



By Paul Busharizi

# Agriculture is more than just farming

The second annual Harvest Money Expo, held this weekend, was a great success, judging by the number of people who trooped to Namboole for the event.

It is heartening to see that the interest in agriculture is being shown by all classes of people. Heartening, because to fulfill our agricultural potential as a country, we have to have all hands on deck.

As it is, while we feed ourselves we have not even begun to scratch the surface of what that we are capable of.

Everyone is now being encouraged to get into production, which is as it should be; because we need to produce more, to take advantage of economies of scale and, more importantly, to kick start the agribusiness sector that will create thousands of jobs.

The truth is that the hundreds of jobs will not be created on the farm.

As production methods become more mechanised, there will be less use for manual labour.

It is arguable that, with the entrance of more computerised processes in the factories, even their manual labour will be required less and less.

But for us here, that might still be some time away.

In the US, at the end of the Second World War, there were 30 million farming families, people who derived a livelihood directly from their land. Today they are under three million.

The rest have gone to work in industry and services.

Chances are, that is the same way our agriculture will go, too.

However, when we think of agriculture, we only think about growing crops or rearing animals.



A farmer admires seedlings at the Greenings Environmental Technology during the Harvest Money Expo at Namboole Photo by Roderick Ahimbazwe

The right way to think about agriculture is as a value chain, where production is just one part of a whole chain and not necessarily, the beginning.

For argument's sake, let us start on the farm. So one can be the farmer who produces the crop or rears the animals.

But one can also be the person who deals in the inputs - tools, drugs, fertiliser, herbicides or pesticides.

Down the chain, one can be the trader who buys the

produce, the warehouse owner who provides storage, the man with the grinding mill, or the owner of the trucks to ferry the produce to the market.

Further down, one can be the exporter or the processor. If we want to be more sophisticated, one can be the breeder or the nursery bed owner who sells to the farmer.

Or one can even be in finance, specialising in meeting the sector's peculiar needs for money. And we haven't even

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started yet.

Getting down and dirty on the farm may not be your thing. And that is fine. There are many

ways one can insert themselves in the value chain.

One farmer I know, after fumbling for close to a decade,

has found his niche. He is going to be a breeder of quality dairy animals.

While dairy cows on the regular market can go for up to sh1m, he is already selling his animals at more than sh5m per cow. Interestingly, he zero-grazes his herd of about 40 animals, and has managed yields of up to 40 litres of milk daily.

The shed occupies under an acre of land, the remaining 40 acres he uses to produce the silage to feed the cows.

When we last talked, he had silage to last more than a year-and-a-half. He pointed out to me too; that one can decide to only grow hay for sale to the market. There is already demand, which he anticipates will grow with time.

Another person is exploring the use of coffee as an ingredient in cosmetics. She has set up her supply chain, her production facilities and is in advanced stages of product development.

Quality Cuts has no herds of its own. It buys its meat from the market and packages that for sale in the supermarkets.

Dutch Rabobank is one of the world's biggest agricultural bank, which, while it has other traditional banking products, is on the cutting edge of financing agribusiness at home and around the world.

It is important that we appreciate this perspective because for our agriculture to reach its full potential, the whole value chain, from the farm to the plate, has to be well developed. Specialisations up and down the chain have to be created.

Of course, if our production is not adequate, we cannot develop specialisation and the temptation will always be for people in the sector to try and do it all. A nice ego trip, but which does not lend itself to efficiency.

To support this industry, we need to produce much more than we are actually producing right now.

Businessman Patrick Bitature pointed out in a commentary last week that, in 2007 we produced about 14,000 tonnes of tomatoes. That is the equivalent of 700 20-tonne containers.

Sounds impressive, until you try and work out what that means for the industry.

A small tomato paste processing plant which goes for about \$10,000 (sh37m) can go through a ton an hour of tomatoes, he pointed out.

Assuming 50 plants - one in every two districts, working 12 hours a day it would take less than a month to process Uganda's annual crop.

Simple math shows that, to have these plants optimally employed throughout the year, we would need at least 168,000 tonnes or 12-times the 2007 output to make these processing plants viable.

And I am sure the same calculation can be applied to any product we hope to produce.

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**NOTICE OF 7<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 7<sup>th</sup> Annual General Meeting of the Institute of Procurement Professionals of Uganda (IPPU) will be held at **Fairway Hotel, Kampala on 17<sup>th</sup> March 2018 starting at 9:00am.**

The Agenda for the meeting is as follows:

1. Prayer
2. Adoption of the Agenda
3. Communication from the Chair
4. Confirmation of the 6<sup>th</sup> AGM Minutes
5. Council Report
6. To receive and adopt the Institute's

Audited Financial Statements for the Financial Years 2016 and 2017


7. Elections of Council Members

You are requested to submit in writing any items that you would like the AGM to discuss under A.O.B at least seven days before the meeting.

*Edgat Agaba*  
Edgat Agaba  
Ag. Chairman  
IPPU Council

**SWICO**  
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**PUBLIC NOTICE**



This is to inform the general public that **Mr. Kevin Kajubi Sewannyana** whose photograph appears above is no longer an employee of Statewide Insurance Company Limited.

The public is hereby informed that he is not authorized to transact any business on behalf of the company.

Anyone who does so does it at their risk

**MANAGEMENT**