

# Agricultural production

By Joshua Kato

**W**hen the National Resistance Movement (NRM) came to power 32 years ago, production of crops had almost collapsed and the actual number of animals had dwindled in comparison to the 1960s, when production was high.

At the time, sugar production had dropped to almost zero, from around 165,000 million tonnes in 1968, coffee exports had dropped to 1.8 million bags, more than half of the 1960s levels and milk production stood at around 150 million litres compared to 400 million litres in 1968.

The new government had to look for ways of rejuvenating the agricultural sector by first improving production of existing crops and animals. This was in addition to diversifying to other commodities.

Certainly, it has not been an easy road to rejuvenate the agricultural sector. This is now 32 years in which various interventions have been made to try and bring the agricultural sector back to its feet. Some of these interventions have been successful, while others have failed.

### Liberalisation

As of 1986, the agricultural sector, like most other sectors, was controlled by the Government and co-operative groups.

In the early 1990s, the Government took the first drastic action of liberalising the sector. The restructuring of the sector from government monopoly on export of produce to a free market economy produced mixed results.

"When the NRM came to power, cash crops were being sold through co-operatives. Whenever you took your coffee to the co-operative, you would be given a chit which you kept as you waited for the payment.

"Sometimes it took months and we had no alternative because Coffee Marketing Board had the monopoly," remembers Edward Kitaka, a coffee farmer.

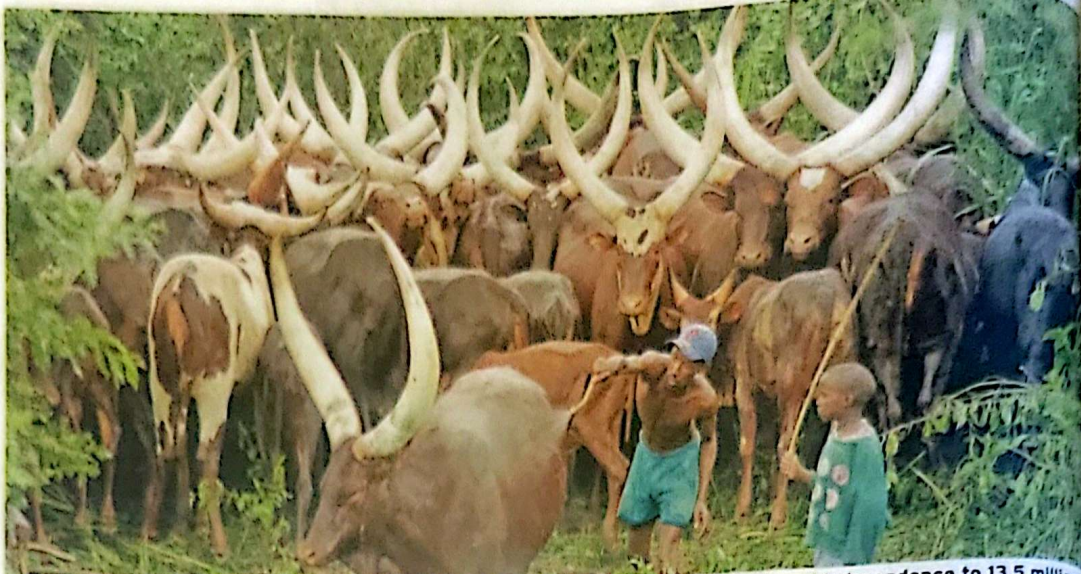
At the end of the 1980s and early 1990s, the Government moved in to liberalise the export of cash crops.

"When this was done, coffee prices went up because of competition," Twahir Ssebagala, a coffee processor in Nakifuma, Mukono, says.

Ssebagala was a young man, fresh in coffee trade. He says while liberalisation of the agricultural export sector affected co-operatives, it helped bring more coffee buyers on board and bolstered profits. Nevertheless, the demise of co-operatives killed the practice of collective bargaining for good prices that farmers enjoyed.

### Diversification

Throughout the 1990s, the



A farmer spraying his cattle. The number of cattle across the country has grown from about four million at Independence to 13.5 million according to Uganda Bureau of Statistics

Government diversified the sector to other non-formal cash crops. These included fish, milk, vanilla and flowers. This was in addition to the traditional cash crops – coffee, cotton and tobacco.

"Currently, fish is bringing in around \$80m (about sh290b), this was unheard of," President Yoweri Museveni said in 2000.

In 1990, a mere 1.6 million tonnes of fish was harvested, but this steadily rose to around 11 million tonnes in 1997 and to 39 million tonnes in 2005, bringing in over \$120m, (sh456b), according to the Uganda Export Promotions Board.

But again, the increased export of fish came with several challenges. Among these was overfishing, hence dwindling fish stocks. For example, according to the Ministry of Agriculture, Animal Industry and Fisheries, by 2008, harvests had dropped to 24 million tonnes. They were estimated to have dropped to around 18 million tonnes by 2010.

Fish exports are, however, steadily going up again, thanks to increased control over the lakes, especially by the UPDF Marine unit over the last two years.

### Sugar sector

In 1986, there was no sugar production in Uganda. The two main producers – Kakira and Lugazi – that reached peak production of around 165,000 million tonnes in 1968, had been completely run down.

In fact, NRM came with a system where sugar was imported and distributed through Resistance Councils (RCs).

The new government started rehabilitating the factories. Lugazi started production in 1988, while Kinyara and Kakira started a few years later.

"In 1986, we got sugar under a



Fish has become one of Uganda's biggest export earners

**CURRENTLY, THERE ARE OVER 18 SUGAR FACTORIES, WITH AN INSTALLED CAPACITY OF OVER 440,000 MILLION TONNES PER YEAR**

quota system through RCs, today, you can buy sugar from anywhere in Uganda," says Bernard Walusimbi, the LC1 chairman of Kanisa zone, Kawempe division, Kampala.

Currently, there are over 18 sugar factories, with an installed capacity of over 440,000 million tonnes per year, producing enough sugar for local consumption and export.

The increase in production is largely due to the increased positive interventions by the Government.

However, because of exporting the product, prices have sometimes gone up for example, in early 2017, when the price for a kilogramme rose to as high as sh6,000.

However, it has since dropped to sh4,000.

### Dairy/beef sector

There has also been a remarkable increase in milk and beef production since 1986. This has largely been due to the fact that the NRM government, particularly President Yoweri Museveni, took it upon himself to mobilise cattle keepers in southwestern Uganda to embrace commercial cattle-keeping, rather than the 'pride' cattle-keeping that they were practicing for years.

The number of cattle across the country has grown from around four million at Independence to around 13.5 million today, according to the Uganda Bureau of Statistics.

Of these, at least 90% are indigenous, while the rest are either improved or pure breeds.

At the moment, the dairy sector contributes at least 7% of total GDP and 17% of total agriculture GDP.

In the 1960s, after the Government implemented an elaborated dairy production plan, milk production peaked at around 400 million litres in 1968.

The production, however, collapsed due to political instability, like everything else in the 1970s and by 1986, according to Dairy Development Authority figures, less than 150 million litres of milk were being produced, with the single processing factory taking a handful.

The World Health Organisation figures indicate that per capita milk production in Uganda stood at less than 20 litres in 1989-90.

Among the drastic measures the new government took was the redistribution of ranches in the cattle corridor.

Milk production then rose to around 300 million litres by 1990.

Through the 1993 dairy master plan, more facilities were set up in the milk producing areas, hence enhancing milk production.

"The re-organisation of the 1990s has yielded tremendous results as you can see across the cattle corridor," Dick Bugingo, a cattle-keeper from Kiruhura, says.

The Dairy Development Authority (DDA) set up by the Government to monitor and develop the dairy sector, worked hard to ensure quality of the produce and by the year 2010, production had gone to around 1.2 billion litres. It is estimated to be nearing 2.8 billion litres.

### Flower sector

In addition to fish, flowers also became a major export crop for Uganda.

According to Uganda Investment Authority statistics, the floriculture