

Platform  
for Agricultural  
Risk Management

Managing risks  
to improve farmers'  
livelihoods

**Tools Assessment**



# Uganda

**High Level Dissemination  
Workshop Report**

**Main Report  
Vol. 1**

November 2016





PARM  
PLATFORM FOR  
AGRICULTURAL RISK  
MANAGEMENT

Platform  
for Agricultural  
Risk Management

# Managing risks to improve farmers' livelihoods

# Uganda



## High Level Policy Dialogue Workshop on Agricultural Risk Management

### Volume I

### MAIN REPORT

Kampala | 29 November, 2016

In collaboration with:



Report prepared by:  
James Obo and Ben Kwanuka



# Foreword

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On the 29th November, 2016 PARM in partnership with the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), and NEPAD organized a High Level Policy Dialogue Workshop at the Imperial Royale Hotel, in Kampala.

The Platform for Agricultural Risk Management (PARM) would like to thank the MAAIF, NEPAD and all the participants for their active participation and contribution to the workshop and to the PARM process in Uganda. Special thanks to the various panellists who provided their valuable inputs during the discussions.



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# 1. Introduction

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## Objective of the workshop

The overall objective of the High Level Policy Dialogue was to raise awareness and enhance further domestication of the work undertaken by the Government of Uganda in collaboration with PARM and partners on mainstreaming Agricultural Risk Management, to disseminate the results of this process, and to support the Government of Uganda, the development and private sector partners to lead the move into the implementation phase of the identified ARM tools and initiatives. The dissemination of the proposed initiatives among potential development partners, sharing experiences and the engagement of specific partners in each initiative is a key objective of the dialogue.

Based on the recommendations and analysis carried out in the last two years and on the discussions during this dissemination Workshop, actions will be taken by the different partners on the three areas of work. The National Steering Committee/ARM Platform was appointed to lead in monitoring this process. The National Steering Committee took place one day after the workshop to follow up on the workshop outcomes.

## Background and Opening Remarks

The workshop started with the opening remarks of Jesus Anton, the PARM Program Manager and the intervention of the Minister of Agriculture Hon. Ssempijja Vincent Bamulangaki.

The main objective of the workshop was to have all policy makers understand what is happening and work together in the areas that require more attention.

The Agricultural risk management started in Uganda in 2013 with the support from; PARM, NEPAD, and other development partners. ARM impacts on the economy to the tune of between USD 600 to 800 and this have affected investment in the sector. The Agricultural sector already has policy guidance aligned to the NDP, vision 2020 whereby ASSP was developed. There are many risks which are linked to the agriculture value chain. Many studies have been done with PARM and other partners and the findings are that the risks have impacted on the productivity, also contributing to hunger and malnutrition. ARM has been incorporated into the extension policy which was approved waiting for the launching on 16<sup>th</sup> December, 2016.

## Policy Session: Discussion on Agricultural Risk Management (ARM) policies in Uganda

Agricultural risk study was done in Uganda by experts and six (6) main finding were observed, they included;

- Price variability which accounts for 50% of shock
- Biological risk – pest and diseases along the value /chain 10 – 50% loss



- Production risk due to inadequate technologies, low inputs and weather risks
- Logistical / infrastructural risk i.e. roads and above all low investment into storage right from farmer level.
- Public policy and institutional risk leading to low information access due to lack of extension.
- Political and information risk

## Ranking risks in Uganda

In Uganda pests and disease scored the highest risks on crops whereas on livestock it was livestock pests. Post-harvest losses, dry spells and counterfeit inputs were also ranked respectively.

Some of these ranking came up in the policy documents among which it was recommended that;

- There is need for information system. NDP2 has taken this as one of the areas that MAAIF needs to invest in.
- Need to pick up capacity development of the extension staff
- Jesus Anton noted that it's important to understand factors that make it difficult for farmers to manage these agricultural risks
- There is need for holistic study to understand the risks and put in place evidence based solutions with the private sector, development partners and all stakeholders
- The statistical analysis, price risk, post-harvest losses and the policy implication in Uganda.
- All African countries face plant pests according to the study and the private sector through PPP needs to be actively involved. The capacity to access and to be able to use the information needs to be developed through PPP

The issue concerning biological risk where pests and disease loss was attributed to account for between 10 to 50% including post-harvest losses was challenged. Whereby exports are destroyed at the expense of the exporter due to pests and disease, the loss may go beyond 100%.

MAAIF and UNBS have put in place regulations for consignments are analyzed and certified before conformity certificate issued. There are many loopholes especially for goods which don't go through gazette border posts. Public policy and institutional risk policy pronouncement has been involving NAADS, OWC, provision of inputs to farmers, revival of single spine extension services. Creation of directorate of extension services in MAAIF with 10 billion allocated for financial 2016/17 and 39bn for the following year for recruitment of extension staff across the country.

## Agriculture risk management in Uganda

In Uganda, agriculture risk management started in 2013 with support from FAO and NEPAD. Agriculture risk management is a key component of CAADP and rooted back to the principles of Malabo which included: Ownership; Mutual Accountability; Investment financing; Ending hunger and malnutrition in the next 10 years; Inclusive growth; Intra African trade and Strengthen resilience through the climatic risk management.

There is need to report on the first achievement of Malabo declaration by January 2018.

Way forward:

1. Partnership based on evidence - NEPAD, PARM and Uganda government
2. NEPAD has got funding from Germany and it has also put together its own resources to implement the program
3. Uganda being one of the active countries, it will be among the first beneficiaries in ARM if the government is willing
4. Areas to address shall include identifying risks especially rural infrastructure and policy.





## Panel 1: What are the main sustainable solutions to manage crops pests and disease risk in Uganda?

According to the panelists the risk assessment study relied on both primary and secondary data. Findings from the study reveal that;

- Pests spread due through marketing of commodities, poor farm management, lack of awareness to farmers, counterfeit inputs, etc.
- Also SPS issues, poor infrastructure and policies have led to spread of crop policies.

The study recommends;

- improved infrastructure especially at farm level to reduce pest, improve production and productivity
- cost effective management of pests, proper monitoring of borders and availability of full time extension staff
- investment on farmer information to increase access to improved inputs and proper pest management and control
- MAAIF and other stakeholders including private sector needs to come up with a holistic approach to pest management
- Massimo Castiello from FAO Uganda, talked about promotion of improved plant materials as one of the ways of controlling crop pest
- Other strategies include incorporating pest management strategy into farmer training curriculum, working with NARO and MAAF to develop training material among others.

The livestock pests were also mentioned as being one of the key causes of losses to farmers. There is need to control livestock pests and diseases like bacteria and protozoa to avoid those losses. He also noted that SPS issues have remained a challenge in both trade of livestock and livestock product and these need to be addressed as risk.

The director for animal resources talked about the technical elements of the agriculture risks, he said the risks involve ticks, insects, fleas' mosquitoes, lumpy skin disease, foot and mouth disease, etc. which have remained a big risk to livestock farmers in Uganda and need to be urgently addressed. He further gave some interventions which included the recent studies on those pests and diseases to come up with interventions since most of them have become resistant to the available chemicals.

There is need for integrated research all the time to come up with approaches suitable to control these pests and diseases but also noted that this calls for policy direction. There is also need for continued detection of these pests on animals through extension services.

## Panel 2: The importance of investing in capacity development in ARM

The modular systems which can be used in dealing with capacity development in ARM were pointed out as follows:

- Measuring risk to quantify them
- Measuring risks – tools and methods needed
- The agricultural risk policy and plans need to be mainstreamed
- Practical modules to guide participants to identify with farmers and come up with plans to be followed
- The directorate of agricultural extension is having a guiding framework and so the ARM comes timely since as ministry all departments are mainstreamed to address ARM as key at all levels.
- It coordinates all extension related activities in the country with the national extension strategy being developed so as the extension services are well coordinated
- There is need to retool and tooling the extension to integrate Agribusiness, Risk management into the directorate



- Risks are interlinked and so needs to be handled holistically a head of time and since it's a process, it needs to be constantly monitored.

### **Panel 3: Innovative tools and initiatives to manage agricultural risk**

The panel included technical experts from insurance and market information represented by Fit Uganda and Agri Risk Analyzer and a number of issues were discussed as highlighted below:

- It was mentioned that the National agricultural scheme, which started in 2018 as subsidy for both small and large scale farmers to reduce the risks faced through Uganda Insurance Authority
- There is need for innovations so as to manage risks in agriculture
- It was also identified that there are some practices that have been neglected such as terracing
- There is need for the public to know that much as insurance is good but it can be very expensive to manage
- The need to integrate public and private initiatives through PPP to improve information flow, mobilize resources and guide policy makers
- The need to profile the farmers in order to link them to traders, insurance companies and financial institutions
- The need to aggregate all the information collected from farmers to develop appropriate solutions
- The need for government and other stakeholders to go back to the basics and look at ARM in totality because agriculture insurance does not cover all the risk and farmers need to be aware about it to be able to deal with uncovered risks
- There is need for capacity building in the insurance discipline for practitioners
- The example of Zambia where contract farming is used was given as a way of insuring that farmers access and use right information and inputs
- The principle and the dean of the college of Agriculture informed the participants that they were just waiting for a go ahead so as to get a team to work with at the university
- The concern on how the training will reach the farmers, there will be TOT to cover the whole range and going to be holistic
- From the course content there will be tools to handle any enterprises to identify and how to deal with
- Since the ministry is three in one that is Agriculture, Livestock and Fisheries, there is need for rolling the studies in livestock.



## 2. Questions and answers

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**Question 1:** Opportunity international Africa noted that to be able to manage risk, the farmers have to be involved in finance. How is this going to affect risk monetizing?

**Response:** Three elements are involved in agriculture risk management; (1) Insurance companies (2) Input dealers and (3) Banking institutions.

Those institutions need to be mobilized to work together and develop appropriate product for farmers.

There is also need for direct government intervention in terms of policies.

Former minister for agriculture pointed out that five insurance companies are already participating in weather insurance in Uganda the next will be the price insurance.

Another panelist mentioned that in order to address ARM there is need to start with risk management and later introduce financing to attract stakeholders.

**Question 2:** Many institutions are involved in ARM. Is it possible to clarify who is doing what?

**Response:** The government has committed 56bn for weather based insurance during the financial year 2016/17 also different insurance companies, which participated in Kungula have come together under Uganda Insurance Company to handle The issue of ARM however the challenge remains penetration of the program for adoption.

### Closing remarks

In his closing remarks on behalf of the minister, the commissioner crop protection, Mr. Byantwale T. Stephen, extended appreciation to the participants and the partners for the intervention and noted that the risks are real and the intervention comes at a time when the country is at risk of famine also at a time of invasion of pastes and diseases that had never been.



## 3. Workshop outcomes

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This workshop was organized by the Ministry of Agriculture, Animal Industries and Fisheries (MAAIF) in partnership with NEPAD and the Platform for Agricultural Risk Management (PARM). It is part of a policy process and builds on the results of the Agricultural Risk Assessment Study Validation Workshop that took place in Kampala on 29-30 June 2015. The current workshop focused on the assessment of three specific tools that have been identified as responding to the risk assessment and prioritization during the risk assessment phase. Plant pests and diseases were found as the largest agricultural risk in Uganda based on an estimation of their severity and frequency, followed by post-harvest losses, prices and livestock diseases. Two cross cutting priorities were also identified in the process: improved and accessible information systems, and the building of capacities to assess and manage agricultural risks.

The High level Policy Dialogue Workshop has counted with the presence and input of the Minister of Agriculture (MAAIF), Hon. Ssempijja Vincent Bamulangaki, who outlined the Agricultural Risk Management (ARM) initiatives in the Ministry and expressed its appreciation for the ARM policy processes facilitated by PARM and NEPAD. Stakeholders, technical experts, policy makers and development partners met to engage in this policy process and in its current three specific proposals on: plan pest control, capacity development of extension services and public-private information systems for risk analysis. These proposals discussed during the Workshop, respond to the priorities identified through the risk assessment study and process, and in the Framework Implementation Plan (FIP) of the Agricultural Sector Strategic Plan (ASSP) of the Government of Uganda. Participants expressed their commitment to further develop and implement the agricultural risk management agenda of Uganda, which will need a clear definition of roles and responsibilities of each institution and stakeholder from government agencies to farmers, from private sector to development partners.

1. An investment plan to **upgrade the Ugandan Plant Pest management system** and make it sustainable. This plan is based on a technical proposal by CABI and responds to the needs to: build cost-efficient information systems to detect and monitor pests, to improve the access to pest management services by stakeholders, and to strengthen the capacity of the Government and other stakeholders on plant health. The proposal builds on existing programmes and plans by MAAIF. The discussion underlined that pests do not stop at borders, which requires a holistic approach as the one proposed while coordinating at regional and international level on One Health for plants, animals and humans.
2. A partnership to **create training capacity on Agricultural risk management in Makerere University and use it to improve the capacities in the extension services** of MAAIF. This initiative foresees the investment on a pool of knowledge and expertise that will be used to provide trainings on a holistic Agricultural Risk Management. This pool will put together expertise from different institutions and experts nationally and internationally. It also foresees a partnership between Makerere University and MAAIF to provide ARM training to new and existing extension workers. The programme would be offered more generally to other service providers and organisations and it is planned to mainstream it in the curriculum of some university degrees.
3. An **innovative public-private partnership proposal on information systems** for finance and risk analysis. The proposal foresees to complement a private information system for financial institutions and farmers with two important innovations. First a risk analysis tool that is able to provide risk profiles of farmers combining farmer business information and information about climate, market and diseases risk exposure. Second, a partnership between the private and the public sector to make the system accessible to farmers and government officials, and to make it financially sustainable. The linkages between this initiative and the offer and access to financial services need to be enhanced.



The workshop discussed the technicalities and institutional aspects of these proposals and the ways to make them feasible both technically and institutionally. The basic content of the proposals are described in three different factsheets that are publically available. They will be improved in the way towards implementation. Other important topics entered also into the discussions, in particular animal diseases risk and the recent agricultural insurance programme approved by the Government of Uganda.

### Next steps

These are feasible proposals to move forward the agricultural risk management policy agenda in Uganda. They are not exhaustive and other proposals could complement them, but it is important to build on the results of this evidence based consultative process. PARM will follow-up with technical support when needed to facilitate the implementation of these proposals and the interest of development partners to support their implementation.

NEPAD will continue supporting the CAADP policy process and implementation of risk management instruments and policy measures with a special emphasis on rural infrastructure development in Uganda, building on the results of this joint risk and tools assessment. A formal call for proposal will be sent to the Government of Uganda during the first semester of 2017. An action plan will be proposed for the follow up and implementation.



## 4. Annexes

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**Annex 1. Agenda**

**Annex 2: List of participants**



## Annex 1. Agenda

Date: 29 November, 2016 | Venue: Imperial Royale Hotel, Kampala

TIME	PROGRAM	FACILITATOR	SPEAKERS
	<b>OPENING SESSION</b>		
8H-8H30	Registration of participants	Imaine Abada / MAAIF	
8H30-8H45	Welcome Remarks  MAAIF Minister/Finance Minister opening remarks		Pius Wakabi Kasajja (PS MAAIF)/ Jesus Anton (PARM)/ Mariam Soumare (NEPAD)  Hon. Ssempijja V. Bamulangaki (Minister of MAAIF)/ Hon. Kasajja Matia (Minister of Finance)
8h45-8H55	Presentation of the WS background/objectives/agenda		Imaine Abada (PARM)
9H00-9H45	Policy Session: Discussion on Agricultural Risk Management (ARM) policies in Uganda	Victoria Sekitoleko	Herbert Talwana (ARM expert); Jesus Anton (PARM); Mr. Pius Wakabi (PS); Mariam Soumare (NEPAD)
9H45-10H15	<b>COFFEE BREAK/MEDIA/GROUP PHOTO</b>		
10H15-11H00	<b>PANEL 1:</b> What are the main sustainable solutions to manage crops pest & disease risks in Uganda?	Charles Mukama	Joseph Mulema (CABI); Mr. Byantwale T. Stephen (MAAIF); Martin Fowler (USAID); Massimo Castiello (FAO)
11H00-11H45	<b>PANEL 2:</b> The importance of investing in Capacity Development in ARM	Steve Hodges	Herbert Talwana (Makarere Uni.); Mrs Annuciata Hakuza (MAAIF) ; Alessandro Marini (IFAD) ; Asa Giertz (World Bank)
11H45-12H15	<b>PANEL 3:</b> Innovative tools and initiatives to manage agricultural risks  Policy update on insurance by Cynthia Ayero	Tom Mugisa	Agnes Atyang (International consultant); Robert M Kintu & Jaime ter Linden (AgriRisk); Mr Samuel Semanda / Mr Ndikuryayo Richard (MAAIF) ; Victoria Sekitoleko (Agribusiness Alliance)  Cynthia Ayero (IRA)
12H15-12H45	<b>CLOSING SESSION</b>		
	Summary		Jesus Anton (PARM)
	Outcome Document specifying the agreed way forward		Pius Wakabi Kasajja (PS MAAIF)
	Closing remarks		Pius Wakabi Kasajja (PS MAAIF)/Mariam Soumare (NEPAD)/ Dr. Emmanuel Edoun (CAADP)
12H45-14H00	<b>LUNCH</b>		
14H-15H45	<b>Technical Discussions</b>		



## Annex 2: List of participants

Organisation	Role/Business	Name
Government agency	Admin	Mugabirwe Joan
	Admin officer	Wanyama Henry
	Agribusiness	Jonattan Kimonji
	ARM Focal Point	DrMukama Charles
	ARM Support	Phiona Atuhaire
	Chief Admin Officer	Kasozi Suleiman
	Commissioner Animal Health	DR Fred Minje
	Commissioner Crop Protection	Byantwale Steven
	Crop Production	Alex Bambona
	Director, Animal Resources	Dr Nicholus Kauta
	District	Brian Mpuga
	District Chairman	Okoa Alfred
	District Production	Zawedde Hajarah
	District Production	Fred Miyonga
	District Production Officer	Enina Chris
	Minister, MAAIF	Hon Vincent Sempija
	P/Information Scientist	Connie Acayo
	Parliamentary Com/Agriculture	Lowila A
	R/District Commissioner	Dr Odong Felix
	Rapporteur MAAIF	James Obbo
Rapporteur, MAAIF	Ben Kwanuka	
Private Sector	Agribusiness Alliance	Victoria Sekitoleko
	Agribusiness Alliance	Edward Katende
	Agribusiness Alliance	Steve Hodges
	Agririsk analyzer	Jaime Ter Linden
	Centeranary Bank	Paul Lubega
	Consultant	Juliet Kyokunda
	Farm Africa Country Representative	Rachel Beckett
	Farmgain Africa	David Luwandagga
	Finance Trust	Robert Semakula
	Finance Trust	Anthony Gumira
	Head of Agriculture	John Magnay
	Housing Finance bank	Mugerwa Andrew
	Housing Finance bank	Elizabeth Kabugo
	Infotrade/FIT Uganda	Robert Kintu
	Interswitch group	Muyiwa Asagba
	IS Consultant	Agnes Atyang
	Jubilee Insurance	Amujal Patricia
	Jubilee Insurance	Suzan
	Technoserve (Country Director)	Anthony Nyungu
	Uganda Grain Council	Lukusa Cletie
	Uganda Insurers Association	Munya Daica
	UNFFE	Kisambira Peter
	Veco Uganda	David Sengozi kyeyune
Academic/research	CABI	Monica Kansime
	CABI	Joseph Mulema
	CABI	Dannie Romney
	Makerere University	Prof Talwana Herbert
	Makerere University	Matovu Fred
	Makerere University	Paul Kibwika
	Makerere University	Prof Nabanoga
	Makerere University	Prof Johnny Mugisha
	aBi Trust	Rhoda Gwayinga
	AFD	Juliet Abaliwano
	BUKEDDE TV	Nantale Robinah





Organisation	Role/Business	Name
	BUKEDDE TV	Fenyuoa Isaac
	Dutch Embassy	Mr Anno Galema
	European Union Delegation to Uganda	Jacqueline Uwamwiza
	FAO	Massimo Castiello
	FARMERS MEDIA	Grace Musimami
	GIZ	Armin Kloeckner
	GIZ	Lara Anna Chhatwal
	IFAD	Alessandro Marini
	KfW	Fred Othieno
<b>Media</b>	NEPAD	Mariam Soumare
	NEWVISION	Lukandwa David
	Uganda Broadcasting Corp	Rebecca Nanfuka
	USAID	Martin Fowler
	WFP	Richard Sewava
	World Bank	Asa Giertz
	World Bank consultant	Rhoda Rubaiza
<b>Other attendees</b>		Annette Namara
		Munyo Geoffrey
		Robert Sewanga
	ACIFCRSQA	Mukasa Tom Bukonya
	BOU	Barbara Asiinwe
	CABI	Christine Alokit
	FAO	Joseph Oneha
	Farmer	Ogune Francis
	Farmer	Kafu Danes
	Harvest Plus	Atuhaire Edvah Lyna
	Institute of Bankers	Kaciry Fred
	KOICA	Atton Shin
	MAAIF	Kyozira Babra
	MAAIF	Godfrey M
	MAAIF	Kange Rogers
	MAAIF	Nadhagoba Hanet
	MAAIF	Emmanuel Muhozi
	MAAIF	Mubiru Hassan
	MAAIF	Kabega Margaret
	MAAIF	Josephine N
	MAAIF	Karubanga Francis
	MAAIF	Munirah Lubega
	MAAIF	Miti Doryne Aga
	MAAIF	Lukwago Charles
	MAAIF	Mugena Laurence
	MAAIF	Kalema Hassan
	MAAIF	Stephen Muwaya
	MAAIF	Kedi Sharon
	MAAIF	Mugabi James
	MAAIF	Namatova Sharon
	MAAIF	Nabil Odeke
	MAAIF Driver	Muhwezi Henry
	MAAIF Driver	Luyima Edward
	Makerere University	Kabugo Stephen
	Makerere University	Richard Muro
	Makerere University	Matovu Fred
	MOFPED	Fiona budi
	Opportunity Bank	Emmanuel Lubwana
	Opportunity International	Tomson Scufield
	OWC	Han Kataike Sarah
	OWC	Philip Mugama
	OWC	Kigozi
	PARM Consultant	Tom Mugisa

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**NOTE**

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