

Project Profile

Sector	Agriculture
Sub-sector	Crops/Livestock
Code	0074 - Formerly AG 70 (A-K)
Title	Agriculture Sector Programme Support - ASPS II
Implementing Agency	Ministry of Agriculture, Animal Industry & Fisheries
Location	Countrywide
Total Plan Exp.	US\$ 44.67m
Funds Secured	US\$ 44.67m
Funding Gap	Nil
Start Date	2004
Completion Date	2009

Background:

Poverty eradication is the biggest challenge facing the government of Uganda. Despite the impressive economic growth over the last decade, the number of people living in poverty remains unacceptably high. Most of the poor are in rural areas and agriculture is their major economic activity. It is for this reason that the Government of Uganda and the Royal Kingdom of Denmark agreed to implement an Agricultural Sector Programme Support phase two (ASPS II) through bilateral support. The strategy of ASPS II is to support priority areas within the PMA framework in line with the government policy of poverty reduction, following the initiatives under the previous Agriculture Sector Programme Support.

Objectives

The main objective for ASPS II project is to increase productivity and increase the share of marketed production for the economically active low income small scale farmers.

Expected Outputs

- National Agricultural Research Systems supported
- Livestock Services Research Programme harmonised with NARS and NAADS processes
- SME agribusinesses developed
- Farmers organisations assisted to deliver business services to smallholder farmers.
- Small scale agribusinesses developed via access to micro-leasing schemes
- Strengthened regulatory capacity at MAAIF
- Strengthened Planning and Policy capacity at MAAIF
- PMA M&E framework expanded and improved
- DATICs transformed in autonomous self sustaining centres
- Fora for rural youth strengthened

Performance Indicators

- % of farmers adopting new technologies
- NARO restructured along an operational NARS.
- No. of business plans approved by banks.
- No. and value of loans in participating banks.
- % decrease in funding to DATICs.
- Change in NAADS coverage by districts.
- % change in No. of farmers using certified seed.
- % change in meat consumed that has passed veterinary inspection.
- % change in dairy products that have passed formal quality assurance processes.

Technical description

The ASPS II project comprises five components in areas of Agricultural Research, Agricultural Advisory Services, Agribusiness development, District Agricultural Training and Information

Centres (DATICs) and National Reform Processes. The component outputs are to be delivered in a range of different institutions and as such, the program is implemented through five different partnerships.

National Reform Process Component:

This is to be implemented focusing on three broad output areas namely, the Regulatory capacity at MAAIF, the Policy and Planning capacity at MAAIF and the PMA M&E framework. A gender and Poverty Monitoring Unit has also been established at Makerere University, Department of Agricultural Economics.

The regulatory capacity at MAAIF will involve support to three critical areas of Seed certification Services, Meat regulatory Services and Dairy Development Authority. The planning and policy activities will focus on the MAAIF Development Strategy and Investment Plan and the Core Functional Analysis. The PMA M&E framework will support activities that deepen PMA M&E framework among stakeholders including the operations of the PMA Steering Committee.

Agricultural Advisory Services Component:

Under this component, MoLG will support a transition process for farmers groups, established under HASP component of ASPS I to understand the NSCG and NAADs processes, to access support for extension, training and capital investment needs for development.

DATICs component:

Support to five DATICs will revolve on experiences gained in ASPS I. The DATICs will undergo organizational reforms to improve their governance set-up. This component will distinguish between the farming business activities and the training and information activities. Key activities will include linkages with NAADS and NARS under the PMA, to ensure that DATICs become major training centres for service providers.

Agribusiness Development Component:

The ABDC will support 45 district farmers' organizations and UNFFE. But with reducing levels of core funding, the support will mainly focus on enterprise development. Key activities will include capacity building aimed at orientating the farmers' organizations to business functions such as training, enterprise development and development of sound business proposals.

Agricultural Research Component:

The ASPS II project will finance the ARC through the basket funding modality. It will support the Livestock Systems Research Program towards being integrated into the NARS. Under the component, only research relevant to farmers will be supported.

Feasibility Studies.

No feasibility study has been done.

Financing.

The programme is funded by DANIDA with US \$ 44.67 million over a period of 5 years. GoU provide salaries for personnel working on the programme, in addition to the wages and allowances for the support staff. For the FY 2005/06, US \$ 0.039 million was provided for by GoU in the budget.

Plan of Operation.

The objectives of the program will be achieved through implementation of the following activities. They include:

- facilitating the NARS reform
- absorbing the HASP experiences into PMA/NSCG processes
- building and strengthening MoLG capacity to administer and manage PMA/NSCG processes
- developing agribusiness loan guarantee scheme
- developing small scale entrepreneurs and establishing an enterprise innovation fund
- strengthening MAAIF's regulatory capacity in seed, meat and dairy
- strengthening MAAIF's planning and policy capacity
- improving and strengthening PMA M&E framework and expanding the ASPS M&E framework
- supporting the establishment of modular farmer schools at each DATIC
- establish linkages between research and private advisory centers.
- Support the financial self-sustainability of farmers' organisations.
- Strengthening the rural youth fora.