REPORT OF THE SECTORAL COMMITTEE ON AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES ON THE IMPLEMENTATION OF THE OPERATION WEALTH CREATION PROGRAMME IN UGANDA.

OFFICE OF THE CLERK TO PARLIAMENT
PARLIAMENT BUILDING
KAMPALA-UGANDA

May 2017
1.0 INTRODUCTION

The Sectoral Committee on Agriculture, Animal Industry and Fisheries is mandated by Rule 177 of the Rules of Procedure of Parliament to oversee programmes and activities of Ministry of Agriculture, Animal Industry and Fisheries and report its findings to Parliament.

In accordance with the above rule, the Committee undertook a country wide assessment of the Operation Wealth Creation (OWC) programme in FY 2016/17 by visiting a number of sampled districts including Agago, Oyam, Nebbi, Kakumiro, Kyenjojo, Kabarole, Bududa, Kibuuku, Buvuma, Nakapiripirit, Soroti and Moroto.

2.0 BACKGROUND

Operation Wealth Creation was initiated as a Presidential directive on Heroes’ Day Celebrations of 9th June 2014, at which H.E the President decided to scrap National Agricultural Advisory Services (NAADS) coordinators and deploy soldiers to implement the NAADS programmes. Consequently, Cabinet made its approval on July 7, 2014 under minute number 186 (CT 2014). Under the directive of the responsible Minister, the Cabinet decision was implemented and over 300 Uganda Peoples’ Defence Forces (UPDF) Officers underwent induction training course in agriculture at Makerere University.

The aim of OWC was to cure the inefficiencies that had arisen in the NAADS program. H.E the President had commissioned a team of military officials to oversee the supply of inputs originally in areas that had supported the military/political struggles that liberated the Country and with veterans as first beneficiaries. This trial worked and hence the program was rolled out to cover the entire country and is now operational in all the over 112 districts of Uganda.
The overall goal of OWC is enhancing household participation in commercial agricultural production through community mobilization, equitable and timely distribution of inputs and facilitation of agricultural production chains. Focus was also aimed at reduction of subsistence farming by embarking on serious national socio-economic transformation of the Country.

**The specific objectives of OWC include:**

i. to mobilize the masses to engage in commercial agricultural activities to boost household incomes;

ii. to distribute production inputs equitably and timely to boost production and productivity at household level;

iii. to facilitate rural technological upgrading to allow smallholder farmers to transform themselves into small scale industrialists;

iv. to stimulate local and community enterprise development across the Country; and

v. to facilitate infrastructural development particularly in rural areas.

**Management of OWC**

The top most organ of the OWC is the Inter-Ministerial Working Committee chaired by the Minister for Presidency and comprised of the Ministries responsible for Agriculture, Finance, Water and Environment, Trade and Local Government. OWC is coordinated by the Senior Presidential Advisor on Defense and Security. He heads a team of directors at the headquarters in charge of inputs, low cost housing, value addition, pension among others. They coordinate all activities of the operation such as planning, evaluation, supervision, monitoring and evaluation.
Next in hierarchy are the Zonal Coordinators operating in 18 zones of Acholi, Ankole, Bugisu, Bukedi, Bunyoro, Busoga, Kampala, Karamoja, Kigezi, Lango, Madi, Masaka, Mengo, Mubende, Rwenzori, Sebei, Teso and West Nile.

The zonal coordinators oversee the activities of the constituency coordinators who, through participatory approach are supposed to work with the Local Government leadership and the population to identify relevant enterprises at the household level and coordinate with line Agencies and Departments to ensure socio-economic transformation in the entire country. They also monitor the systematic development interventions in physical infrastructure, service provision and Government welfare programs in their area of operation.

OWC also provides liaisons with Ministries, Agencies and Departments that are directly/indirectly involved in support of agricultural production chains. Some of these agencies include NARO, UIRI, Bank of Uganda, Post Bank, Uganda Coffee Development Authority (UCDA), Cotton Development Organisation (CDO), NAADS, National Animal Genetic Resource Centre and Data Bank (NAGRISCDB), National Forestry Authority (NFA), Uganda Investment Authority (UIA), Makerere University, Uganda National Roads Authority (UNRA), Uganda People’s Defence Forces (UPDF) among others. There have been a total of 17 liaison officers since inception in 2014.

According to their standing orders of procedure of OWC 2015, OWC Officers are also supposed to work hand in hand with District Agriculture and Production Officers. (See Annex 1).

3.0 METHODOLOGY

In coming up with this report the Committee;

i. Undertook field visits to Agago, Oyam, Nebbi, Kakumiro, Kyenjojo, Kabarole, Bududa, Kibuuku, Soroti, Buvuma, Nakapiripirit and Moroto districts.

iii. Held a meeting with Operation Wealth Creation Secretariat.

iv. Held public hearings in the respective districts.


vi. Held meetings with other Members of Parliament.

vii. Gathered views on Operation Wealth Creation Programme in meetings held with Civil Society Organisations and diplomats.

4.0 FINDINGS

The Committee gathered the following findings;

**Distribution and delivery of inputs:-**

i. Operation wealth creation distributes inputs late. Because of this, people do not pick them especially seedlings and they go to waste. For example when the Committee undertook the field visit to Agago, Oyam and Nebbi, it was informed that the inputs had been delivered late in September/October and were also planted late. The crops planted could not withstand the long dry spells that run from late November till March and ended up dying. The seeds are picked by a few people who eat them instead of planting them. This leads to wastage of time and resources.

The Committee was advised that planting materials should be delivered in March and in July and August only if the farmers are to gain maximum benefits from them.

ii. In some districts, the Committee was informed that some of the inputs are supplied when they are actually not among the priority enterprises of the district for example in Moroto and Nakapiripirit citrus and mango seedlings which were supplied were rejected. The people of Kabarole
District expressed the need to be supplied with seeds of other food crops apart from tea seedlings.

iii. There is no equity in distribution of inputs for example the people in the Central region are only given seeds and seedlings. They expressed the need to also be given cattle/heifers.

iv. The Committee was informed that People who had requested for cattle in Mubende district had been instructed to prepare for them, but there was delay the cattle were not delivered on time.

v. the Committee was informed that the citrus that is being supplied requires fertilizers and pesticides which are not provided. Due to lack of the pesticides, the citrus ends up being affected by pests.

vi. The Committee was informed that Alebtong had received a letter to supply cassava cuttings but the cuttings which the District had were very few. All the products that are grown are being supplied to schools leaving households without food. OWC was urged to support primary schools because they have land for farming.

vii. The inputs are delivered at Sub-Counties which are far for some people making it hard for them to pick them instead of being delivered at the parishes.

viii. The committee was informed that district headquarters where the seeds are delivered for testing and onward distribution to the beneficiaries have inadequate storage facilities. As a result, the seeds are stored under very poor conditions awaiting results of germination tests.

**Quantity and Quality of inputs supplied:-**

ix. The quantity supplied is usually small and sometimes not the quality that is needed by the beneficiaries. On a field visit to Kalitha Farm in Kabarole district, the Committee was informed that the previous year, the farm had received 50 apple seedlings, 70 orange seedlings and 30 mango seedlings. They had however wanted about 500 apple seedlings.
because apples have ready market. The heifers distributed are not in calf as per the requirements.
x. The Committee was informed that some of the seeds supplied did not germinate and farmers get very small quantities yet they move long distances to pick the seeds.
xi. Poor quality of some of the inputs supplied; some of the inputs supplied by OWC are of poor quality for example when the Committee visited Agago, Oyam and Nebbi, they were informed that beans and maize performed poorly even after passing the germination test. They started yellowing and withering after germination. Mangoes and citrus seedlings were not well hardened by the time they were supplied and the cassava cuttings were poorly packed.

xii. Most of the suppliers of seeds and seedlings do not own nurseries. They buy from uncertified nursery operators and end up compromising the quality to meet the demand.

**Extension services:-**

xiii. Operation Wealth Creation programme does not offer extension services. The few available extension workers are not involved at all in some districts for example in Agago, the district agriculture staff and extension workers were not involved at all. The farmers are given inputs without proper knowledge on how to take care of them.

xiv. OWC supplies cattle/heifers without offering any technical guidance on how to take care of them and many end up dying. The history of the heifers supplied is not availed to the farmers, besides OWC does not put into consideration the climatic conditions of the areas where they are being taken and they end up dying.

xv. Extension workers are not on the ground because they are very few and not facilitated yet the inputs supplied must be supported by advisory services in order to benefit the farmers fully.
Mismatch of priorities:-

xvi. OWC emphasizes the supply of tea, coffee, citrus and mango seedlings which take long to mature yet people need food. For example the people in Tooro Sub-region informed the Committee that they plant seasonal crops such as Irish potatoes, beans and onion and these are not supplied under the OWC programme.

xvii. People are not given pesticides yet they are among the urgent requirements.

xviii. OWC emphasizes animal and crop husbandry with less emphasis on fisheries.

Consultation and coordination of the stakeholders:-

xix. Some people complained that OWC “dumps” agricultural inputs that are not required by the beneficiaries for example the people of Nakaseke complained that they are given too many mangoes and oranges yet they would prefer food crops like maize and beans instead.

xx. OWC uses the top bottom approach. People are not consulted before supplying therefore people are sometimes given what they do not need for example people in Kubuku district complained that they were given the variety of mangoes that they did not need.

xxi. The Committee was informed that there was no communication of input advice slips by NAADS Secretariat leaving the district leadership without information on what to receive. This causes the district leadership to be inadequately prepared to receive and distribute the inputs at the time of delivery. Besides, the dates of delivery of inputs are not communicated and it becomes difficult to mobilise farmers on when and where to pick the inputs.
xxii. OWC supplies inputs without informing the district leadership making it difficult for them to plan how to store and distribute the inputs.

**Conduct of OWC Staff:-**

xxiii. In a meeting held with other Members of Parliament (MPs), some MPs were concerned that OWC staff had “commanded” MPs to facilitate people to attend training in Masindi which is outside their mandate.

xxiv. Some of the OWC staff are involving themselves in politics and are indisciplined and rude to people.

**Monitoring:-**

xxv. OWC does not monitor the performance of the inputs distributed. This leaves the programme without data on which it can base the supply of inputs in future.

**Sustainability:-**

xxvi. In meetings held with civil society organizations and diplomats, the Committee was informed that the OWC programme is not sustainable and should therefore be stopped since it would serve to encourage a dependency syndrome among Ugandans. It was also noted that people do not attach value to free things and may not take good care of them compared to the ones for which they pay some money.

5.0 CHALLENGES OF THE OWC PROGRAMME

The Committee was informed that OWC has the following challenges;

i. People ask for inputs and when they are supplied at collection centers, they do not pick them in time and sometimes they do not pick them at all and they end up going to waste. This leads to wastage of time and resources.
ii. The procurement of the inputs takes a long time because of the bureaucracy in the system. Procurement is done by the NAADS Secretariat and is not directly done by the OWC Secretariat. Due to this, seed stock and animal breeding stock are sometimes distributed late.

iii. Weak inter-ministerial and sectorial linkages. Although H.E the president in October 2014 directed that an inter-ministerial working committee among ministries of agriculture, finance, water and environment, trade, industry and cooperatives works proactively with the overall Commander of OWC to implement pertinent interventions that fall under the jurisdiction of the respective ministries, this has not materialized.

iv. Some of the beneficiaries of the inputs supplied under OWC do not attach value to them and do not therefore take good care of them leading to wastage of time and resources.

v. The programme has received bad publicity from some people who believe that it should not be managed by the UPDF since they do not have technical skills in agriculture. They believe that it should be managed by skilled agriculturalists who can offer technical guidance while supplying the inputs.

vi. Lack of local nurseries in most parts of the country. Due to this, the inputs are procured far from the beneficiaries and the distance travelled to deliver the inputs is very long. Besides, the companies which are contracted to supply the inputs are also sub contracting the small farmers to supply to them. This compromises the quality of inputs supplied.
vii. Operation Wealth Creation has few suppliers of inputs (20 in total) and this causes delays in supplying and delivering the inputs. Besides, they lack capacity and deliver inputs in piece meals hence delaying the processes of verification, distribution, and processing of the requisite documentation. Taking seedlings from one place across the country also promotes the spread of pests and diseases.

6.0 OBSERVATIONS AND RECOMMENDATIONS.

i. The Committee observed that OWC took up most of the roles that were being played by NAADS which is a body established by an Act of Parliament. However, OWC is operating without a proper legal framework and is only guided by Standing Orders of Procedure.

The Committee recommends that Government puts in place a legal framework for implementing the Operation Wealth Creation Programme.

ii. The Committee observed that the inputs supplied under the OWC Programme are sometimes substandard and not the type required by the farmers.

The Committee recommends that OWC should emphasise quality when procuring inputs to be supplied to farmers and that the inputs supplied should be in tandem with the demands of farmers.

The Committee recommends that Ministry of Agriculture, Animal Industry and Fisheries and district Local Governments carry out
proper needs assessment/ enterprise selection so that supply of inputs is demand driven to minimize wastage of resources.

iii. The Committee observed that though OWC programme is helping farmers by supplying them with inputs especially planting materials, it does not offer extension services. The extension workers under the Ministry are few and not facilitated to carry out their work hence leaving farmers with no technical guidance on how to maintain their crops and animals and also without knowledge of agribusiness and market information.

The Committee was informed by the Ministry of Agriculture, Animal Industry and Fisheries that extension workers were being recruited.

The Committee therefore recommends that the Ministry recruits at least three extension workers for each sub county.

The Committee further recommends that the Ministry facilitates the existing extension workers adequately to enable them carry out their work.

iv. The Committee observed that the inputs are supplied late and due to this, most farmers end up not picking them resulting into wastage of time and resources.

The Committee recommends that Ministry of Finance, Planning and Economic Development ensures timely release of funds and Ministry of Agriculture, Animal Industry and Fisheries ensures timely procurement of inputs and mobilisation of beneficiaries prior to the planting season.
v. The Committee observed that the sector is not adequately inspecting the distribution of agro inputs and thus not able to ensure that there is value for money.

The Committee recommends that Ministry of Agriculture, Animal Industry and Fisheries supports a robust inspection and monitoring system in order to ensure value for money in supply of seedlings and other inputs.

vi. The Committee further observed that the current design for procurement and supply of seed stock and animal breeding stock is not appropriate.

The Committee recommends that Government sets up new procedures for the procurement of agricultural inputs especially seeds and seedlings since these are perishables and have a limited time span and are needed at a specific time.

vii. The Committee observed that people are provided with agricultural inputs like planting materials and animal breeding stock but are also in need of pesticides, herbicides, fertilizers and irrigation equipment for proper management.

The Committee recommends that Government subsidises planting materials, pesticides and other inputs to enable the beneficiaries maintain their farms and achieve maximum benefits from them.

viii. The Committee observed that OWC transports inputs from one part of the country to another. This leads to transfer of pests, diseases; wastage of time and resources. It also poses difficulties in verifying the quality of inputs. The Committee further observed that OWC has only
20 suppliers in the whole country and these are not enough which causes delays in supplying and delivering inputs.

The Committee recommends that the local people should be mobilized to set up nurseries in all districts to enable fast and safe distribution of inputs.

The Committee recommends that procurement of the seed stock should be localized.

The Committee further recommends that OWC works with the local people by venturing into Public Private Partnerships and enhance their productivity and supply inputs to the public through legally registered organized groups since they are easy to monitor.

The Committee observed that cereals and pulses are considered strategic cash and food crops. This is because they provide a solid base for food security and also have a great potential for boosting exports.

The Committee recommends that funding and supply of seeds of cereals and pulses under OWC should be prioritised and also the aspect of value addition.

The Committee observed that though the OWC programme has very good intentions of fighting poverty and steering the country to a middle income status, giving free inputs to farmers is not sustainable and will in the long run breed a dependency syndrome. Besides, some of the people do not attach value to the inputs which are given freely.

The Committee recommends that instead of giving people free inputs, they should instead be subsidised under the e-voucher
subsidy programme and offered to farmers at a low price so that farmers can value them and take good care of them.

xi. The Committee further noted that most of the farmers lack storage facilities and when they harvest, they sell all of the produce leading to lack of food for consumption in the future and seeds for planting in the next season.

The Committee recommends that the Government revitalizes cooperative societies and sets up silos for storage of the agricultural produce to insure the country against famine and stabilise prices.

The Committee further recommends that the Ministry of Agriculture, Animal Industry and Fisheries promotes the importance of storing food and trains farmers on best practices of post harvest handling.

xii. The Committee further observed that local leaders at the district and sub county level are not consulted, neither are they involved in distribution of the inputs to their constituencies and areas. The involvement of the leaders would ease distribution of the inputs by them making sure that the right beneficiaries are given the right inputs; the inputs are picked on time and also help in disseminating important information to the beneficiaries.

The Committee recommends that OWC involves the local leadership right from the grassroots for proper coordination and distribution of the inputs.

xiii. The Committee observed that some suppliers of the inputs distributed under Operation Wealth Creation supply poor quality inputs, besides they sometimes supply grains instead of seeds hence the inability of the inputs to germinate.
The Committee recommends that seed companies should be certified and that there should be follow up with beneficiaries after the seeds have been delivered to verify the quality of the inputs supplied.

The Committee recommends that Government should punish suppliers who deliver poor quality inputs as per the Public Procurement and Disposal of Public Assets guidelines.

xiv. The Committee noted that Operation Wealth Creation Programme is not doing enough to support fisheries.

The Committee recommends that Government through OWC should support capture fisheries by distributing legal fishing gears and fish feeds to the local fishermen.
7.0 Conclusion

The Committee appreciates the work being done by the Government through Operation Wealth Programme in its efforts to reduce poverty, increase household incomes and improve the economy. However, there are many gaps and a lot needs to be done to improve the programme if Uganda is to achieve a middle income status by 2020.

Rt. Hon. Speaker and Hon. Members, I beg to report.
# REPORT OF THE COMMITTEE ON AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES ON THE IMPLEMENTATION OF THE OPERATION WEALTH CREATION PROGRAMME IN UGANDA.

<table>
<thead>
<tr>
<th>NO</th>
<th>NAME</th>
<th>PARTY</th>
<th>SIGNATURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Hon. Lowila Oketayot</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Hon. Migadde Robert,</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Hon. Akugizibwe Lawrence</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Hon. Kabagenyi Rose</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Hon. Bintu Jalia Lukum N</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Hon. Birungi Carolyn N</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Hon. Chemutai Everlyn</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Hon. Katushabe Ruth</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Hon. Kaahwa Tophace B</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Hon. Kakooza Joseph</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Hon. Khainza Justine</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Hon. Kusasira Peace</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Hon. Lokoru Albert</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Hon. Elotu Cosmas</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Name</td>
<td>Party</td>
<td></td>
</tr>
<tr>
<td>----</td>
<td>-------------------------------------------</td>
<td>---------</td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>Hon. Rwabwogo Sylvia</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Hon. Taaka Agnes Wejululi</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Hon. Aol Jacqueline Rama</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>Hon. Sekindi Aisha</td>
<td>NRM</td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>Hon. Prof. Ogenga Latigo</td>
<td>FDC</td>
<td></td>
</tr>
<tr>
<td>21.</td>
<td>Hon. Mukasa Julius Opondo</td>
<td>Indep</td>
<td></td>
</tr>
<tr>
<td>22.</td>
<td>Hon. Eitungananane Esiangu Kenneth</td>
<td>Indep</td>
<td></td>
</tr>
<tr>
<td>23.</td>
<td>Hon. Andrew Kiiza Kaluya</td>
<td>Indep</td>
<td></td>
</tr>
<tr>
<td>24.</td>
<td>Hon. Watenga Godfrey Nabutanyi</td>
<td>Indep</td>
<td></td>
</tr>
<tr>
<td>25.</td>
<td>Hon. Okin PP Ojara</td>
<td>Indep</td>
<td></td>
</tr>
<tr>
<td>26.</td>
<td>Hon. Alum Santa Sandra</td>
<td>UPC</td>
<td></td>
</tr>
<tr>
<td>27.</td>
<td>Hon. Veronica Nanyondo Namaganda</td>
<td>DP</td>
<td></td>
</tr>
<tr>
<td>28.</td>
<td>Hon. Gonahasa Francis</td>
<td>FDC</td>
<td></td>
</tr>
<tr>
<td>29.</td>
<td>Hon. Muhindo Tonny Harold</td>
<td>FDC</td>
<td></td>
</tr>
</tbody>
</table>
6.0 OWC Administrative and Operations Structure

ii. Office of the Prime Minister, (Luwero Triangle, Bunyoro, Karamoja, Teso, Northern Uganda and others);
iii. Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) and her agencies;

5.2 District Level:
   i. Resident District Commissioner (RDC);
   ii. District Internal Security Officer (DISO);
   iii. DLG Council;
   iv. Chief Administration Officer (CAO);
   v. District Production and Marketing Department;
   vi. Constituency Operation Wealth Creation Officers (OWC Officers);
   vii. District Farmers Fora;

5.3 Sub-county Level:
   i. Sub-county Chairpersons and council;
   ii. Sub-county chief (Assistant Secretary);
   iii. GISO;
   iv. Parish chiefs;
   v. Farmers' representatives;
   vi. Subject matter Specialists (Agricultural/Veterinary Extension Officers).