000,000	12,000,000
Personel & Administration Officer	CDO-5	1	0	1	1	2,400,000	28,800,000
Procurement Assistant	CDO-5	1	0	1	1	2,100,000	25,200,000
Security Guard/Care taker	CDO-8	1	0	1	1	620,000	7,440,000
Store keeper	CDO-4	1	0	1	1	800,000	9,600,000
Weigh Bridge Clerk	CDO-5	2	0	2	2	3,000,000	36,000,000
<b>Total</b>		14	0	14	13	20,020,000	240,240,000