The changing face of NAADS and what the entry of Uganda People’s Defense Forces will mean for Uganda’s agriculture

Morrison Rwakakamba¹ and Daniel Lukwago²

Introduction

Despite the importance of agriculture to Uganda’s economy, the sector’s performance has not been impressive in recent years. Whereas the industrial and services sectors have in some years hit a 10 percent growth rate, the growth in the agriculture sector has consistently remained largely in reserve gear. Real growth rate in agricultural output declined from 7.9 percent in 2000/01 (MAAIF, 2010³) to 1.3 percent in 2012/13 (MFPED, 2014a⁴).

Agriculture in Uganda is dominated by small holder farmers who occupy the majority of land and produce most of the crop and livestock products. The key long-standing challenge of the small holder farmers is low productivity stemming from the lack of access to markets, credit, and technology. Most small holder operations occur in farming systems with the family as the centre of planning, decision-making and implementation, operating within a network of relations at the community level (AfDB, 2010).

Agricultural extension is currently surrounded by uncertainties and ambiguities. The current impasse in the National Agriculture Advisory Services (NAADS) is killing the agriculture extension in Uganda. As we speak now, agricultural extension in Uganda is at a cross-road. There is not clear policy on how extension services should be implemented in Uganda.

It is the contention of this paper that for the army to partake into grand advisory and extension services, there is no precedent and this should particularly take a second tier – Uganda Peoples Defense Forces (UPDF) should therefore spend about 10 years at production and farm inputs logistics before transitioning to backstopping extension/advisory services in Uganda.

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³ Agricultural Sector Development Strategy & Investment Plan (DSIP) : 2010/11 - 2014/15

⁴ Background to the Budget 2014/15 Fiscal Year
National Agricultural Advisory Services (NAADS)
The NAADS programme was put in place by an Act of Parliament in 2001 as one of the seven pillars of the Plan for Modernization of Agriculture. The primary mandate of NAADS was to provide advisory services that would enable farmers increase total factor productivity. NAADS programme has a vision for 25 years with 7 years for its first phase covering the financial period from 2001/2002 through 2007/2008 (NAADS, 2013⁵).

The NAADS is under the second phase of implementation. Phase II of the NAADS programme supports activities to increase farmers’ access to productivity-enhancing agricultural technologies, knowledge and technical advice for increased productivity and profitability; value addition and enhancing market linkage in order to fast track commercialization of agriculture (NAADS, 2013⁶). These activities are promoted through the Agricultural Technology and Agribusiness Advisory Services (ATAAS) project under components of enhancing partnerships between agricultural research, advisory services, and other stakeholders; strengthening the NAADS; and supporting agribusiness services and market linkages.

The NAADS programme funding is through ‘basket funding’, arrangement where donors through earmarked budget support and the Uganda Government contribute into a common ‘basket ‘under the Government Consolidated Fund. The program is divided into two phases: The first phase of the programme was estimated to cost about US$108 million from four sources of funding (Government of Uganda, Co-operating Partners⁷, Participating Local Governments, and Participating Farmers). Co-operating Partners contributed 80 percent of NAADS budget, Government of Uganda 8 percent, Local Governments 10 percent and Farmers 2 percent. The second phase of NAADS and National Agricultural Research Organisation (NARO) under the Agricultural Technology and Agribusiness Advisory Services (ATAAS) project is estimated to cost US$ 665.5 million from four sources of funding for a 5 year period. The Government of Uganda will provide US$ 497.3 million (75%), the World Bank (International Development Association - IDA) US $120.0 million; the Global Environment Facility (GEF) US $7.2 million and DANIDA, the European Union (EU), and the International Fund for Agricultural Development (IFAD) US$ 41.0 million (Table 1). Given their big stake in the programme, co-operating partners (donors) have had influence on implementation plans and financial management of the NAADS programme.

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⁵ [http://www.naads.or.ug/data/sdmenu/21/NAADS%20PHASE%20I%20Funding.html](http://www.naads.or.ug/data/sdmenu/21/NAADS%20PHASE%20I%20Funding.html)


⁷ International Development Association (IDA), International Fund for Agricultural Development (IFAD), European Union (EU), Department for International Development (DFID), Netherlands International Assistance, Irish Aid, and DANIDA
Table 1: ATAAS Financing Plan (US$m)

<table>
<thead>
<tr>
<th>Source</th>
<th>Local</th>
<th>Foreign</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government of Uganda</td>
<td>497.3</td>
<td>0.0</td>
<td>497.3</td>
</tr>
<tr>
<td>International Development Association (IDA)</td>
<td>46.1</td>
<td>73.9</td>
<td>120.0</td>
</tr>
<tr>
<td>Global Environment Facility (GEF)</td>
<td>5.1</td>
<td>2.1</td>
<td>7.2</td>
</tr>
<tr>
<td>DANIDA, EU, and IFAD</td>
<td>15.8</td>
<td>25.2</td>
<td>41.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>564.3</strong></td>
<td><strong>101.2</strong></td>
<td><strong>665.5</strong></td>
</tr>
</tbody>
</table>

Source: NAADS Secretariat

The institutional framework for the implementation of NAADS programme consists of institutions as defined in the NAADS Act, June 2001. These institutions are: Farmer Institutions, Local Governments, Private Sector, NGOs, the NAADS Board, NAADS Secretariat, the MFPED, and MAAIF. Local governments are charged with the responsibility of implementing NAADS activities in their respective districts. They are responsible for policy, assessment of effectiveness and general oversight of NAADS activities and for voting of counterpart financial contributions. The NAADS Secretariat is responsible for providing technical guidance and operational oversight to programme implementation and facilitate outreach and impact. Thus, the NAADS funds are distributed as follows: NAADS Secretariat 13%, Districts 12%, and Sub-county Level 75% (Table 2).

Table 1.2: NAADS Financial allocation

<table>
<thead>
<tr>
<th>Institution</th>
<th>Financial Allocation</th>
<th>Activities catered for</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAADS Secretariat</td>
<td>Not more than 13%</td>
<td>National Co-ordination and supervision by the NAADS Board and Secretariat</td>
</tr>
<tr>
<td>District Level Activities</td>
<td>Not more than 12%</td>
<td>District Co-ordination, quality assurance, de-layering and district wide technology development</td>
</tr>
<tr>
<td>Sub-counties</td>
<td>Over 75%</td>
<td>Contracting of service providers, technology development, and capacity building in participatory planning, monitoring and evaluation.</td>
</tr>
</tbody>
</table>

Source: NAADS Website: [http://www.naads.or.ug/funding/naads-phase-i-funding/](http://www.naads.or.ug/funding/naads-phase-i-funding/)

Evolution and challenges of agricultural extension in Uganda

Over the last two decades, the Ugandan Government has used various policy approaches and practices on agricultural extension, largely influenced by the political priorities of the time. The extension approaches during the 1980s and early 1990s centered around projects, with lots of duplication and confusion. The late 1990s saw a change of strategy towards a unified extension approach aimed at integrating and harmonizing the use of scarce resources. Government was a key player in providing extension services (Lukwago, 2010).

The introduction of NAADS in 2001, extension services changed from a government-run service and introduced a partly-privatized system of ‘demand-driven’ services that were to be provided by private sector suppliers in order to promote the commercialization of agriculture (Action Aid, 2010). Again in 2007/08, government again restructured NAADS. It decided that government officers would again play the main role in service provision, alongside private sector providers. At the same time, it began providing inputs (such as livestock) at supposedly lower prices to farmers as part of the NAADS package (Action Aid, 2010).
Though the successes of NAADS were contested, two major independent evaluations by Information Training and Agricultural Development (ITAD, 2007) and International Food Policy Research Institute (IFPRI, 2007) described the program as successful. The early success of the NAADS can be attributed to the fact that there was no apparent contradiction between the political agenda and the technocratic agenda (Lukwago, 2010). Both politicians and technocrats have different expectations of NAADS. The un-harmonized expectations between technocrats and politicians dented the little success NAADS registered in the beginning.

The NAADS was hijacked by the politicians. NAADS become a political project and its guiding principles were orientated towards political machinations. The impromptu intervention and suspension of the NAADS programme by the President in recent years\(^8\) caused a lot of inefficiencies in the implementation of the programme. In the 2014/15 Ministry of Finance budget call circular\(^9\), the Ugandan Government decided to restructure agricultural extension through implementing a unified (single spine) agricultural extension system and transferring the extension function back to the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) from NAADS Secretariat.

Before the policy makers finalized how the mechanisms for the implementation of the unified (single spine) agricultural extension system especially deal with the legal issues, the President directed that the NAADS programme to be implemented by the army (Uganda People’s Defence Forces –UPDF). During the Heroes day celebrations in Mityana district, on 9\(^{th}\) June, 2014, President Museveni said that he is going to scrap NAADS Coordinators and deploy soldiers to implement NAADS. Consequently, Cabinet made its approval on July 7 in minute number 186 (CT 2014). Agriculture, Animal Industry and Fisheries Minister Bright Rwamirama, directed the Ministry Permanent Secretary and the NAADS Executive to implement the Cabinet decision. So far over 300 UPDF officers have been completed induction training course in agriculture at Makerere University\(^10\).

\(^8\) The New Vision of September, 2007 stated that President Museveni had suspended NAADs funding until Cabinet decides on the way forward. This led to high level discussions among donors and technocrats and politicians, where an agreement was reached to continue the funding.

\(^9\) MFPED (2013), First Budget Call Circular for the FY 2014/15, 22\(^{nd}\) October 2013

However, the use of the army in NAADS implementation has generated mixed reactions both in the policy making circles and the public. Though some support the army as the best institution to do so\textsuperscript{11}, others contend that the army does not have expertise to do so and it’s against the NAADS act, 2001. To this extent some Ugandan (Daniel Byaruhanga) petitioned the civil division of the High Court challenging the incorporation UPDF soldiers with in the NAADS program. He contends that the process is tainted with illegalities, and not backed by a legal instrument\textsuperscript{12}. Some key Opposition Political Parties have warned that militarization of NAADS is not good for agricultural extension in Uganda\textsuperscript{13}.

However, analysts such as Morrison Rwakakamba have argued that Uganda Peoples Defense Forces (UPDF) should engage into grand and large scale production instead of taking over roles of institutional advisory and extension services. With the success of Wazalendo Savings and Credit Cooperative Society (SACCO), UPDF has the pedigree to partake mass production (and value addition) and contribute massively to food security in Uganda\textsuperscript{14}. From Byzantine times, the role of the armies in food production is a historic duty (constitutes human security). This historic duty results because food security is possibly the first line of comprehensive peace and security of any country. Countries like Russia don’t have food silos, but rather keep food and cereal vaults that can feed the population for more than 10 years in an event of crisis. With successful entry of UPDF, Uganda will no longer need World Food Program and other “armies of salvation” to feed Ugandans. The other important advantage is the infusion of the historical role of the Army in high end innovations\textsuperscript{15}.

\textsuperscript{11} http://mobile.monitor.co.ug/Oped/Use-of-military-in-civil-sectors-is-not-a-strange-phenomenon/-/691272/2848470/-/format/xhtml/-/subjvez/-/index.html

\textsuperscript{12} http://www.newvision.co.ug/news/659064-court-asked-to-block-army-from-naads.html

\textsuperscript{13} http://www.nbs.ug/details.php?option=acat&a=5885#.VAaH_qOtwfU

\textsuperscript{14} http://www.independent.co.ug/column/opinion/5936-budget-updf-modernise-agriculture

\textsuperscript{15} ibid
All over the World, armies have led agile innovations through their corporate military research strategies; from the most sophisticated planes, software and hardware engineering, geo engineering etc. For instance, weather modification in the US was seen as a way to increase crop yields (and thus profits), and was kicked off by Project Cirrus, a "cooperative research investigation in cloud physics sponsored by the Signal Corps and the Office of Naval Research, in consultation with General Electric Company" (Stark, 1957: 702). By focusing on production, the UPDF cooperate with agencies like Uganda Industrial Research Institute, National Agriculture Research Organization etc. to invest in innovations that can stimulate new farming knowledge, value addition and thus strengthen the position of Uganda agro-competitiveness in the region. Therefore private sector, Uganda National Farmers Federation, The Parliament of Uganda and Executive should support the UPDF.

**Major Criticisms / Challenges of NAADS**

In series of Meetings with farmers conducted by Agency for Transformation in partnership with Mityana and Mubende district farmers' associations under the Governance Accountability Performance and Participation (GAPP) program supported by United States Agency for International Development (USAID) through Research Triangle International (RTI)- farmers pointed out a number of criticisms, opportunities and teased out major recommendations. The major issues are;

*Low funding amidst high expectations from both politicians and communities:* Though there has been a gradual increase in budget allocation to NAADS from Shs 139 billion in 2009/10 to Shs 208.2 billion in 2014/15; which is about 44 percent of total agricultural sector budget (Shs 474 billion) (MFPED, 2014b). However, with the increase in the number of local government, the NAADS budget has continuously declined yet the number of beneficiaries has increased. Consequently, the amount of inputs provided to farmers had shrunk each year, and could not meet the growing demand. Consequently, the amount of money released to sub counties is inadequate to meet the peoples’ expectations and demands (see Figures 1 & 2). The increasing number of beneficiaries and the categorization of farmers for support have made it very difficult to effectively implement the programme. The amount of funds or its equivalency that the beneficiaries receive is inadequate to enhance their agricultural productivity. Besides being inadequate the releases sometime delay, which affects the implementation of planned activities.

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16 Of which 35% (72 billion) is spent by the NAADS Secretariat.

17 Draft Estimates of Revenue and Expenditure (Recurrent and Development) FY 2014/15

18 at least 100 farmers are supposed to be selected per parish

19 There are three categories of farmers; i) food security farmers, ii) the market-oriented farmers and iii) commercialization farmers.
Fig 1: Mubende District: Sub County Budget performance in Agricultural Sectors
To make matters worse, NAADS funding has crowded-out budget allocation for agriculture at Local Government levels. NAADS is seen by policymakers and politicians as a ‘silver bullet’ for addressing agricultural constraints faced by farmers. As such over 90 percent of central government releases to local government for agriculture are NAADS funds. A study by FOWODE in 2013, noted that most local governments allocate less of their own funds to agriculture, reasoning that agriculture is well-funded under NAADS, and that there is no need for more funds to the sector.

Fig 2: Mityana District: Sub County Budget performance in Agricultural Sectors
Continued and unpredictable changes on the NAADS guidelines: NAADS guidelines continue to change with minimal consultation with the implementers and beneficiaries. The NAADS programme is viewed as a “top-down rather than a bottom-up” programme. This affects the stakeholders’ ability to internalize the programme especially among the beneficiary farmers.

Inadequate staffing levels: Failure to have adequate extension staff has crippled the implementation of NAADS programme and agricultural extension in general. Sub-counties lack extension staff; on average each sub county has two extension staff (one NAADS coordinator and one extension staff). Lack of extension staff of sub-county levels means majority of the farmers are losing out on the critical knowledge for improving their productivity.

Weakness in the selection of enterprises: The selection of enterprises is based on guidelines developed by the NAADS Secretariat and disseminated to all districts and sub-counties. However, there are several challenges with the manner in which priority enterprises are selected in the respective sub-counties. The zoning method used by NAADS makes it hard for farmers to choose the enterprises they prefer or which they can easily manage. The “one size fit all” enterprise selection does not address gender peculiar needs and preferences and has precipitated gender insensitive implementation of NAADS activities. This particular challenge was also highlighted in a study done by Forum for Women in Democracy in 2013.

Politicization of the selection of beneficiaries: All politicians at local government level want to be associated with NAADS in one way or the other, given the fact that it is the only government programme which provides direct support to people. In addition, the presence of politicians (i.e ruling party Chairperson) on most of the NAADS selection committees skewed the selection towards political gains.

Poor coordination and follow-up: The implementation of the programme is bogged by poor coordination between the preparation for the technologies by beneficiaries and the delivery of technologies by service providers (suppliers). Sometimes beneficiaries receive technologies when they are not ready or the beneficiaries are prepared/ready but the suppliers take long to supply the enterprises, thereby discouraging the farmers from utilizing them. In addition, there is minimal or no follow-up support in form of extension services by the extension staff, which affects their productivity.

Poor ownership of the programme: Most beneficiaries, especially food security farmers, don’t own projects, sell-off inputs, don’t care about inputs provided to them, which undermines the sustainability of the programme. This is partly due to low level of participation in decision making especially on enterprise selection and lack of cost-funding mechanisms. However, a number of farmers in Mityana, noted that participation and contribution to government programmes increase ownership and sustainability.

Corruption and misuse of funds: Issues of corruption and other financial irregularities in the implementation of NAADS programme are commonplace in the media. For example, the Auditor General’s report of 2008 reveals that only 37.1 percent of the total money spent on NAADS may be considered as useful expenditure (Auditor General 2008). Spending without results is a loss for farmers and Ugandan tax payers in general. In addition, weak community
participation in decisions over how funds are allocated, suggests that local political leaders and technicians have the major influence over funds, fueling corruption and misuse of resources.

*Weakness in community procurement:* Community-based procurement was introduced in 2008 with the aim of ensuring value for money without compromising quality, promoting transparency, deepening farmer empowerment and minimizing bureaucracy for timely availability of inputs. Though a very good idea, community procurement has a lot of hidden costs such as connivance between parish procurement committees and suppliers to supply “air” or sub-standard inputs; improper timing of procurement and delivery of inputs. This is compounded by the fact that majority of the members of the Parish Procurement Committee members are illiterate, and despite the training they undergo, they are manipulated by the service providers who sometimes give them bribes to influence their work.

**Importance of NAADS to small-scale farmers in Uganda**

Agriculture extension is a critical component of agriculture development. It helps to bridge the gap between the farmer and source of knowledge required to improve productivity. Often such knowledge is generated from research institutions and universities or even from farmers’ own indigenous knowledge and then transferred through extension services to those farmers who lack such information (Namara, R. B, 2009).

A key investment area to support technology generation and dissemination is agricultural research and technology development (R&D) and extension. Previous research in Uganda by Fan, Zhang and Rao (2004), confirms that public spending on agricultural advisory services and research has the highest return to labor productivity and poverty reduction. However, the weak interface between research, extension, and farmers result in limited capacity of farmers to drive the research, technology generation, and development agendas, and it limits access to new knowledge and technologies. In addition to the problems of access to quality/affordable inputs and markets, Ugandan farmers still lack the capacity to participate in the value chain and that there are still information asymmetries and poor inter-linkages between key players along the value chain (MAAIF, 2011).

The NAADS programme is one of the most visible government programmes at community level. Agency for Transformation activity reports in Mityana and Mubende showed that most people know the NAADS programme and the programme was making a difference for those who are serious, especially market oriented and commercial farmers. It was also noted that farmers’ needs are reflected in the NAADS programme, since they participate in village farmers’ fora, elect beneficiaries, identify the enterprises and needs. Although a section of farmers argued that farmer mobilization and participation role should have been ceded to farmer owned associations under the National Farmers Federation.
How to re-orient NAADS to benefit small-scale farmers: Farmers views from Mityana and Mubende Districts

- There is need for government (especially MAAIF) to review the current regulatory, policy and legal framework within which the agricultural extension service delivery system currently operates, with the aim of guiding implementation of the agricultural extension programs in Uganda. MAAIF needs to develop a comprehensive agricultural extension policy to guide implementation of agricultural extension programs at national and local government levels.

- Government needs to reconsider provision of free inputs, and instead invest in collective public goods such as seed multiplication, fertilizers, and provision of tractors / ox-ploughs at sub county levels to benefit the entire farming community. This will improve the programme impact and address some of the negative externalities which cannot be addressed using the current approach.

- Government needs to recruit more extension staff at the sub county level in a bid to address the inadequate staffing. NAADS Coordinators and Agricultural Advisory Service Providers (AASPs) need to be absorbed into the traditional local government extension staff structures that are less costly to pay (remuneration). In addition, the extension staff needs to be facilitated to effectively do their work.

- Government should substantially increase NAADS funding in line with the increasing demand and expectations at the local government levels. In addition, more funds should be allocated for collective public goods provision and community level activities especially farmers’ follow-up and monitoring.

- Use oil revenues to increase funding to extension services and also capitalize the Uganda Development Bank and establish a farmers’ bank to push down interest rates for small holder farmers and small scale and medium enterprises to easily access agricultural credit.

- The selection of enterprises to be supported by NAADS should not only be based on the zoning approach or profitability alone, efforts should be made to assess their impact on food and nutrition security, youth involvement, gender such as women’s time use, its cost, and appropriateness.

- The role the army in agriculture should be limited to production and a clear policy should be put in place to phase their transition into public extension. Rather the single spine extension system at the MAAIF and local governments should be expeditiously implemented.

- Coffee wilt resistant varieties that were developed by National Agricultural Research Organisation (NARO) at Kituza have not been multiplied and distributed country wide due to lack of funding yet the same disease continues to terrorize coffee shambas day in day out. Therefore NAADS should work closely with NARO, and other research firms to provide producers with resilient seed, breeds and other planting materials. These resistant
and high yielding varieties should be delivered through wide Uganda National Farmers Federation (UNFFE) networks.

- NAADS should urgently tap into the pool of Extension Link farmers that were trained by UNFFE branches all over Uganda in Animal Husbandry and Agronomic practices. The extension link farmers can be easily indentified and retooled. They carry yellow, red and blue certificated bearing their credentials. This will bring down the current expansive farmer-extension worker ratio and abridge the current information gap at the farm level. There are other Civil Society organizations like VEDCO and PELUM and plantation schemes like Mukwano that have trained and work with a cartel of extensionists. NAADS should coordinate them for a national extension services response. The use of digital extension through radios should also be explored.
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