

PROJECT PROFILE

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| <u>Sector</u> | Agriculture |
| <u>Sub-sector</u> | Crops |
| <u>Code</u> | AG 60 (A) |
| <u>Title</u> | Japanese Input Programme - KR II |
| <u>Implementing Agency</u> | Ministry of Agriculture, Animal Industry & Fisheries |
| <u>Location</u> | Nationwide |
| <u>Total Plan Exp.</u> | US\$ 0.01m |
| <u>Funds Secured</u> / | US\$ 0.01m |
| <u>Funding Gap</u> | Nil |
| <u>Start Date</u> | 1980 |
| <u>Completion Date</u> | Unknown |

Background

The Government of Japan has been extending this grant to GoU annually since 1980. As Uganda progressively transforms from subsistence to a market economy, availability of agricultural inputs becomes indispensable. Though the Government is pursuing a liberalisation policy, the input supply sub-sector inclusive, continuation of this and other similar programmes is justifiable. It has been noted that pest and disease outbreaks, for example, army worm, locusts, etc. require a prompt response to contain and this is normally beyond the capacity of individual farmers. In such instances GoU should be prepared with adequate stocks of chemicals available at short notice to contain the situation. The 1994 armyworm outbreak invading 21 districts within only 4 days and attacking over 200,000 Ha of cereal crops is a case in point. Secondly the seasonal nature of demand for some inputs and the long lead time required to import the good makes dealing in input supply unprofitable and often risky to the private sector. In addition the total agricultural input requirements for the country are very large and may at present not be met solely by the private sector.

With the rapidly growing population, estimated at 2.6% p.a., and demand for food growing at about 4.5% p.a. food supply should grow at a rate well above food demand growth rate if food security is to be attained. This calls for improved soil fertility using fertilisers and modern farming techniques and the application of tractors and other equipment to increase crop acreage and yield. These are some of the contributions anticipated from this project.

Objectives

- i. Increase food production by providing various agricultural inputs.
- ii. Utilise funds generated from sales of agricultural inputs for purposes of agricultural, forestry or fisheries development.

Expected Outputs

- Food Security improved in Uganda
- Health population

Performance Indicators

- Quantity of food crops produced in the country
- Amount of inputs procured and imported into the country annually
- Number of people depending on relief.

Technical Description

The programme principally involves procurement of agricultural inputs and sale of these to farmers nation-wide. Annually, there is an Exchange of Notes between the Government of Japan and GoU after which the process of procurement may start. The grant covers the cost of importing the agreed list of products plus other services necessary for the transportation of the products to and within Uganda. The inputs are sold for at least two thirds f.o.b. price. The funds generated are deposited on an account in Bank of Uganda to be utilised for the purpose of agricultural, forestry and fisheries development. The private sector is to participate fully in this phase of the Project.

Feasibility Study

No specific feasibility study was carried out for this programme.

Financing

The program is financed by both the Japanese Government and GoU. Japanese financing is on a grant basis. Between 1980 - 1994 the grant amounted to JY 4500m. The grant is renewable annually. For 1999/2000 US\$ 2.1 million was to be made available. For FY 2000/01 the Japanese Government grant was expected to be US \$ 4.256 million, while GoU included US \$ 0.007 million in the budget for FY 2001/02.

Plan of Operation

Implementation of this project is done through private sector and MAAIF's role is only regulatory.