

Project Profile

Sector Agriculture
 Sub Sector Crops
 Code: 0106
 Title: Vegetable Oil Development Project (VODP)

LOCATION: Kalangala, Bundibugyo, Pallisa, Kumi, Soroti, Lira,
 Apac, Katakwi, Kaberamaido, Kapchorwa, Mbale, Sironko, Masindi,
 Gulu, Kitgum and Pader to be expanded to other areas with high
 potential.

IMPLEMENTING AGENCY: Ministry of Agriculture, Animal Industry and
 Fisheries
 Total Plan Exp US\$ 150 million
 Funds Secured US\$ 32 million
 Funding gap Nil (US \$ 118 m to be provided by the private sector)
 Start Date: 1998
 Completion date 2009

Background

The VODP was an 8-year project that was formulated to support Uganda's growth strategy of achieving poverty alleviation, increasing farmer incomes, generating employment opportunities and diversifying into new import substitution cash crops. It was approved by Parliament in April 1998, declared effective by IFAD/World Bank in July 1998 and launched in October 1998.

Objectives

To expand the production of oil-bearing crops with particular emphasis on the participation of smallholders and private sector processors.

Facilitate an enabling environment to attract private sector investment in Oil Palm Development with a view to reducing imports of Vegetable Oil and effecting substantial savings in foreign exchange.

To reduce poverty and increase farmer incomes by involving small holder growers in oil palm industry.

Develop the potential for sunflower and other oil seeds and provide interested small holder farmers, particularly women with appropriate technologies to optimize the extraction of oil from these crops.

Improve delivery mechanisms and availability of credit and improved seeds. Improve efficiency and impact of supporting services through support for research and extension. Promote private sector agro-industry investment through the introduction of industrial oil processing mills with high environmental standards.

Stimulate and support the development of the raw material base and know-how for the subsequent commercial extraction of essential oils.

Promote and facilitate the interaction between the interested parties through the creation of a national industry based and eventually industry financed consultative body that would advise government on the sub-sector's development priorities.

Expected Outputs

Performance Indicators

Achievements
 700,000 oil palm seeds imported
 645 hectares purchased

800 hectares surveyed and consolidated to the extent possible
 1003 farmers registered
 500 hectares planted on the nucleus estate
 411 farmer-training courses conducted in 14 districts
 Conducted 580 agronomic, 82 post harvest and 2020 cottage processing and utilisation demonstrations
 135 new farmer groups formed and 4387 old groups were mobilised and strengthened
 Trained 202 ram press owners/operators
 Commissioned oil processing factory in Jinja

Financing

The project is financed by the GoU, IFAD and the private sector. For the FY 2005/06, GoU will contribute US \$ 1.088 million for the project budget.

Plan of Operations

Consolidation of activities to be done in the districts where the project is operational

Sensitisation to continue in the districts of Luwero, Mukono, Kayunga and Wakiso

Plan to import 300,000 seedlings of oil palm, 90 tons of sunfola seeds, 10 tons of groundnuts, 10 tons of soya beans and 3 tons of simsim.

Continue with adaptive research in traditional oil seeds, oil palm and essential oil components.

300 hectares will be prepared

Multiplication of soya bean varieties to continue. Also training on utilisation of soya bean to be carried out.

Hold four meetings of the Vegetable Oil Development Council (one per quarter)

Road construction and maintenance equipment and UNBS laboratory equipment to be purchased.

[Faint, mirrored text from the reverse side of the page, including phrases like 'Ministry of Agriculture, Animal Industry and Fisheries', 'Department of Agricultural Extension Services', and 'Vegetable Oil Development Council']