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REPUBLIC OF UGANDA

MINISTRY OF AGRICULTURE ANIMAL INDUSTRY AND FISHERIES

NATIONAL FERTILISER POLICY

August 2016

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FOREWORD

The National Fertiliser Policy (NFP) brings together all the related fragmented regulations into a single and comprehensive policy framework on fertiliser. In the past, Government served as the central agency responsible for fertiliser importation and delivery to designated points in the country, until the liberalisation policy was adopted in 1990. During this period and thereafter, there have been policy and regulatory frameworks to control agricultural chemicals. Currently, the law in place is the Agricultural Chemical (Control) Act, 2006, which controls and regulates the manufacture, storage, distribution and trade in, use, importation and exportation of agricultural chemicals. However, this Act is broad and hence the need for a specific policy to guide stakeholders in increasing availability and sustainable use of fertilisers.

The NFP is consistent with Government of Uganda's overall development framework contained in Vision 2040 and the NDP II. The two guiding policy frameworks recognize agriculture as one of the key pillars for economic growth and poverty reduction. In order to operationalize the national policy objectives on agriculture, Government formulated the National Agriculture Policy (NAP) and the Agricultural Sector Strategic Plan (ASSP 2015/16-2019/20), which recognize the critical need for investment in manufacturing and addressing the constraints on availability of fertilisers as a means of increasing productivity of labour in the agricultural sector; ensuring food and nutritional security; and household income.

The NFP is also important for other policies in providing the much needed complementarity and holistic growth. For instance, the National Seed Policy, The National Coffee Policy and the draft Agricultural Extension Policy and other policies will premise their projections on the current and potential quality of soils in the future. Additionally, the development of the NFP took into account Uganda's regional and international commitments – CAADP, Abuja 2006 Declaration, the UN Sustainable Development Goals; and the ongoing EAC discussions on the harmonisation of the fertilizer sub-sector.

Further, the NFP recognises that the use of inorganic fertilisers can have two opposing effects on the environment and can therefore contribute either positively or negatively to climate change. On the one hand, the over-use of inorganic fertilisers may lead to the emission of nitrous oxide, which is responsible for global warming. On the other hand, inorganic fertiliser use, particularly nitrogen, can increase water use efficiency by crops, which could serve as an adaptation strategy to climate change. The policy highlights actions that shall be taken to address impacts of climate change.

I therefore call upon the different stakeholders to work together with Government to operationalise the National Fertiliser Policy for a competitive, profitable and sustainable fertiliser sub-sector. This will enable Uganda to achieve food and income security, and environmental health.

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Minister of Agriculture, Animal Industry and Fisheries

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ACRONYMS AND ABBREVIATIONS

ACB	Agricultural Chemicals Board
ACTC	Agricultural Chemical Technical Committee
AGRA	Alliance for Green Revolution in Africa
ASARECA	Association for Strengthening Agricultural Research in Eastern and Central Africa
ASSP	Agricultural Sector Strategic Plan
APD	Agricultural Planning Department
BoU	Bank of Uganda
CAADP	Comprehensive Africa Agriculture Development Program
CAO	Chief Administrative Officer
CBOs	Community Based Organisations
COMESA	Common Market for Eastern and Southern Africa
CSOs	Civil Society Organisations
DCP	Department of Crop Protection
EAC	East African Community
EACCU	East African Community Customs Union
FAO	Food and Agricultural Organisation of the United Nations
FMDCU	Fertiliser Market Development Coordination Unit
GDP	Gross Domestic Product
ICT	Information and Communication Technology
IFIA	International Fertiliser Industry Association
IFDC	International Fertiliser Development Centre
IFPRI	International Food Policy Research Institute
IITA	International Institute of Tropical Agriculture
Kg	Kilogram
LGs	Local Governments
MAAIF	Ministry of Agriculture, Animal Industry and Fisheries
MAK	Makerere University
MEL	Monitoring, Evaluation and Learning
MoEMD	Ministry of Energy and Mineral Development
MoES	Ministry of Education and Sports
MoFPED	Ministry of Finance, Planning and Economic Development
MoGLSD	Ministry of Gender, Labour and Social Development
MoING	Ministry of Information and National Guidance
MoLG	Ministry of Local Government
MoPS	Ministry of Public Service
MoWE	Ministry of Water and Environment
MTEF	Medium Term Expenditure Framework
MTIC	Ministry of Trade, Industry and Cooperatives
NAADS	National Agricultural Advisory Services
NAP	National Agricultural Policy
NARO	National Agricultural Research Organization

NARS	National Agricultural Research System
NDP	National Development Plan
NEMA	National Environment Management Authority
NEPAD	New Partnership for African Development
NFP	National Fertiliser Policy
NGOs	Non-Government Organisations
NOGAMU	National Organic Agriculture Movement of Uganda
OP	Office of the President
OPCD	Operations Policy and Compliance Department
PCA	Parliamentary Committee on Agriculture
PPS	Purchasing Power Support
SDG	Sustainable Development Goal
SLM	Sustainable Land Management
SSA	Sub-Saharan Africa
TTA	Technology Transfer Agent
UBoS	Uganda Bureau of Statistics
UCA	Uganda Cooperative Alliance
UIA	Uganda Investment Authority
UN	United Nations
UNADA	Uganda National Agro-Input Dealers' Association
UNBS	Uganda National Bureau of Standards
UNFFE	Uganda National Farmers' Federation
URA	Uganda Revenue Authority
USD	United States Dollars
UShs	Uganda Shillings
WHT	Withholding Tax
ZARI	Zonal Agricultural Research Institute

DEFINITION OF TERMS

Term	Meaning
Fertiliser	Any substance containing one or more recognised plant nutrient(s) that is used for its plant nutrient content and is designed for use or has value in promoting plant growth.
Mineral/inorganic fertiliser	Fertiliser that is produced by mineral processes or mined and derived from an organic substance or synthetic organic substance.
Organic fertiliser	Fertiliser derived from non-synthetic organic material, including sewage sludge, animal manures, and plant residues produced through the process of drying, cooking, composting, chopping, grinding, fermenting or other methods and makes a declaration of nutrient value on the label.
Bio-fertiliser	A substance that contains living microorganisms that colonise the interior of the plant and promote growth by increasing the supply or availability of primary nutrients.

1. INTRODUCTION

Agriculture is and will, in the medium term, remain central to Uganda's economic growth and poverty reduction. It employs nearly 80% of the population[1], contributes approximately 25% to the Gross Domestic Product (GDP) and generates 40% of the country's exports. The sector's role is well articulated in Uganda's long-term development aspirations in Vision 2040, which envisions transforming Uganda from a predominantly peasant and low-income country to a competitive upper-middle-income country. Achieving this will require enhancing production and productivity within the sector through the use of productivity-enhancing technologies such as fertiliser. Both Vision 2040 and the short-term planning framework of the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), the Agriculture Sector Strategic Plan (ASSP) 2015/16-2019/20, emphasise the crucial role of fertiliser use in boosting agricultural production and productivity. The related Abuja Fertiliser Summit 2006 Declaration recommends that African countries apply at least 50 kg of nutrients per hectare by 2015 to attain and sustain the Comprehensive Africa Agriculture Development Programme (CAADP) target of 6% annual growth in the agricultural sector. Uganda is far from achieving this target, and its loss of soil nutrients remains one of the highest in Africa. To reverse the situation, Government must address the binding constraints to the development of the fertiliser sub-sector. The fertiliser market remains underdeveloped and fragmented and has persistent gaps in the legal and regulatory frameworks; thus, the need for a policy framework that harmonises and streamlines the operations of all actors in the fertiliser sub-sector.

1.1 Background to the Fertiliser Policy

In line with the Vision 2040, the Second National Development Plan (NDP II) 2015/16-2019/20 envisions Uganda attaining a middle-income status by 2020 through strengthening the country's competitiveness for sustainable wealth creation, employment and inclusive growth. The Plan identifies agriculture as one of the priority sectors for investment, given its great multiplier effect on the economy. Indeed, agriculture is key to the NDP II objective of increasing sustainable production, productivity, value addition and targets to increase labour productivity (GDP per worker) to USD978 by 2020.

Accordingly, the National Agriculture Policy (NAP) envisions "a competitive, profitable and sustainable agriculture sector" with the objective of promoting food and nutritional security and improving household income. Among the complementary actions by other supporting sectors, NAP, for example, underscores that the Ministry responsible for mineral development shall promote investment in the local manufacturing of fertilisers to increase access to the quality and affordable fertilisers that are necessary for increasing agricultural production and productivity.

Within the NAP framework, MAAIF has developed the ASSP with the mission of transforming the sector from subsistence to commercial agriculture. One of the four priority objectives of

1 UBoS (2016), The National Population and Housing Census 2014 – Main Report, Kampala, Uganda.

the ASSP is, "increasing access to critical farm inputs", within which enhancing access to and use of fertilisers for all categories of farmers is a strategic intervention.

1.2 Policy Problem Statement

Recognition of the use of fertilisers as the most viable mechanism for bolstering soil and general agricultural productivity cannot be over-emphasised. The potential impacts include: reduced malnutrition, high income from high yields, and contribution to export of strategic agricultural commodities. To enhance agricultural productivity towards the CAADP target, the Abuja Fertiliser Summit (2006) declared that all African countries should increase their fertiliser application levels to at least 50 kg of nutrients per hectare per year by 2015.[2] The most limiting nutrients in Uganda soils are nitrogen and phosphorous. A recent study on Uganda recommends raising the phosphorus nutrient to at least 200 kg of nutrients per hectare per year.[3]

Previously, Ugandan soils were renowned for their high fertility. However, the depletion of soil nutrients continues at an exponential rate that is not recorded elsewhere in the world. Uganda loses approximately 80 kg of nutrient per hectare per year[4] through topsoil erosion and nutrient export through harvested crop biomass. Given the high population that depends on agriculture and growing population pressure[5], the soils are likely to lose a lot more nutrients if no action is taken now.[6] This will result in worsening nutrient imbalances, since only limited deliberate efforts are being made to replenish soil nutrients by using organic, inorganic and bio-fertilisers to sustain and enhance soil fertility and increase food and other crop production.

Of the estimated loss of 80 kg of nutrients per hectare per year, farmers are adding only between 1-1.5 kg, making Uganda the least in fertiliser use almost in the whole world. This rate of use is below the average of 8 kg per hectare in Sub-Saharan Africa (SSA).[7] As a result, soil fertility decline is one of the binding constraints to agricultural growth in Uganda. Recent studies have revealed that the major challenges that contribute to low use of fertiliser (organic, inorganic and bio-fertilisers) are related to the enabling environment, supply and demand factors.

2 UBoS (2016), The National Population and Housing Census 2014 – Main Report, Kampala, Uganda. http://www.nepad.org/system/files/Abuja%20Declaration%20on%20Fertilizers%20for%20an%20African%20Green%20Revolution.pdf

3 Nyombi, K. (2014), Fertiliser Management for Highland in East Africa. Better Crops 98(1): 29-31.

4 Sanchez PA, Shepherd KD, Soule MJ, Place FM, Buresh RJ, Izac AM, Mokwunye AU, Kwesiga FR, Ndiritu CN, Woomer PL (1997). Soil fertility replenishment in Africa: an investment in natural resource capital. In: Buresh at al. (Eds). Replenishing Soil Fertility in Africa. SSSA Special Publication No 51. Madison, Wisconsin, USA.

5 According to UBoS (2016), population density increased from 85 persons per square kilometre in 1991 to 123 in 2014.

6 Government of Uganda (June 2015). Second National Development Plan (NDP II) 2015/16-2019/20. Uganda Vision 2040, "A Transformed Ugandan Society from Peasant to a Modern and Prosperous Country within 30 years". NDP II Theme, Strengthening Uganda's Competitiveness for Sustainable Wealth Creation, Employment and Inclusive Growth" page 52.

7 Stoorvogel, J.J. and E.M.A. Smaling, (1990), Assessment of soil nutrient depletion in sub-Saharan Africa: 1983-2000. Vol. II: Nutrient balances per crop and per land use systems. Report 28, Winand Staring Centre, Wageningen, Netherlands; Namazzi, J., (2008). Use of inorganic fertilisers in Uganda. IFPRI/Uganda Strategy Support Program (USSP). Brief No. 4

The enabling environment of the fertiliser sub-sector is affected by, amongst other factors, volatility in the exchange rate; commodity pricing; marketing; trade and tariffs; financial arrangements; regulatory functions; and research and extension. For example, the importation of inorganic fertilisers is a capital-intensive venture. Importers and agro-dealers as well as farmers lack access to affordable finance to facilitate fertiliser trade and use. High interest rates (over 20%) and stringent collaterals act as disincentives to fertiliser market development. Uganda is a signatory to the East African Community (EAC) *zero-rated* tax on fertilisers. However, fertiliser imports attract a 6% withholding tax (WHT) and sales in excess of UShs1 million. Whereas the importers and agro-dealers are entitled to reclaim this tax when they submit their annual tax returns, this does not occur in practice. Instead, the tax is passed on to the farmers, thus further raising the price of fertilisers.

On the supply side, importers trade not only in small lots due to limited capital but also from far-off places such as Ukraine, Turkey, and China. This, coupled with the high transport cost from Mombasa to Kampala, inevitably increases the price of fertilisers to farmers. In addition, the range of fertiliser products available on the market is limited. This limits farmers' choices based on the nutrient requirements in different circumstances.

Smallholder farmers lack capacity and knowledge on how to replenish the lost soil nutrients. There are also challenges associated with the limited awareness of the value and use of fertilisers, low purchasing power, poor supply of fertilisers, and prevalence of counterfeit/ fake fertilisers that are difficult to detect by farmers. There is also a myth that Uganda's soils are fertile (as recited in the National Anthem) and do not require fertilisers, while still others have the erroneous perception that fertilisers "spoil" soils.

1.3 Rationale for developing the National Fertiliser Policy

The rationale for this policy stems from the Uganda Vision 2040 and NAP; global Sustainable Development Goals 2 on *Ending hunger, achieving food security and improving nutrition and promoting sustainable agriculture;* Government's commitment to the Abuja 2006 Declaration; and the on-going EAC discussions on the harmonisation of the fertiliser sub-sector. The use of fertilisers by all categories of farmers is critical to accelerating agricultural growth through increased productivity, as articulated in NDP II. The agricultural sector (including forestry and fisheries) is projected to grow by 2.3% in the 2015/16 fiscal year[8], which is behind the national population growth of 3.0%[9] and far below the CAADP target of 6%. Increasing the use of fertilisers, especially by smallholder farmers, who represent the majority of farmers, requires multiple and well-coordinated interventions. These include: raising awareness about the importance of fertilisers and countering anti-fertiliser campaigns; creating incentives for the private sector to invest in the fertiliser business to ensure its availability in all parts of the country; building regulatory institutions to ensure quality of fertilisers and their safe use; and public-private partnerships to venture into fertiliser manufacturing.

8 Ministry of Finance, Planning and Economic Development (2015) Background to the budget 2015/16 Fiscal year
9 UBoS (2016), The National Population and Housing Census2014 – Main Report, Kampala, Uganda.

The current high rate of nutrient depletion[10] with very low replenishment rates is likely to threaten Uganda's food security, income security and export competitiveness. On the one hand, this is due to the demand-depressing effects of unfavourable price incentives aggravated by several factors, such as affordability (mainly for smallholder farmers), counterfeit fertilisers on the market and a general lack of information about the availability and cost of fertiliser.[11] On the other hand, the limitations of the supply side include low levels of private investment in fertiliser distribution, which may be due to the high transportation costs attributed to inadequate infrastructure and the high cost of financing. Currently, the emerging input markets remain underdeveloped and fragmented, and access to inputs, especially fertiliser, is a challenge for smallholder farmers. Developing a phosphate industry in Tororo is one of the core projects identified in NDP II and NAP and represents a long-term strategy to address the availability of fertilisers in Uganda.

It is therefore justifiable to have a policy that will improve the fertiliser market structure, conduct and performance while ensuring the availability of high quality, low-priced fertiliser by setting a viable working environment that attracts private investment to the fertiliser sub-sector.

10 Stoorvogel, J.J. and E.M.A. Smaling, (1990). Assessment of soil nutrient depletion in sub-Saharan Africa: 1983-2000. Vol. II: Nutrient balances per crop and per land use systems. Report 28, Winand Staring Centre, Wageningen, Netherlands; Namazzi, J., (2008). Use of inorganic fertilisers in Uganda. IFPRI/Uganda Strategy Support Program (USSP). Brief No. 4

11 Morris M, Kelly, V.A, Kopicki R.J., and Byerlee D. (2007) Fertiliser use in African Agriculture. Lessons Learned and Good Practice Guidelines, IFDC.

2. GUIDING PRINCIPLES, VISION, MISSION AND OBJECTIVES

This fertiliser policy shall operate under the mandate of MAAIF within the broader objective of the agricultural development agenda. This policy advocates for a partnership between Government and the private sector. The major role of Government shall be to provide an enabling environment and incentives for the fertiliser private sector to flourish while making fertilisers available and affordable to the end users, as a step towards meeting at least 50 kg of nutrients per hectare per year by 2020. The private sector shall take the lead in the manufacture, procurement, importation, distribution, marketing and use of fertiliser while following the regulatory framework herein.

2.1 Guiding Principles

The guiding principles behind the choice of policy instruments and directions are as follows:

2.1.1 Ownership

The realisation of effective performance of the NFP requires commitment of all stakeholders. Ownership, is not only for formulation but also for smooth and successful implementation of actions and shared roles. All stakeholders in the fertiliser sub-sector will be constantly involved in the implementation, monitoring and evaluation processes of the policy instruments.

2.1.2 Holistic approach

This pertains to the multifaceted nature of fertiliser as a mineral, organic substance, industrial product and agricultural input as well as a tradable commodity. This emphasises that the Policy itself is not a magic bullet, unless it is implemented through a holistic approach. Whenever necessary, policy reforms and changes on fertiliser shall be gradual within the timeframe agreed upon by stakeholders.

2.1.3 Equity

This pertains to the fact that individuals are not equitably endowed but do require a minimum level of resources to sustain their livelihoods. For an all-inclusive access and use of fertilisers, the Policy proposes a Purchasing Power Support (PPS) system to provide start-up packages of fertilisers to resource-poor farmers who could not otherwise afford them at the start.

2.1.4 Resources availability

Fertiliser importation is a highly capital intensive venture, but there is both limited capital and inadequate infrastructure; therefore, it will be extremely important to ensure the availability of resources to implement the Policy. This will require improving allocation of resources, increasing efficiency of their use and paying more attention to effectiveness through monitoring and reviews.

2.1.5 Regional consistency

The National Fertiliser Policy should be in harmony with the regional policy dispensations on fertiliser.

2.1.6 Truth-in-labelling

This requires that all fertiliser (organic, inorganic and bio-fertilisers) that is offered for sale in Uganda be properly labelled with a guaranteed analysis, net weight, and quality control of the products based on truthfulness of claims on the label. Organic fertilisers will be validated through field-testing.

2.1.7 Balanced fertilisation

This requires the provision and use of macro and micronutrients in balanced proportions based on soil testing and crop requirements for different agro-ecological zones.

2.1.8 Environmental integrity

This calls for efficient fertiliser use based on the need to protect and conserve the environment.

2.1.9 Risk management

This calls for informed decision making that explicitly addresses uncertainties.

2.1.10 Gender responsiveness

This requires that all gender categories be equally involved in the development, implementation, evaluation and review of the Policy and that all gender aspects be considered along the fertiliser market value chain.

2.2 Policy Vision and Mission

2.2.1 Vision

A competitive, profitable and sustainable fertiliser sub-sector contributing to food, income security and environmental health.

2.2.2 Mission

To have a fertiliser industry that provides affordable and accessible fertilisers to farmers to achieve increased and sustainable agricultural productivity and improve farm incomes.

2.3 Policy Goal, Objectives and Strategies

2.3.1 Policy Goal

The overall objective is to reduce nutrient loss through soil erosion by 30 kg per hectare per year and raise the use and application levels of fertiliser to at least 50 kg of nutrients per hectare per year by 2020.

To achieve the overall objective, Government shall pursue four inter-related specific objectives. To achieve each of the objectives, Government shall employ specific strategies, including working closely with all stakeholders in the fertiliser sub-sector namely; central government, ministries, departments and agencies, local governments, private sector, civil

society organisations, farmers and development partners. These strategies are formulated with due consideration and reference to existing policies.

Specific Objective 1: **To strengthen the capacity of farmers to engage in safe, profitable and sustainable fertiliser use.**

To stimulate demand and increase fertiliser use, soil fertility and fertiliser knowledge constraints must be addressed. Farmers and the general public must be made aware of the low soil fertility in Uganda and what needs to change to increase productivity. All stakeholders (e.g., farmers, agro input dealers, policy makers) need information on soil fertility management and on the role that organic and inorganic fertilisers can play in improving and sustaining soil fertility for crop production. To realise this objective, Government shall:

i) Undertake massive campaigns to promote fertiliser use and provide factual information using multiple platforms (media, faith-based and cultural institutions, farmer associations, art and drama);
ii) Design and disseminate factual information related to fertiliser use via posters, leaflets (also translated into the appropriate local languages);
iii) Apply a variety of methods and tools (including start-up packs) to encourage the mind-set change among farmers and other actors in the fertiliser value chain;
iv) Set up effective demonstrations and field days in partnership with both the private sector and Non-Government Organisations (NGOs) to visualise the impact of fertilisers;
v) Provide logistical support to extension service personnel who are in close contact with the farmers;
vi) Disseminate technological packages (e.g., integration of organic and inorganic fertilisers and other matching inputs) that enhance the benefits of sustainable fertiliser use;
vii) Develop a network of trainers across gender categories;
viii) Integrate fertiliser-related knowledge and advice into public and private extension systems;
ix) Capture and monitor information on gender groups that may be affected by the NFP implementation;
x) Develop, translate and disseminate fertiliser use guidelines;
xi) Develop and strengthen the existing farmer organisations/cooperatives and help them realise a more cost effective bulk fertiliser demand;
xii) Establish a system for bulk fertiliser demand from farmer groups/cooperatives at the sub-county, district and regional levels;
xiii) Develop the ability of the farmer groups/organisations or cooperatives to negotiate and engage with traders (including fertiliser dealers) and other actors in the value chain, e.g., the Village Agent Model;
xiv) Support infrastructural development for storing both inputs and outputs at the community and zonal levels;
xv) Strengthen partnerships with agencies promoting profitable market access for agricultural produce and encourage value addition (including timely market

information) as a driver for increased productivity and fertiliser use;

xvi) Link organised farmer groups and cooperatives to credit services by using group guarantees to enable them to procure fertilisers and matching inputs, e.g., improved seed;

xvii) Identify resource-poor farmers and extend to them a seed-grant in the form of a voucher system that would guarantee access to and use of fertilisers with minimal leakages and/or abuse potential with a clear time-bound exit strategy;

xviii) Use the PPS mechanism to procure identified fertilisers for each region, and package and label them to ensure such fertiliser is not resold to distort the fertiliser market; and

xix) Empower the community and farmer groups to manage and monitor the operationalisation of the PPS.

Specific Objective 2: To strengthen the capacity of suppliers to deliver fertilisers at the right quantity, quality and time and in a cost-effective manner

To enhance fertiliser availability on the market, it must be recognised that fertiliser is a capital-intensive commodity and that importers and agro-dealers as well as farmers need access to affordable finance. The high cost of capital and stringent collaterals act as deterrents to fertiliser market development. Importers do not have access to the funds required to buy fertilisers in bulk and are thus forced to buy small lots, resulting in high procurement costs that are finally passed on to farmers. Therefore, importers need financing in form of a guarantee fund and loan at affordable rates for bulk procurement (10,000 metric tonnes and above). To realise this objective, Government shall:

i) Organise Ugandan fertiliser importers to cooperate and collaborate with other importers in the EAC for the bulk import of fertilisers;

ii) Provide data on the fertiliser requirements per region based on aggregated demand;

iii) Expand the existing Agriculture Credit Facility to include a component that supports bulk fertiliser importation and distribution;

iv) Support wholesalers/distributors at the zonal level for bulk transportation and distribution of fertilisers to various regions and districts;

v) Develop business skills for various levels of fertiliser dealers to maximise the profits from genuine business, including processing reimbursements of the withholding tax;

vi) Strengthen the national associations of input suppliers for the self-regulation of the private sector;

vii) Develop investment plans for the commercial production of various forms of fertilisers from local resources;

viii) Attract private investors to undertake exploratory studies to establish the potential for the commercial exploitation of fertiliser deposits; and

ix) Promote the mass production of local organic and bio-fertilisers such as kitchen ash-based fertilisers, compost from urban garbage, rhizobia and mychorrhiza.

Specific Objective 3: To enhance the regulatory and institutional capacity to ensure the quality, environmentally safe supply and use of fertilisers to achieve sustainable productivity and production

To regulate the quality, sale and distribution of agricultural chemicals (including fertilisers), Government put in place the Agricultural Chemicals Control Act, 2006, from which the Fertiliser Control Regulations originate. This requires Government to put in place the appropriate institutional arrangements and strengthen the regulatory functions for fertiliser trade and use; establish and operationalise regulatory support infrastructure and facilities such as laboratories for testing fertiliser quality, storage infrastructure and streamlining processes and procedures for licensing and certification; and pursue favourable tax regimes and regional harmonisation of fertiliser related policies. To realise this objective, Government shall:

i) Conduct a functional analysis and capacity needs assessment for the regulatory enforcement agencies and undertake appropriate reforms;
ii) Set up a Fertiliser Market Development Coordination Unit (FMDCU) to establish a structure that creates synergy and cohesiveness among actors;
iii) Strengthen the Department responsible for fertiliser and Local Governments to oversee and coordinate the implementation of the Fertiliser Policy;
iv) Educate the public and publicise the mandates, roles and functions of various actors in the fertiliser regulatory enforcement chain;
v) Establish minimum standards and certification for organic and inorganic fertilisers for importers, wholesalers/distributors and retailers, including packaging;
vi) Develop and disseminate information, education and communication materials;
vii) Register all fertilisers (organic, inorganic and bio-fertilisers), fertiliser dealers and fertiliser premises to foster standards enforcement;
viii) Develop and maintain Information and Communication Technology (ICT) databases of fertiliser dealers (importers, distributors and retailers), fertiliser premises at national and zonal levels (nodes) to monitor and forecast aggregated demand;
ix) Establish border-post minilabs and strengthen zonal laboratories and the national referral laboratory for fertiliser (organic and inorganic) analysis;
x) Equip and maintain the laboratories;
xi) Decentralise and simplify the procedures for obtaining fertiliser trade documents, e.g., licenses and import permits at district level;
xii) Analyse the impact of the existing tax regimes and tariffs on the importation, distribution and use of fertilisers;
xiii) Dialogue with MoFPED and Uganda Revenue Authority (URA) with a view of providing tax incentives for investment in the fertiliser industry;
xiv) Engage with relevant agencies such as Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA), International Fertiliser Development Centre (IFDC), International Institute of Tropical Agriculture (IITA), Private Sector and CSOs to advocate for and pursue harmonisation of fertiliser-related policies and regulations in EAC; and
xv) Engage with regional economic communities, EAC, Southern African Development

Cooperation (SADC) and Common Market for Eastern and Southern Africa (COMESA) to harmonise regulatory frameworks for fertilisers.

Specific Objective 4: To effectively manage fertiliser-related knowledge

Research into fertiliser use and development of fertiliser products is a primary responsibility of Government through the National Agricultural Research System (NARS), including universities and the private sector. Researchers update fertiliser recommendations (by crop and agro-ecological zone) through fertiliser trials and soil testing, including validation of research findings and development of guidelines for integrated nutrient management. Knowledge/information generated is shared with extension agents in a user-friendly manner. To realise this objective, Government shall:

i) Develop and update a soil fertility map for Uganda to guide fertiliser applications;
ii) Develop and review fertiliser recommendations for different farming systems and enterprise combinations;
iii) Conduct research on fertiliser and indigenous knowledge related to fertiliser in the context of cropping systems to support the implementation of the Policy;
iv) Consolidate existing knowledge in academic institutions for dissemination and scale-up;
v) Fuse research and extension services by:
    a) Transforming research outputs from institutions' research depositories into knowledge products for dissemination; and
    b) Establishing common platforms for dialogue and knowledge sharing among researchers and extension service providers.
vi) Establish partnerships with private sector to allow the mass production and popularisation of the soil test kits;
vii) Provide simple and affordable soil test kits at the sub-county level;
viii) Reorient extension workers (public and private) outlets to enhance their abilities to provide reliable information/advice related to organic and inorganic fertiliser;
ix) Establish and maintain a functional communication system that allows interaction between actors in the fertiliser industry (farmers, suppliers, regulators) while ensuring prompt responses to the concerns raised by different actors;
x) Initiate and facilitate platforms for multi-stakeholder dialogue and exchange of fertiliser related ideas and opinions; and
xi) Develop and implement a monitoring, evaluation and learning framework that continuously generates data on fertiliser use in Uganda at the national, regional and international levels and draw the lessons learnt.

3. FERTILISER MARKET SUPPORT POLICIES, LEGAL AND REGULATORY FRAMEWORK

To regulate the quality, sale and distribution of agricultural chemicals (including fertilisers), Government enacted the Agricultural Chemicals Control Act, 2006, that controls and regulates the manufacture, storage, distribution and trade in, use, importation and exportation of agricultural chemicals, including fertilisers and other related matters. Subsequently, separate fertiliser control regulations now exists.

Other relevant policy documents and acts include:

i) The 1995 Constitution of the Republic of Uganda Section XXII (a) and (b) declares Food Security and Nutrition as a Social and Economic National objective and Directive of State Policy. The provisions underscore that the State shall (a) take appropriate steps to encourage people to grow and store adequate food and (b) establish national food reserves;

ii) Vision 2040 identifies agriculture as one of the country's key opportunities to harness and strengthen the Ugandan economy and transform the society from a peasant country to a modern and prosperous country;

iii) NDP II recognises agriculture as key to increasing wealth creation and propelling the country into middle-income status by 2020 through commercialising agriculture. It emphasises increasing production and productivity along the agricultural value chain and increasing access to critical farm inputs, including fertilisers;

iv) ASSP prioritises increased agricultural production and productivity and increased access to critical farm inputs, which include fertilisers;

v) The National Environmental Act, 1995, that provides for a sustainable management of the environment and established the National Environment Management Authority (NEMA) to coordinate, monitor and supervise environmental management;

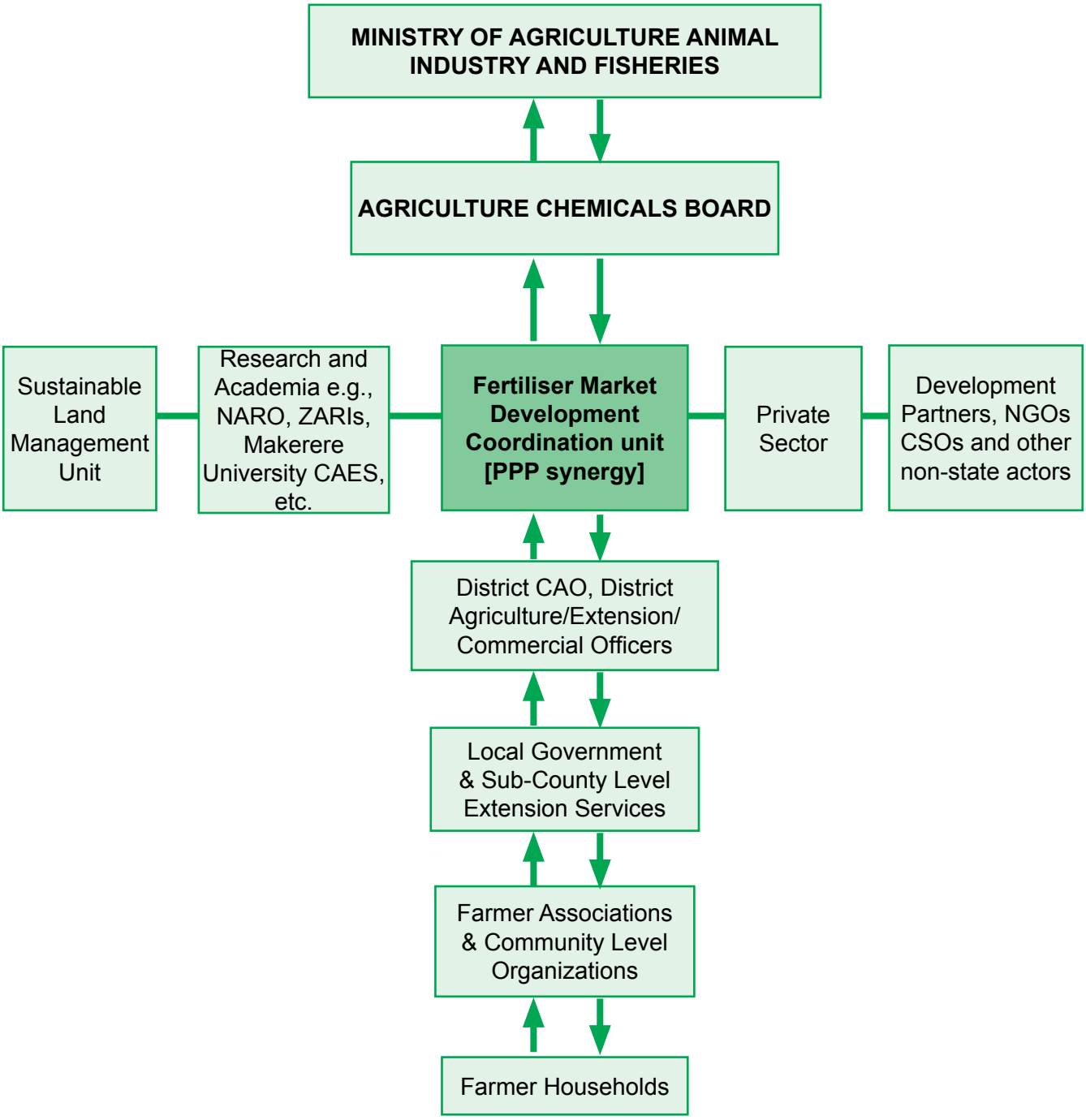
vi) The Uganda National Bureau of Standards Act, 1983, established the Uganda National Bureau of Standards (UNBS) to promote and facilitate trade and industries; promote the quality and competitiveness of locally manufactured products, and enforce standards to protect farmers and ensure fairness in trade; and

vii) The Uganda Water Act, 1997, provides for the use, protection and management of water resources and supply.

4. POLICY IMPLEMENTATION FRAMEWORK

The implementation framework is as presented in Figure 1.

Figure 1: Diagrammatic presentation of the implementation framework



4.1 Coordination of the Fertiliser Sub-Sector

The availability and use of fertilisers is a multi-sectoral and multi-stakeholder intervention that demands coordination. Government shall set up a Fertiliser Market Development Coordination Unit to create synergy and cohesiveness among the operations of various stakeholders involved in the fertiliser sub-sector. Under the overall liberalisation and privatisation framework, pricing and marketing policies are pro-private sector.

Whereas the use of fertilisers shall be under the responsibility of MAAIF, the manufacture of fertilisers shall be under MoEMD. Furthermore, the business aspects of fertilisers will be handled by the Ministry of Trade, Industry and Cooperatives (MTIC) and will operate in a liberalised context in which the private sector plays a leading role. Enabling the access to and use of fertilisers will involve the active participation of the MoLG through the District Local Authorities that are directly responsible for delivering services to the grassroots citizens. Other critical actors include regulatory agencies such as UNBS which ensures quality. It is therefore critical that these actors are well coordinated and perform their functions and responsibilities in a complementary manner. The policy framework shall guide and regulate the actions of the various actors involved.

4.2 Governance and Institutional Linkages

To implement this policy, there will be linkages between Government agencies and private-sector organs, development partners, Community Based Organisations (CBOs) and farmer organisations. Although MAAIF shall be the lead implementer, linkages shall be maintained with:

a) Other ministries, such as MoFPED, Ministry of Information and National Guidance (MoING), Ministry of Water and Environment (MoWE), Ministry of Local Government (MoLG), Office of the President (OP), and Government agencies, such as National Agricultural Research Organisation (NARO), National Agricultural Advisory Services (NAADS), NEMA, Uganda Revenue Authority (URA), UNBS, universities, district production departments and the private sector, such as the banking industry;
b) Inter-Governmental agencies (Food and Agriculture Organisation (FAO), ASARECA, EAC, IFDC and the private sector to ensure harmonisation and compliance with the regulatory frameworks on procurement, distribution and use of fertilisers;
c) Seed companies and research institutions to ensure the production of high-quality seed that is capable of producing satisfactory yields in the presence of fertiliser in addition to developing proper agronomic packages; and
d) Foster public-private partnerships to ensure the sustained availability of water for production.

MAAIF has the overall responsibility for formulating, implementing and reviewing the NFP through the relevant organs of Government. Whereas the Department Crop Protection shall be responsible for the certification, registration and training of fertiliser users, the technical advisory services to the Agricultural Chemicals Board (ACB) on all aspects of fertiliser application shall be a joint responsibility of the departments in charge of crop production

and farm development. MAAIF shall oversee implementation of the policy through ACB to ensure that the issues of fertiliser use and promotion policies are fast-tracked.

It shall be the role of MAAIF to submit annual budgets to aid the fertiliser support facility and give indications on disbursements from MoFPED.

4.2.1 Linkages with Local Governments

Since 1992, the decentralisation policy has sought to strengthen local governance structures by devolving service delivery, promoting participation and empowering local people. MAAIF's responsibility in this regard shall be to:

a) Support and build the capacity of district authorities to improve the delivery of regulatory and quality assurance services and to collect agricultural statistics and information;
b) Ensure that Government provides funding to the districts to (i) increase farmers' access to improved technologies and advisory service and increase their active participation in value chain development for profitable agricultural production and (ii) empower farmers to demand advisory services, technologies and quality assurance services;
c) Ensure that under the District Production Services, Government shall provide funding to: (i) strengthen Local Government capacity in the delivery of services related to regulatory services, quality assurance services, agriculture statistics and information, and capacity building for local Governments and (ii) strengthen disease, pest and vector control and build capacity in local Government; and
d) Collaborate with local Government agencies to promote the proper use of fertiliser in the country and facilitate its adequate availability to farmers.

4.2.2 Linkages with other Ministries and Agencies

The agriculture sector goals and aspirations cannot be achieved in isolation. The roles played by policies and investments outside the mandate of MAAIF are important for the successful implementation of agriculture sector plans and activities. In this regard, the roles of several other institutions shall be recognised. These include:

a) The Parliamentary Committee on Agriculture: responsible for the review and approval of proposed policies and strategies for the sector;
b) Uganda Investment Authority (UIA): responsible for exploring opportunities and providing technical investment advice on the feasibility of in-country production;
c) MoFPED: responsible for timely release of funds for implementing this policy;
d) MoWE: responsible for the formulation and review of appropriate water and environment policies, standards and regulatory frameworks to help in increasing the water supply for agricultural production and thereby increase fertiliser use efficiency;
e) MTIC: responsible for the formulation of appropriate trade policies, standards and regulatory frameworks; negotiations and implementation of trading arrangements related to international and national treaties; and the development and implementation of practical, effective and efficient trade and market information mechanisms. In

addition, the NFP recognises the urgent need for Government to promote the creation of new output market opportunities by fostering value-addition initiatives to meet the diversified needs of different markets, which will encourage farmers to boost their productivity;

a) MoLG: responsible for coordinating and supporting LGs so they provide sustainable, efficient and effective services and for increasing the LGs' capacities for planning, budgeting, implementation and monitoring;
b) MoEMD: responsible for providing energy resources, guiding the use of energy resources and overseeing the rural electrification initiative;
c) Ministry of Gender, Labour and Social Development (MoGLSD): responsible for community empowerment, promoting the rights of vulnerable groups, gender-sensitive development, adult education and labour;
d) Ministry of Public Service (MoPS): responsible for personnel management and development; MoPS shall be responsible for recruiting the necessary personnel to support the NFP;
e) Ministry of Education and Sports (MoES): responsible for the tertiary institutions that play a significant role in fertiliser research and training of fertiliser service providers;
f) MoING: responsible for disseminating information about fertiliser use; and
g) Office of the President.

4.2.3 Linkages with the Private Sector, NGOs and Farmer Institutions

The private sector will ensure:

a) The procurement of the correct quality, quantity and timely delivery of fertiliser to farmers; and
b) That the commercial firms and NGOs that are significant players in the fertiliser industry observe strict regulations to prevent fertiliser from tricking out into the informal market, which would distort prices and quality.

4.2.4 Linkages with development partners

Linkages with international organisations and protocols will be maintained, such as the 2006 Abuja Fertiliser Summit Declaration, the Alliance for Green Revolution in Africa (AGRA), International Fertiliser Industry Association (IFIA) and IFDC, for their support and guidance in ensuring the successful implementation of this fertiliser policy.

4.2.5 Linkages with other policy instruments

The NFP will be implemented in harmony and complementarity with other Government policy instruments, namely the National Agriculture Policy as the overall framework; the National Land Use Policy (2013); the Land Act of 1998 with amendments (2001, 2004 & 2010); and the National Climate Change Policy (2012). For example, section six of the National Land Use Policy provides a flamework for land use and land management. It contains several articles directly or indirectly related to fertiliser use. Additionally, section 4.2 of the National Climate Change policy addresses adaptation responses with specific reference to agriculture and livelihoods.

Other relevant policies include: The Draft National Seed Policy; The Sustainable Land Management Strategic Investment Framework (2010-2020); The NAADS Act; The NARO Act; National Climate Change Policy Framework; The National Coffee Policy; The Draft National Agriculture Extension Policy; The National Health Policy (2010-2020); Uganda National Food Safety Policy and Guidelines; The Uganda Education Policy; The National Trade Policy; The National Social Protection Policy Framework (2014); The Uganda National Urban Policy; The National Equal Opportunities Policy (2006); The Uganda National Employment Policy (2011); The National Youth Policy (2001); The Uganda Gender Policy (2007); The National Policy for Older Persons (2009); The National Policy on Disability (2006); The National Policy for Disaster Preparedness and Management (2010); and the National Environment Management Policy, among others.

4.3 Communication Strategy and Dissemination of the NFP

The communication strategy for the NFP shall address fertiliser-related information and knowledge from both within and outside the sector. MAAIF has a communication strategy that sets out a framework for communicating such information and knowledge to all stakeholders in the fertiliser sub-sector and even beyond. The framework provides for refining and synthesising the knowledge generated such that it can be shared through accredited communication channels. The information provided will improve the awareness and understanding of fertiliser use in Uganda and enhance its uptake by using recommended practices for optimal productivity and safety. In addition, it will enhance the dialogue, buy-in, collaboration and participation of all stakeholders in the policy implementation.

Two-way communication on fertiliser-related matters between Government and non-state stakeholders shall be institutionalised by facilitating opportunities for public dialogue, knowledge sharing and enabling information flows from grassroot levels. These communication activities will promote and inform evidence-based planning at all levels to bolster fertiliser use. The ACB and FMDCU will use this information to debate and provide appropriate feedback on Government strategies for developing the fertiliser sub-sector. Awareness of the potential for fertiliser market development in Uganda and Government commitment to the development of the fertiliser sub-sector shall be fostered through communication between and among different technical and non-technical audiences, Government and non-Government audiences, development partners, and the wider population at farming community level, sub-county, district, regional and national levels.

4.4 Harmonisation at the Country and Regional Levels

This policy shall support:

a) Fertiliser policy re-alignment to suit regional and continental interests;
b) Establishment of regional fertiliser procurement and distribution facilities as one way of fostering efficient operations in fertiliser trade;
c) Establishment of uniform guidelines on good practices that facilitate regional trade, such as grades, standards (certification) and rules;
d) Intra-regional fertiliser trade to capture a wider market and take advantage of

economies of scale through appropriate measures such as infrastructure development and tax incentives; and

a) Harmonisation of fertiliser taxation policies and fertiliser movement across regions and development of capacity for quality control, including the elimination of taxes and tariffs on fertiliser and fertiliser products and raw materials at the regional level.

As a member of the EAC, Uganda will lobby Partner States through the EAC Customs Union to remove all unnecessary tariffs and duties that impede fertiliser trade in the region.

4.5 Sustainability of the Policy

To ensure sustainability of this policy, the following shall be necessary:

a) Development of fertiliser markets by supporting and encouraging the establishment of facilities such as stores;
b) Rapid investment in infrastructure, particularly transport and fiscal incentives, to strengthen farmers' organisations and the provision of market incentives to private parties;
c) A duty and tax-free environment for investors in the fertiliser sub-sector. By granting full exemptions from internal revenue, both taxes and the customs duties growth of retail and wholesale fertiliser businesses will be enhanced;
d) Gradual reduction/removal of the fertiliser use support facility as an exit plan, that is, gradual removal of the PPS system;
e) Minimal restrictions on fertiliser importation, thereby eliminating the tendencies for monopolies to foster competition and contributing to the development of fertiliser markets;
f) Partnerships and joint ventures with technology- and resource-rich countries;
g) Exploration of local production by empowering local companies to partner with Government;
h) A national financing mechanism and facilities for fertiliser input supplies to accelerate credit access at the local and national levels; and
i) The formation and support of cooperative movements and community-based fertiliser (and other input) purchasing networks in rural areas.

4.6 Cross-cutting Issues

In addition to the specific subject areas outlined above, this policy recognises several crosscutting issues that will be addressed, including gender, environment and climate change.

4.6.1 Vulnerable groups

Women, youth and the elderly are among the vulnerable groups that play a significant role in agricultural development. To obtain equitable benefits from investments in improving smallholder agriculture, women and youth will be encouraged to participate in the fertiliser value chain.

4.6.2 The Environment

Improper and excessive fertiliser use can harm the environment and result in the emission of nitrous oxide, which contributes to global warming and climate change. Soil testing shall be undertaken to ascertain nutrient deficiencies and thereby foster the optimal use of fertilisers. Therefore, there will be deliberate efforts to:

a) Train farmers on the judicious use, handling and application of fertiliser to increase crop yields;
b) Establish soil nutrient deficiencies to maintain a nutrient balance during application;
c) Develop soil maps for the country such that for each region, the nutrient deficiencies are identified and the nutrient requirements are established;
d) Conduct an environmental impact assessment before fertiliser production starts in the country. NEMA will be responsible for reviewing the environmental impact assessment and for establishing the soundness of in-country fertiliser production in various areas. The report will be submitted to MAAIF for ACB action; and
e) Encourage the use of organic and bio-fertilisers by promoting an integrated plant nutrient management system that maintains soil fertility.

4.6.3 Climate Change

This policy recognises that the use of fertiliser can have two opposing effects on the environment and can therefore contribute either positively or negatively to climate change. On one hand, the over-use of fertiliser may lead to the emission of nitrous oxide, which is responsible for global warming. On the other hand, fertiliser use, particularly nitrogen, can increase water use efficiency by crops, which could serve as an adaptation strategy to climate change.

Action shall be taken in this policy to address impacts of climate change through interventions such as sustainable fertiliser use and land management.

4.6.4 Policy Review

a) The policy shall be reviewed occasionally to ensure that it remains feasible in the face of changes in the socio-economic, macro-economic, political and environmental conditions. However, at the time of the review process, all fertiliser stakeholders will be consulted to provide input;

b) Government through MAAIF shall initiate the review process. This policy shall also be reviewed when there are changes in Government policy, such as changes in the national policy on agriculture;

c) Although the review shall be technical, the process will be participatory, taking into account stakeholders' opinions and interests; and

d) The formulation or reformulation of the fertiliser policy consequent on such reviews shall be accompanied by a new implementation work plan.

5. MONITORING AND EVALUATION OF THE POLICY

Government shall:

a) Through MAAIF, undertake internal and external monitoring of the implementation of activities of all organs and institutions in the fertiliser sub-sector. Government shall monitor the national fertiliser use levels and trends in the country, with the aim of regulating the fertiliser use support facility and determining the efficiency and effectiveness of fertiliser importation and distribution;

b) Ensure that all stakeholders are involved in the monitoring and evaluation process. This evaluation may recommend the gradual exit of the fertiliser use support facility; and

c) Monitor the trends in fertiliser use and its impact on agricultural productivity, farm household income and the environment.

For Government to achieve these, a fertiliser database shall be maintained that includes the total fertiliser requirements based on crops and regions of the country. It will be the mandate of district production departments, ACB, URA and UNBS to monitor fertiliser quality in the districts.

6. FUNDING

Implementation of the NFP shall be funded by Government in the amount of UShs 134,527.45 million for the first five years. The funds will come through the Medium Term Expenditure Framework (MTEF) to MAAIF and the other collaborating line ministries, as presented in Table 1. Of the five-year budget, UShs 80,391.45 million will be channelled through MAAIF; UShs 11,454 million through MTIC; UShs2,612 million through UIA; UShs 70 million through MoES and UShs 40,000 million through MoFPED. The detailed implementation activity plan and costs of the NFP are provided in Table A1.

Table 1: Cost and sources of funding to implement the NFP

Source of Funding under MTEF	Investment (UShs Millions)					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
MAAIF	10,279.50	22,307.60	20,592.3	14,269.05	12,943.00	80,391.45
MTIC	50.00	4,060.00	3,050.0	3,000.00	1,000.00	11,454.00
UIA Vote	870.00	1,134.00	304.0	304.00	304.00	2,612.00
MoES	30.00	10.00	10.00	10.00	10.00	70.00
MoFPED	-	12,000.00	12,000.00	12,000.00	4,000.00	40,000.00
Total	11,229.50	39,501.60	35,956.30	29,583.05	18,257.00	134,527.45

The MAAIF investment in the implementation of the Policy of UShs 80,351.45 million is within the MTEF UShs 111,000 million approved for Priority 2, Strategy 5 of the ASSP 2015/16-2019/20. The strategy is about enhancing the access to and use of fertilisers by all categories of farmers.

7. ANNEX

Table A 1: Detailed implementation and investment plan, and cost for operationalization of NFP

Objectives	Priority Area	Intervention	Activities	Implementing agencies		Source of funding	
				Lead Partner	Collaborators	**Total Cost (UShs.mi)**	**MTEF vote**
Objective 1: To strengthen capacity of all actors along the fertiliser supply chain to engage in safe, profitable and sustainable fertiliser use	**1. Increase demand, access and use of fertilisers**	1.1. Create awareness of the value and change mind-sets about the use and effects of fertilisers	a. Undertake massive campaigns to promote organic and inorganic fertiliser use and provide factual information using multiple platforms (media, faith-based and cultural institutions, farmer associations, art & Drama)	Directorate of Extension services	DCP, UNFFE, LG (DPM), NGOs, Media, cultural &, religious institutions, District Farmers' Fora	188.00	MAAIF
			b. Design and disseminate factual information related to fertiliser use using posters, leaflets (also translated in appropriate local languages)			200.00	
			c. Apply a variety of methods and tools (including start-up packs) to influence mind-set change among farmers and other actors in the fertiliser value chain			400.00	
			d. Set up effective demonstrations and field days in partnership with the private sector and NGOs, to visualise the impact of fertilisers			839.10	
			e. Provide logistical support to the extension service personnel in close contact with the farmers			1,600.00	
			f. Disseminate technological packages (e.g. integration of organic and inorganic fertilisers and other matching inputs) that enhance maximum benefits from use of fertilisers and in a sustainable way			839.10	
			g. Develop a network of trainers across gender categories			385.00	

Objectives	Priority Area	Intervention	Activities	Implementing agencies		Source of funding	
				Lead Partner	Collaborators	Total Cost (UShs.mi)	MTEF vote
			h. Integrate fertiliser related knowledge and advice in the public and private extension systems			117.50	
			i. Capture & monitor information on gender groups that may be affected by the NFP implementation			300.00	
			j. Develop, translate and disseminate fertiliser use guidelines			230.00	
		1.2. Organise farmers for purposes of input and output market access (bulking fertiliser demand) and to take advantage of economies of scale	a. Develop and strengthen existing farmer organisations/ cooperatives and support them to bulk their fertiliser demand for cost effectiveness	UCA	UNFFE, LGs (Commercial Officers), NAADS, NGOs, MTIC, UNADA, MFSCs, media, MoFPED, Development Partners, DCP, Crop Life Uganda, PSFU, Enterprise Uganda, NOGAMU	2,000.00	MAAIF
			b. Establish a system for bulking fertiliser demand from the farmer groups/cooperatives at sub-county, district and regional levels			200.00	
			c. Develop the capacity of the farmer groups/ organisations or cooperatives to negotiate and engage with traders (including fertiliser dealers) and other actors in the value chain e.g. the Village Agent Model.			110.00	
			d. Support infrastructural development for storage of inputs and outputs at the community level			20,000.00	
			e. Strengthen partnerships with agencies promoting profitable market access for agricultural produce and encourage value addition (including timely market information) as a driver for increased productivity and hence fertiliser use			140.00	
			f. Link organised farmer groups and cooperatives to credit services using group guarantees to enable them procure fertilisers and matching inputs e.g. improved seed			3,906.25	

Objectives	Priority Area	Intervention	Activities	Implementing agencies		Source of funding	
				Lead Partner	Collaborators	**Total Cost (UShs.mi)**	**MTEF vote**
		1.3. Target the resource poor farmers and increase their capacity in the uptake of fertiliser	a. Identify the poor resource farmers and extend to them a seed-grant in form of a voucher system that would guarantee access and use of fertilisers with minimal leakages and or abuse with a clear time-bound exit strategy	NAADS	Directorate of Extension services, LGs, MFPED, IRA, NGOs	150.00	MAAIF
			b. Use the Purchasing Power Support (PPS), procure identified fertilisers for each region, package and label them to restrict repackaging and re-sale that may distort the fertiliser market			4,687.50	
			c. Empower the community and farmer groups to manage and monitor the operationalisation of the PPS			23,250.00	
Objective 2: To strengthen capacity of suppliers to deliver fertilisers in the right quantity, quality, time and in a cost-effective manner;	**2. Increasing supply and distribution of quality fertilisers**	2.1. Reduce the cost of import and distribution of fertilisers and fertiliser materials	a. Organise the fertiliser importers to cooperate and collaborate with other importers in the EAC for bulk import of fertilisers	MTIC	UIA DCP, Private sector (UNADA, PSFU), LGs, Media, MoFPED (URA), PSFU, Crop Life, MAECA, MOFA	40.00	MTIC
			b. Provide data on fertiliser requirements per region based on aggregated demand			40.00	
			c Establish a credit facility and risk management fund for fertiliser importers, distributors/whole sellers to facilitate bulk import and distribution	BOU	MoFPED, DCP, UIA, Private sector (UNADA, Crop life), Finance/ Insurance institutions, Media, Africa Trade Insurance, Bank of Uganda, IRA, Uganda Insurers Association, Uganda Bankers Association	40,000.00	MoFPED

Objectives	Priority Area	Intervention	Activities	Implementing agencies		Source of funding	
				Lead Partner	Collaborators	Total Cost (UShs.mi)	MTEF vote
			d. Support wholesalers/distributors at zonal level for bulk transportation and distribution of fertilisers to the various regions and districts	MTIC	URA, LGs, Uganda Clearing & Forwarding Association	11,000.00	MTIC
			e. Develop business skills for various levels of fertiliser dealers to maximise profits from genuine business including processing reimbursements of the withholding tax among others	UIA	DCP, URA, finance and insurance institutions. PSFU, UIA Crop Life Uganda, Enterprise Uganda	1,216.00	MTIC
		2.2. Ensure quality and standards of fertiliser supply	a. Strengthen national associations of input suppliers for self-regulation of the private sector	DCP	PSFU, UIA, DCP, URA, finance and insurance institutions, Crop Life Uganda, UNADA, LGs, UNBS, IITA, IFPRI, IFDC, Enterprise Uganda	130.00	MAAIF
			b. Develop and implementing a technical capacity enhancement programme for the different levels of fertiliser actors focusing on soil fertility and fertiliser management; ICT applications for business and database management; communication; M&E and knowledge management e.g. market information, sourcing and utilisation			210.00	
		2.3. Initiate exploration and exploitation of local resources for in-country production of fertilisers	a. Develop investment plans for commercial production of various forms of fertilisers	UIA	MTIC, URA, finance and Insurance institutions, media, cultural leaders, LGs, PSFU, Ministry of Energy & Mineral Resources Development, NEMA	100.00	MTIC

Objectives	Priority Area	Intervention	Activities	Implementing agencies		Source of funding	
				Lead Partner	Collaborators	**Total Cost (UShs.mi)**	**MTEF vote**
			b. Attract private investors to undertake exploratory studies to establish potential for commercial exploitation fertiliser deposits			800.00	
			c. Promote mass production of local organic and bio fertilisers such as kitchen ash based fertilisers, composts from urban garbage, rhizobia and mychorrhiza			800.00	
Objective 3: To enhance regulatory and institutional capacity to ensure quality, environmentally safe supply and use of fertilisers to achieve sustainable productivity and production	**3. Creating conducive fertiliser business environment**	3.1. Strengthen the regulatory functions for the fertiliser system	a. Conduct a functional analysis and capacity needs assessment for the regulatory enforcement agencies and their capacities in the context of privatisation and decentralisation	DCP	MAAIF, Local Governments, UNBS, UNFFE and farmers' associations for fertiliser traders and importers, NEMA, MEACA, Manufacturers, MTIC	400.00	MAAIF
			b. Strengthen the Department of Crop Protection to oversee and coordinate implementation of the fertiliser strategy			1,760.00	
			c. Sensitise the public and publicise the mandates, roles and functions of the various actors in the fertiliser regulatory enforcement chain			250.00	
			d. Establish minimum standards and certification for importers, wholesalers/distributors and retailers including packaging			20.00	
			e. Develop and disseminate information, education and communication materials			400.00	
			f. Register all fertilisers, fertiliser dealers and fertiliser premises to foster enforcement of standards			100.00	
			g. Develop & maintain ICT databases of fertilisers, fertiliser dealers (importers, distributors and retailers) , fertiliser premises and market information at national and zonal levels (nodes) for monitoring & forecasting aggregated demand			260.00	

Objectives	Priority Area	Intervention	Activities	Implementing agencies		Source of funding	
				Lead Partner	Collaborators	Total Cost (UShs.mi)	MTEF vote
		3.2. Establish & operationalise regulatory support infrastructure and facilities	a. Establish boarder-post and strengthen zonal laboratories and national referral laboratory for fertiliser analysis	DCP	MAAIF, Local Governments, UNBS, Government Chemist, UNFFE and farmers' associations for fertiliser traders and importers e.g. UNADA, PSF, MTIC, manufacturers	1,800.00	MAAIF
			b. Equip and maintain the laboratories			6,070.00	
			c. Decentralise and simplify procedures for obtaining fertiliser trade documents e.g. licenses and import permits at district level.			300.00	
		3.3. Pursue favourable tax regimes and regional harmonisation of fertiliser related policies	a. Analyse the impact of existing tax regimes and tariffs on the importation, distribution and use of fertilisers	Agricultural Planning Department (APD)	URA, MoFPED, CSOs, SROs, MEAC, MOFA, MTIC, UNADA, PSFU, Crop Life Uganda, UIA, UBOS, Manufacturers	100.00	MAAIF
			b. Hold dialogue with MoFPED and URA with a view of providing tax incentives for investment in the fertiliser industry			20.00	
			c. Engage with relevant agencies such as ASARECA, IFPRI, IITA and CSOs to advocate for and pursue harmonisation of fertiliser related policies and regulations in the East African Community (EAC).			150.00	
			d. Engage with regional economic communities, EAC, SADC and COMESA to harmonise regulatory frameworks for fertilisers	DCP		300.00	

Objectives	Priority Area	Intervention	Activities	Implementing agencies		Source of funding	
				Lead Partner	Collaborators	**Total Cost (UShs.mi)**	**MTEF vote**
Objective 4: To effectively manage fertiliser related knowledge.	**4. Generating and managing Fertiliser knowledge**	4.1. Promote and support research on soil fertility management and fertiliser use	a. Develop and update a soil fertility map for Uganda to guide fertiliser applications	NARO	Directorate of Extension Services, IFDC, NEMA, Private sector (UNADA, Crop Life, USTA), DCP, NARS, Universities and other training institutions, UNFFE, LGs, UIA	2,500.00	MAAIF
			b. Develop and review fertiliser recommendations for different farming systems and enterprise combinations			208.00	
			c. Conduct research on fertiliser to support implementation of the strategy			1,525.00	
			d. Document and avail indigenous knowledge related to fertilisers			200.00	
			e. Consolidate existing knowledge in academic institutions and disseminate, and scale up	MAK		70.00	MoES
			f. Fuse research with Extension	Directorate of Extension services		410.00	MAAIF
			g. Conduct research in context of cropping systems	NARO		550.00	MAAIF
			h. Establish partnerships with private sector to allow mass production and popularization of the soil test kits	MTIC		150.00	MTIC
			i. Provide simple and affordable soil test kits at sub county level	NAADS		90.00	MAAIF
		4.2. Strengthen knowledge and technology dissemination pathways to promote fertiliser use	a. Reorient extension workers (public and private) outlets to enhance their abilities to provide reliable information/advice related to fertiliser	Directorate of Extension Services	NAADS, DCP, LG (DPM), UNFFE, NOGAMU, NGOs, Media, cultural institutions, religious institutions, District Farmers' Fora, Ministry of ICT, Telecommunication companies, UIA, MEACA, UBOS, URA, PSFU, UMA	1,216.00	MAAIF

Objectives	Priority Area	Intervention	Activities	Implementing agencies		Source of funding	
				Lead Partner	Collaborators	**Total Cost (UShs.mi)**	**MTEF vote**
			b. Establish and maintain a functional communication system that allows interaction between actors in the fertiliser industry (farmers, suppliers and regulators) while ensuring prompt response to concerns and challenges raised by different actors			500.00	
			c. Initiate and facilitate platforms for multi-stakeholder dialogue and exchange of ideas and opinions			500.00	
		4.3. Develop and implement a monitoring, evaluation and learning framework	a. Develop and implement a monitoring, evaluation and learning framework that continuously generates data on fertiliser use in Uganda and draws lessons learnt	APD	DCP, LG (DPM), UNFFE, NOGAMU, NGOs, Media, cultural institutions, religious institutions, District Farmers' Fora,	800.00	MAAIF
	Funds expected from the MTEF for MTIC (UIA Vote)					14,106.00	
	Funds expected from the MTEF for MoES					70.00	
	Funds expected from the MTEF for MoFPED					40,000.00	
	Funds expected from the MTEF for MAAIF					80,351.45	
	Grand total					134,527.45	

REPUBLIC OF UGANDA

MINISTRY OF AGRICULTURE ANIMAL INDUSTRY AND FISHERIES