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THE REPUBLIC OF UGANDA

**MINISTRY OF AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES**

**LOCAL GOVERNMENT BUDGET CONSULTATIVE WORKSHOP- FY 2019/20**

**PRODUCTION SECTOR ISSUES PAPER**

AUGUST 2018

ENTEBBE

**OUTLINE**

# Introduction

# Recent developments in the sector

# Sector Priorities for the FY 2019/20

# Mandate of Local Governments

1. Sector Interventions of the Nucleus Farmer/Zoning Model

# Overall structure and purpose of sector grants

# Budget & implementation Guidelines

1. The NAADS program guidelines

# Response to issues raised in the last regional budget consultative workshops

# INTRODUCTION

The mission of the Agriculture Sector is to transform the sector from subsistence to commercial agriculture, with a vision of creating a Competitive, Profitable, and Sustainable Agriculture Sector. The National Agriculture Policy (NAP) is the overall guiding policy framework for the sector which was approved by Cabinet under Cabinet in 2014. MAAIF with other stakeholders developed a Sector Strategic Plan to elaborate the sector undertakings and planned investments in order to meet the NDP 2 agriculture undertakings. **The Agriculture Sector Strategic Plan (ASSP) 2015/16 to 2019/20** was consolidated through a consultative process and approved by cabinet on 19th April 2017

The Agriculture chapter of the NDPII focuses on the following priorities:

* Increasing agricultural production and productivity
* Increasing access to critical farm inputs
* Improving agricultural markets and value addition for the 12 priority commodities
* Strengthening the institutional capacity of MAAIF and public agricultural agencies.

# RECENT DEVELOPMENTS IN THE AGRICULTURE SECTOR

The following are the recent developments in the Agriculture Sector among others;

1. **WATER FOR AGRICULTURAL PRODUCTION:** MAAIF in partnership with the Ministry of Water and Environment have commissioned the construction of five irrigation schemes under FIEFOC II project. The schemes are Doho II in Butaleja district (1,178 ha), Mubuku II in Kasese district (480 ha), Wadelai in Nebbi district (1,000 ha), Torchi in Oyam district (500 ha), and Ngenge in Kween district (880 ha). MAAIF has also completed the designing of 50 small scale irrigation demonstrations and water harvesting sites in selected districts under 9 Zonal Agriculture Research and Development Institutes. Construction was rolled out and is expected to be completed by June 2018.
2. **PROMOTION OF AGRICULTURE MECHANISATION:** MAAIF has used the 3 sets of heavy equipment acquired by the Governments of Uganda and Japan to construct and rehabilitate 155 valley tanks (Northern Uganda – 2; Central Uganda – 75; Eastern Uganda – 20; Western and Southern Uganda – 58) with a total capacity of 8,000,000 m3. These were constructed in districts found in the cattle corridor or those heavy affected by drought. MAAIF started the rehabilitation of the Namalere Referral Agricultural Mechanization Workshop which will skill and increase knowledge of Ugandans in agricultural mechanization, assembling and testing machinery, operating, and, maintenance and servicing of Government equipment. MAAIF trained 50 private heavy equipment operators, engineers, technician and mechanics in equipment operation, maintenance and management. The target is to ensure that all districts have trained operators, engineers, technicians and mechanics to increase the benefits from the Government machinery recently acquired and distributed across the country.
3. **INCREASING THE QUALITY AND QUANTITY OF DAIRY AND BEEF PRODUCTS FOR EXPORTS:** Milk production increased from 2.08 billion litres in 2015 to 2.2 billion litres in 2016, representing a 6% growth rate. The value of marketed milk had a 5% increase from USD 716 million in 2015 to USD 752 million (about 2.7 trillion) in 2016. Marketed milk stood at 80% of the total production and this is likely to increase further after the rehabilitation of more milk collection centres. In FY 2016/17 our milk processing capacity stood at 1.9 million litres daily and is likely to increase to 2 million litres by June 2018. Due to increased compliance of Uganda’s milk products on both regional and international markets, the value of our dairy exports increased from USD 50 million in 2015 to USD 60 million in 2016. MAAIF is also rehabilitating rural milk collection centres to enable our farmers to chill milk produced in a timely way. 2 milk collection centres with a collection capacity of 8,200 litres were rehabilitated in Kayunga and Masindi which are already being utilized by over 1,000 dairy farmers. Soroti milk collection centre has also been rehabilitated and only awaits installation of the cooler. MAAIF constructed a modern holding ground (5 square miles) and an animal quarantine station (4 square miles in size) to fatten bulls which will be supplied to the modern export abattoir in Bombo.
4. **PROMOTING COTTON PRODUCTION TO ENHANCE EXPORTS AND DOMESTIC VALUE ADDITION:** MAAIF supported farmers in 60 districts in Eastern, Northern, West Nile, Mid-West and Western Regions with 1,615 MT of cotton planting seeds with which they opened 190,000 acres of cotton. The farmers produced a total of 151,071 bales of lint (@ 185 Kg) contributing about UGX 136 billion to household incomes, USD 42 million in lint sales and UGX 44 billion in cottonseed sales. Out of the 151,071 bales of lint produced, approximately 140,510 bales of lint were exported.
5. **PROMOTION OF COFFEE PRODUCTION AND PRODUCTIVITY ACROSS THE COUNTRY:** MAAIF supported 1,066,258 households in 96 districts spread across Central, Eastern, Western, South-western and Northern Uganda to establish 710,172 acres of coffee. This increased the area under coffee in each of the regions. The Ministry certified 4,186,606 (60 kg) bags of coffee for export in FY 2016/17 compared to 3,556,692 bags the FY 2016/17 registering an increase of 39%. The total value of exports amounted to USD 490.25 million compared to USD 351.53 million for the previous period, an 18% increase. As at November 2017, 2,012,119 (60 kg) bags were certified for export, valued at US$ 228 Million compared to 1,385,002 bags valued at US$ 155 million in the same period in 2016. This brings the total amount of coffee exported from July 2016 to November 2017 to 6,198,725 (60 kg) bags of coffee, providing evidence that we are moving towards achieving the national target of 20 million bags by 2025.
6. **FISH PRODUCTION AND ENFORCEMENT OF GOOD FISHING PRACTICES ON WATER BODIES:** MAAIF in partnership with other Government Agencies increased enforcement activities on the water bodies across the country. This reversed the declining trend of the quantity and value of fish and fish products. As a result of the increased enforcement on the water bodies, the country has started realizing an increase in the fish exports from 18,052 MT valued at USD 117.6 million in 2015 to 19,546 MT valued at USD 121.5 million in 2016.
7. **CONTROL AGAINST ANIMAL DISEASES TO INCREASE PRODUCTION AND PRODUCTIVITY OF THE LIVESTOCK SUB-SECTOR:** Animal vectors, pests and diseases remained the biggest hindrance to animal production and productivity. The Ministry developed an implementation strategy to deal with resistant ticks through application of a new acaricide Vectoclor which the ticks have not been exposed to before, and is expected to kill them and cleanse the cattle of the resistant ticks. The application of the new acaricide Vectoclor was tested in Kiruhura with 600 litres of the vaccine. A few farms (1 farmer per parish) were selected for the piloting phase. The farmers were also taught how acaricide is applied. The application of the tick resistance cleansing acaricide will be rolled out to other areas of the country to cover the 27 most affected districts by December 2018. An acaricide zoning strategy and implementation plan was also rolled out to manage movement of acaricides across zones that will be used after the resistant ticks have been cleansed. The zoning strategy comprises dividing the country into two using the natural barrier of the River Nile, to have the North Nile Zone and the South Nile Zone.
8. **Bills and Policies**: In the FY 2017/18, Principles of the fisheries bill, National Fisheries and aquaculture policy, coffee development and National Irrigation Policy bill were passed by Cabinet.

# SECTOR PRIORITIES FOR THE FY 2019/20

The Agriculture sector’s priorities in FY 2019/20 are in accordance with the national budget strategy 2018/19 and the National Development Plan II; as articulated in the ASSP 2015/16 - 2019/20. The sector’s budget priorities for FY 2019/20, include the following:

1. **RE-ORGANISATION OF PUBLIC SUPPORT TO OUR FARMERS THROUGH THE NUCLEUS FARMER/ PARISH DEVELOPMENT MODEL:** MAAIF will refocus our public support to farmers through piloting the nucleus farmer/ zoning model. We will support at least 1 farmer in each parish to demonstrate the 4 acre model; support sub-county nucleus farmers who will mobilize and organize farmers to produce sufficient quality and quantities of an identified commodity in line with the agriculture zoning strategy; and, partner with a Regional Entrepreneur/ Processor who will process as much produce as possible by linking whatever is produced with processing, thereby also creating job opportunities along the value chain within the region. The strategy will increase the quality and quantity of raw materials for our growing industrial sector; provide surplus labor to industry; save from capital investment in non-agriculture; and produce more food to meet the increasing demand of a growing non-agriculture labor force (including the oil industry), and, for export.
2. Government is working on specific value chains to be the means of creating linkage between Government, Local Government, Extension service providers, Agriculture Research and other private sector value chain actors.
3. **AGRICULTURE MECHANIZATION:** MAAIF will set up regional mechanization centers in accordance with the established national agriculture administrative zones, managed by a Senior Engineer. The centers will also have 1 mechanical Engineer, 1 Irrigation Engineer and 1 Civil Engineer. The centers will also be equipped with tractors and maintenance tools/ workshops. The regional mechanization centers will work in close partnership with the MAAIF Mechanization department and will be responsible for construction of water for agriculture production infrastructure in the different regions. The Centers will also backstop and build the capacity of District Engineers to ensure effective and efficient utilization of district mechanical equipment. The regional mechanizations centers will also be responsible for maintaining government tractors and repair/maintenance of privately owned tractors in the district at a cost recovery basis. The establishment of regional mechanization centres will be done in a phased manner over 3 years, beginning with Western and Northern regions. The Ministry will also train 200 tractor operators from Namalere to close the capacity gap that exists in the Agriculture sector. MAAIF will commence with 2 regional mechanization centers; which will establishment of the others will be rolled over in the medium term.
4. **WATER FOR AGRICULTURE PRODUCTION:** MAAIF will continue with its support to ensure increased capacity of households to have enough water at farm level through continued subsidizing of digging of valley dams in water stricken areas with the equipment already acquired by the mechanization Unit of the Ministry and the ones to be procured for the regional mechanization centers. MAAIF will also purchase a complete set of borehole and well drilling and installation equipment to further assist farmer’s access on farm water for irrigation. MAAIF will give more focus on increasing water for irrigation for coffee and horticulture. This will further contribute to government efforts to achieve the target of increasing the production of coffee to 20 million bags per year, and enhance our horticultural exports. Government efforts of supplying quality coffee seedlings will continue, and will be complemented with investment in the maintenance of existing coffee trees.
5. **PEST, VECTOR AND DISEASE CONTROL:** MAAIF will continue to invest in controlled research especially to develop biological coping mechanisms for the Fall Army Worm and other pests and diseases. MAAIF will also continue to ensure that appropriate pesticides are available in the market at affordable prices, through, among others, partnership with the private sector. For livestock disease control, MAAIF will continue testing the various tick resistance cleansing acaricides in the different application zones. So far, the activity has shown positive results and will be scaled up. Through NARO support will be provided to support the ongoing research in developing acaricides that are suitable for Uganda’s conditions. To fight against the spread of livestock diseases (especially FMD), partnerships will continue to be established with the private sector who can produce/ import and market animal drugs at affordable prices to our farmers
6. **REGULATION AND CERTIFICATION: I**ncreased focus will be put on food safety and standards for both domestically consumed products and food for export. Research findings show that the increased opportunistic diseases affecting Ugandans may be associated with the quality of food we eat. Under dairy and beef, MAAIF will ensure that standards of meat consumed domestically are enhanced at national, district, Town councils abattoirs, and, increase enforcement of the cruelty of animals and general meat inspection. Government will continue improving regulation in the dairy sub sector to ensure increased production and use of safe dairy products, and, increased exports of the dairy products. MAAIF is also aware of the certification and inspection challenges and will recruit and retool crop inspectors in the various districts. This will also improve monitoring at the boarder points.
7. **FISHERIES PROMOTION AND ENFORCEMENT OF GOOD FISHING PRACTICES:** The Fisheries and Aquaculture policy was finalized and will be presented to Cabinet for clearance. The Ministry will also table the Fisheries Bill which will streamline the roles of different fisheries enforcement agencies, standards and fishing requirements. In the meantime government will continue to use law enforcement agencies to supplement the role of the Ministry in Fisheries enforcement. Under aquaculture, MAAIF will rehabilitate and operationalize regional aquaculture parks and hand them over to the private sector though Public Private Partnerships; and, rehabilitate regional hatcheries to multiply fish seed for private sector.
8. **EXTENSION SERVICE DELIVERY:** MAAIF will continue recruiting extension workers at the Districts and Sub-Counties to achieve the target of 5,000 extension workers providing extension services to our farmers. MAAIF will also train and tool these extension workers to reach all the farmer categories in all parts of the country. MAAIF will utilize the lessons learnt through implementation of the various programs on the best ways in which knowledge can be passed on to our farmers for adoption of the improved technologies which will lead to increase in production and productivity while responding the local and export market opportunities.
9. **VALUE ADDITION:** MAAIF recognizes that value addition is largely private sector led, but certain ventures are strategic in nature and require a government push. MAAIF through existing agencies such as Uganda Development Bank and support from Government, will increase its support to private processors through PPP arrangements in accordance with the new PPP Act. MAAIF will support private sector to increase the distribution of coffee washing, drying and packaging equipment; establish tea factories; establish vegetable oil mills; establish cotton processing and spinning factories; establish dairy milk cooling and regional processing factories; and, will continue to support the private sector to manage the world standards accredited meat abattoir. MAAIF will construct 3 more animal holding grounds to support the Bombo Abattoir and 2 other upcoming internationally accredited abattoirs.
10. **AGRICULTURE FINANCING:** MAAIF recognizes the challenge caused by lack of reliable and regular rainfall and seasonal information, and how it affects access to agriculture credit and insurance packages in Uganda. MAAIF will work in conjunction MOFPED to explore alternative ways in which more reliable data on rainfall and seasonal variations can be captured systematically, and continue the engagement with insurance and financial institutions on how to increase availability of agriculture credit for the different categories of farmers.
11. **FARMER GROUP FORMATION AND REGISTRATION:** MAAIF recognizes that lack of reliable data on the characteristics and categorization of our farmers’ affects planning and implementation of Government’s programs. MAAIF will therefore complete the registration of all farmers in their respective categories and groups.
12. **COTTON DEVELOPMENT IN UGANDA:** MAAIF will continue to support cotton production and improvement in quality with the aim of contributing to the National Economy through increased incomes. More effort will be dedicated to farmer mobilization and sensitization, support to mechanization for land opening, increasing access to cotton planting seed and increasing domestic value addition. The Ministry will support twenty (20) farmers with 100 acre blocks to establish commercially operated farms which will increase cotton production and productivity, and reduce dependence on small scale farmers for cotton production.
13. **AGRICULTURE RESEARCH AND DEVELOPMENT:** The Ministry, through National Agriculture Research Organization (NARO) continues to respond to the various needs identified along the various crop and animal value chains. This is being done alongside various challenges, with the main ones being under funding for agriculture research and development; and weak promotion of research findings. NARO plans to among others relocate the Livestock Research Institute from Sukulu hills to Maruzi; and invest in the development of anti-tick vaccines for the control of Brown Ear, Blue and Bont legged ticks in Uganda. The vaccine production unit will enable Uganda to commercially produce vaccines for ticks, Foot and Mouth Disease and other vectors/ diseases which might come on board. The target is to start production of enough vaccines for the local, regional and international markets. The Livestock Research Institute will develop improved genetics and breeds for increased beef and dairy productivity, and upscale current research in pasture and nutrition for all year round livestock feeding.
14. **ANIMAL GENETIC DEVELOPMENT:** The Ministry will optimize the capacity of NAGRC&DB to produce and supply breeding stock through purchase and multiplication of superior genetics, review and develop strategies for increased access, availability and utilization of improved genetics, ARTs and breeding stock by farmers, build strategic animal breeding partnerships with other organizations and farmers and Strengthen the animal health management systems on all NAGRC&DB centres e.g. animal health laboratory on each centre farm, capacity building. Specifically we will target at producing a minimum of 3391 breeding cattle for both dairy and beef, 1.5 million mother breeder chicks; produce at least 120,000 litres of liquid nitrogen; produce 108,000 doses of semen and extend it to farmers; and train at least 1300 Artificial Insemination technicians.

# MANDATE OF LOCAL GOVERNMENTS

In line with the Local Government Act, 1997, the following functions are vested in MAAIF for implementation at the local government level;

1. Controlling epidemic diseases, pests and parasites affecting crops, animals and fish: this includes reporting, investigations, diagnosis, surveillance, vaccination, and treatment;
2. Enforcing agricultural laws and regulations (including those pertaining to livestock and fisheries sub-sectors: controlling inter-district movement of animals and animal products, enforcing quarantine restrictions and animal welfare issues);
3. Carrying out inspection and certification of agricultural inputs such as agro-biological and animals feeds;
4. Supporting the extension services
5. Collection of agricultural statistics
6. Ensuring veterinary public health: control of Zoonoses, ensuring hygiene of livestock products;
7. Identification of parish model farmers to be supported by one extension worker.
8. Provision of training and extension services to the parish model farmers, particularly in water for agricultural production.
9. Guide project allocation of capital funds to support water infrastructure for parish model farmers.
10. **Sector Interventions of the Nucleus Farmer/Zoning Model**

Starting FY 2018/19, government will rolled out a nucleus farmer strategy to reorganise zonal agricultural interventions under the commodity approach. This strategy provides an alternative method of channeling Government resources to increase production, productivity and value addition in the agriculture sector. It enables engagement of progressive/successful farmers at sub-county and regional level as an engine for increased production. Government interventions will be along the promoted value chains according to the production zones, which will be sub-divided into sub-zones as districts, sub-counties and parishes. The focus will be put on production of high value commodities to suit the domestic, regional and international market preferences. Each region will produce commodity varieties to fit existing demand.

### **PARISH 4-ACRE MODEL:** Under this model, each extension worker will be given a target of focused support to at least 1 parish model farmer, alongside their routine extension services to other farmers. Identification and support of parish model farmers will have to be undertaken in line with criteria.

**REGIONAL ENTREPRENEUR/PROCESSOR**: Government will support the signing of Memoranda of Understanding between the Regional Entrepreneur, the Nucleus Farmer and the Farmer Groups showing the quality and quantity of produce that shall be supplied by the farmers and the indicative prices that will be offered by the entrepreneur/processor. This will minimize claims of unfair trade relations between the value chain partners.

# OVERALL STRUCTURE AND PURPOSE OF SECTOR GRANTS

# PRODUCTION AND MARKETING GRANT

The total PMG Non wage allocation for the FY 2019/20 is UGX 12.07 billion and this is shared among all Local Governments (excluding Kampala district) and the total wage component allocation is UGX 71.5 billion. The allocation of funds is done based on six parameters (variables): land area (ha), population, population in hard to reach to stay areas, poverty head count, rural population and fixed allocation. All Statistics for the mentioned parameters are obtained from Uganda Bureau of Statistics (UBOS) and communicated to all Accounting Officers through the Second Budget Call Circular from the Ministry of Finance, Planning and Economic Development (MFPED). The allocation of the funds is generated from the Online Transfer Information Management System (OTIMS).

The PMG non-wage component is to be divided into two, development and recurrent expenditure.

**55% of the PMG non-wage component allocated to each district should go towards development / capital expenditure.** The development expenditure will be utilized for development related projects, particularly infrastructure undertakings. Over time, Local Governments are expected to put in place infrastructures such as slaughter slabs, cattle markets, cattle dips, water reservoirs, fisheries infrastructure and irrigation demonstrations among others.

**45% of the PMG non-wage component allocated to each district should go towards recurrent expenditures.** The recurrent expenditure will cater for operational costs (such as fuel, training, farmer field visits, monitoring and evaluation, maintenance of equipment and vaccination among others) related to the control of diseases, pests and vectors, strengthening of regulatory services and quality assurance, collection of agricultural statistics and supervising the distribution of inputs provided by MAAIF under the OWC initiatives.

1. **AGRICULTURE EXTENSION OPERATIONAL GRANT**

Government, through the Ministry of Agriculture, Animal Industry and Fisheries has formulated the National Agricultural Extension Strategy to guide, harmonize and implement agricultural extension services to farmers, farmers’ groups, and other actors in agriculture value chains throughout the country. This strategy is in response to government’s commitment to realize an agricultural revolution in the country in line with the National Agriculture Policy (2013) and the National Agricultural Extension Policy (2016). It is intended to effectively and efficiently provide agricultural extension services in order to support sustained progression of smallholder farmers from subsistence agriculture to market oriented and commercial farming.

The total allocation for FY 2019/20 is UGX 39.6 billion was allocated to the Agriculture Extension Operational Grant. Guidance on the allocation criteria of this grant was sent to all district production and marketing departments. The allocation criteria consider the following;

* The number of staff in post to be facilitated to execute extension services
* The number of Sub-Counties/Towns Councils or municipal Divisions i.e. the Lower Government under each district

**UTILIZATION OF FUNDS**

The fund will be used at two levels; district level and sub-county level and have two components: recurrent and development.

**25% of the funds will be used for development expenditure**. This is meant for development projects including, but not limited to, procurement of transport equipment, setting up of demonstrations and procuring of insemination kits and protective clothing.

**75% of the funds will be used for recurrent operational expenditure, both at the sub county and district level.**

1. In allocation of resources and preparation of work plans, the following vital roles of frontline extension service providers should be put into consideration:

* Identification of parish model farmers to be supported by one extension worker.
* Provision of training and extension services to the parish model farmers, particularly in water for agricultural production.
* Guide project allocation of capital funds to support water infrastructure for parish model farmers.
* Organize the farmers through mobilization and registration of these farmers so that they can benefit from all the agrarian service providers both public and private.
* Empower farmers with situational analysis demand articulation and priority setting skills that will guide farmers deal effectively with their immediate needs and thus make appropriate demands in terms of services, technologies, information and other relevant interventions.
* Conduct meetings for farmer groups and other value chain actors to guide them on enterprise selection.
* Develop farmers into higher level organizations like Producer and Marketing Groups and train them on group dynamics and leadership skills.
* Link farmers to research and other value chain actors.
* Increase farmer awareness on the existing improved technologies produced by research (NARO) - Improved seeds, artificial insemination, fertilizer use, pest & disease control, soil and water conservation, climate smart agricultural technologies and also appropriate technical skills like post-harvest handling, value addition, taking farming as a business.
* Interest the farmers to take on these technologies through demonstrations and intensified discovery methods, focused group discussions and direct trainings.

1. The budgets/work plans should specifically indicate how the district(s) will promote the production of the priority commodities, as per the commodity approach and nucleus farmer/zoning strategy described

**THE NAADS PROGRAM GUIDELINES**

**Mandate of NAADS/OWC Programme:** The NAADS Secretariat, a Public Agency under the Ministry of Agriculture, Animal Industry and Fisheries is mandated to increase access by all categories of farmers to agricultural inputs for improved household food and nutrition security and household incomes in line with the Agricultural Sector Strategic Plan and National Development Plan within Uganda’s Vision 2040.

**Implementation Plan for FY 2019/20:** The implementation plan for the NAADS interventions under the Operation Wealth Creation (OWC) Programme for the FY 2019/20 will focus more on supporting key strategic commodities with the purpose of concentrating resources to ensure greater impact on household incomes and national export earnings. The support will focus on provision of seedlings for the key strategic commodities including Tea, Fruits (Citrus, Mangoes, Apples & Pineapple) and Cocoa while also putting into consideration district priority commodities submitted by the respective District Local Governments as well as food security interventions.

NAADS/OWC Programme supports a wide range of agricultural inputs in the following categories:

1. **Seeds:**  Maize, Beans : mainly as food security interventions
2. **Vegetative and planting materials:** Tea Seedlings, Citrus Seedlings, Mango Seedlings, Apple seedlings, Cocoa Seedlings, Cassava cuttings, Irish potato, Tissue cultured Banana plantlets, Pineapple suckers; Special interest groups (mainly Women and Youth groups) may be supported with Ginger, Passion fruit seedlings, grapes (potted cuttings) depending on availability of resources.
3. **Livestock –** Dairy heifers, Beef cattle, Pigs, Poultry Birds and Poultry feeds, Fish fingerlings (Tilapia, catfish, mirror carp) and fish feeds, Goats, Artificial Insemination Kits, Pasture seeds for seed multiplication.
4. **Value Addition –** Maize milling equipment, Milk coolers with matching generators, Fruit processing equipment (small, medium and large scale) for viable organized farmer groups
5. **Agricultural production implements** – tractors and matching implements to support strategic interventions, Hoes, Solar water pumping systems on selected demo farms; Knapsack sprayers. *Operational guidelines for tractor access and management by benefiting farming communities are being developed and will be disseminated to all stakeholders*

**Procurement of the planting and stocking inputs**

The Procurement and distribution of agricultural inputs will be based on the enterprises suitable for the subsistence farmers who constitute 68% of the farming communities in the country. This aims at transforming subsistence farmers to commercial farmers towards achieving the middle income status by 2020. In addition, this will help to ensure that the planning, implementation, monitoring and evaluation of the services provided by NAADS under Operation Wealth Creation is guided by farmer priorities.

Procurement of planting and stocking materials within the region for locally available inputs to increase survival rates, reduce time lag, control spread of disease, pests and promote local economic development.

Accordingly, MAAIF is in the processes of registration of nurseries and mother gardens in the district Local Governments; that will inform the procurement processes whereby bidding will be in lots per district and where the nurseries have been registered. Incase the district doesn’t have a local supplier then suppliers in the neighboring district within the zone will supply

# Response to issues raised in the last regional budget consultative workshops

**Issue 1 – Inadequate agriculture planting inputs/seedlings distributed to the farmers in all sub counties**

**Response:**

* Prior to the commencement of the agricultural season, each DLG is issued with an advice slip - specifying the commodities/enterprises and the corresponding quantities expected by each DLG. Registration of selected/target farmer beneficiaries usually commences immediately after receiving the advice slips.
* In addition, , enterprise specific guidelines are normally issued each season to all District Local Governments; There is need to comply with the guidelines to ensure proper selection/targeting of beneficiary farmers for distribution and use of the relevant agricultural inputs.
* In order to ensure equity, all DLGs are advised that the beneficiary farmers should only benefit from one enterprise in a given financial year in accordance with the enterprise specific guidelines to complement efforts of establishing ‘ *a 4 acre model*’

**Issue 2- There was a concern of inputs distributed to farmers that were not requested for by a particular district and poor quality of inputs procured.**

**Response:**

**Concerns of inputs distributed to farmers that were not requested for by a particular district:**

In a circular to all Chief Administrative Officers ref: NAADS/SEC/014, dated January 22nd, 2018, all District Local Governments were requested to submit a list of priority commodities (planting & stoking/livestock materials, agricultural production machinery and value addition equipment) to be supported by NAADS under operation wealth creation for the medium term (FY 2018/19, 2019/20 and 2020/21).

Accordingly, all 127 DLGs submitted their priorities to the |NAADS Secretariat. This information will be used to guide the planning and allocation of resources for the Medium Term to all DLGs with effect from FY 2018/19.

The commodities to be supported have been selected with a special focus on the key strategic commodities including Tea, Fruits (Citrus, Mango, Pineapple and Apple) and Cocoa in line with the Agriculture Sector Strategic plan; while also putting into consideration the agro-ecological and other critical factors that are specific to individual districts and/or regions and the priority commodities submitted by the respective District Local Governments.

In addition, emphasis will be put on provision of planting materials for the key food security crops, namely, maize, beans, cassava, banana, and sorghum, as a measure to address food security concerns depending on the uniqueness of the respective agro-ecological zones.

**Poor quality of inputs procured:**

Regarding the need for quality assurance for both planting and stocking/livestock materials, it should be noted that:

1. As part of quality assurance, pre-delivery quality verification of planting materials (seeds/seedlings) is conducted by MAAIF Seed Inspection and Certification Unit together with NAADS Secretariat. Where considered necessary, further verification may be done through on-spot inspection/supervision during loading and delivery of materials.

The District authorities are advised to carry out further verification of the planting materials upon receipt, which should include germination tests in the case of seed. The results of the verification by the Subject Matter Specialist (SMS) should be communicated to the NAADS Secretariat in the Technical Inspection Report as part of the relevant documents for supporting payment.

1. With regard to livestock, stocking material are inspected by a joint team of technical staff of MAAIF and the National Diseases Diagnostic, Epidemiology Centre (NADDEC) with the involvement of DVOs of selected beneficiaries within regions to ensure that they meet the required quality. Where considered necessary, further verification may be done on-spot inspection/supervision during loading and delivery of materials.

The District authorities are advised to carry out further verification to ensure that stocking materials delivered conform to the specifications as communicated by the NAADS Secretariat***.***

**Issue 3. Outbreak of persistent pests and diseases in both crop and livestock specifically Tick Borne diseases and Fall Army Worm.**

**Response:** With the global climatic/weather changes, there are a number of diseases that are emerging in both the livestock and crop sub sectors. The most recent plague in the country is the Fall Army Worm that has re-emerged and is affecting the maize crop in some districts of the country. With the help of international and regional bodies and development partners; Strategic measures to sustainably contain the spread of the Fall Army worm were completed with the setting up a National Task Force of researchers, Ministry officials and the Private sector. Also, regional control platforms were established. MAAIF will continue to invest in controlled research specially to develop biological coping mechanisms for the Fall Army Worm and other pests and diseases. The Ministry will in the short run ensure that appropriate pesticides are available on the market at affordable prices, through partnership with the private sector. For livestock disease control, the Ministry will continue testing the various tick resistance cleansing acaricides in the different application zones. So far, the efforts have shown positive results and will be scaled up. To fight against the spread of livestock diseases (especially FMD), partnerships will continue to be established with the private sector who can produce/ import and market animal drugs at affordable prices to the farmers.

**Issue 4:** Lack of transport facilities for the recruited Agriculture Extensional Workers to ensure easy service delivery.

**Response:** The Ministry has procured and will distribute 117 motor vehicles, and 843 motorcycles which will be distributed to the districts. Through the Agriculture Extension Operational Grant, Local Governments were allowed to procure Motor Cycles for the Extensional workers.