A Joint Evaluation

UGANDA'S PLAN FOR THE MODERNISATION OF AGRICULTURE



Ministry of Foreign Affairs of Denmark
Danida

A Joint Evaluation

Uganda's Plan for the Modernisation of Agriculture

November 2005

Oxford Policy Management Ltd.
6 St Aldates Courtyard, 38 St Aldates
Oxford, OX1 1BN, United Kingdom

13552_PMA-evaluation.indd 1 12-12-2005 11:44:55

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November 2005

Production: Evaluation Department, Ministry of Foreign Affairs
Cover photo: Jørgen Schytte, Cottonharvest in Doho Sub-county
Graphic production: Scanprint A/S, Aarhus, Denmark

ISBN (report): 87-7667-327-8
e-ISBN (report): 87-7667-328-6
ISSN: 1399-497

This report can be obtained free of charge by ordering on www.evaluation.dk or from

DBK Logistik Service
Mimersvej 4
DK - 4600 Koege
Denmark
Phone + 45 32697788

The report can be downloaded through the Ministry of Foreign Affairs' homepage www.um.dk or directly from the Evaluation Department's homepage www.evaluation.dk

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The report is printed on Multi Fine and the cover is printed on Invercote.

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Preface

Uganda's Plan for Modernisation of Agriculture, PMA, was issued in 2000, after a long and inclusive consultative process, and it has been implemented since 2001. The PMA is an integral part of the strategies of the national Poverty Eradication Action Plan, PEAP, and contributes directly to two of the four overarching PEAP goals: (1): rapid and sustainable economic growth and structural transformation, and (3): increased ability of the poor to raise their incomes. The vision of the PMA is to eradicate poverty through a profitable, competitive, sustainable and dynamic agricultural and agro-industrial sector. The mission is clearly and briefly defined as transforming subsistence agriculture to commercial agriculture. The PMA is not in itself an investment plan. Rather it defines the visions, and the principles and strategies which Central Government, Local Councils and farmers/rural households may apply to develop policies and investment plans that are relevant for improving agriculture-based livelihoods. The specific objectives of the PMA are to: (i) increase the income and quality of life of rural households; (ii) improve household food security through the market; (iii) generate gainful employment; and (iv) promote sustainable use and management of natural resources.

The PMA applies a decentralised and participatory approach to planning and service delivery and is implemented within the decentralised administrative and political framework of Uganda, i.e. the responsibility for implementation of activities in the field lies with districts and sub-counties. However, at the central level, a quite comprehensive institutional architecture has been set-up: a PMA Steering Committee, chaired by the Ministry of Finance, Planning and Economic Development, providing the overall coordination and guidance, while a wider PMA Forum of stakeholders is used to exchange views and follow the implementation. Several Sub-Committees of the Steering Committee have been established to address specific aspects of the PMA, including a Monitoring and Evaluation Sub-Committee. To support the implementation, a separate PMA Secretariat has been established.

A number of development partners are providing financial support specifically for implementation of the PMA, using various aid modalities such as general budget support, earmarked budget support, sector programme support and project aid. The donor PMA subgroup comprises 20 development partners who have signed up to the PMA principles, the major ones being the European Union, Denmark, Ireland, IFAD, African Development Bank, United Kingdom and the World Bank.

Joint Annual Reviews are an integral feature of monitoring the PMA implementation, and four Reviews have been regularly carried out since PMA inception in 2001. The Review of August 2003 recommended improvements in the monitoring and evaluation framework, and a joint evaluation to be undertaken during 2004-05 to provide input to form the basis for the Joint Annual Review in September 2005. Accordingly, in July 2004 the Steering Committee endorsed the Terms of Reference for a Joint Evaluation to be overseen by an Evaluation Management Committee, chaired by Dr. Godfrey Bahiigwa, Economic Policy Research Center.

On behalf of the PMA partners, the Danish Ministry of Foreign Affairs, Danida, funded and commissioned the Evaluation in February 2005 to the consultant Oxford Policy Management, United Kingdom. The Evaluation team, led by Dr. Ann Thomson, undertook desk studies and presented the Inception Report in Kampala in March, while the

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extensive field work in eight districts of Uganda was implemented during April-June, before the draft report was discussed with the Management Group, and submitted to the PMA Steering Committee in August. As such, the aim of providing substantial input to the fifth Joint Annual Review by 15 September 2005 was timely and successfully achieved.

The Evaluation aimed at assessing the experiences of the PMA since 2001, and specifically asked to address the validity of the original PMA concept, and its strengths and weaknesses; how well it has performed since 2001, in terms of achieving outcomes and objectives; and to suggest, where relevant, options for improving management and performance. A number of key recommendations and lessons learnt are highlighted by the Evaluation as undertaken by the international consultant team. It should be noted, that while the draft report has been commented upon by the development partners and stakeholders the responsibility of the analysis and the conclusions of the Evaluation rests with the evaluation team. However, we would like to express our thanks to all individuals and officials for the support and valuable information which the team received and which highly facilitated the work of the Evaluation.

This report is the final Evaluation Report of the findings and recommendations of the Evaluation. The Annexes A and B are contained in the attached CD-Rom. The Evaluation Report, including annexes, is also available from the website of Danida's Evaluation Department www.evaluation.dk and from the PMA website www.pma.go.ug

Danida's Evaluation Department

November 2005

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Abbreviations

AAMP	Area-based Agricultural Modernisation Programme
ACU	Agricultural Council of Uganda
ADF	African Development Fund
AfDB	African Development Bank
AEP	Agricultural Extension Programme
APEP	Agricultural Productivity Enhancement Program
ARDC	Agricultural Research Development Centres
ASPS	Agricultural Sector Programme Support
AUPWE	Association of Uganda Professional Women in Agriculture
BFP	Budget Framework Paper
BoU	Bank of Uganda
CAO	Chief Administrative Officer
CAP	Country Assistance Paper
CBO	Community Based Organisation
CDW	Community Development Worker
CFA	Core Functional Analysis
CIT	Core Implementation Team
COSOP	Country Strategic Opportunities Paper
CSP	Country Strategy Paper
Danida	Danish International Development Assistance
DATIC	District Agriculture Training and Information Centre
DCI	Development Cooperation of Ireland
DDSP	District Development Support Programme
DENIVA	Development Network of Indigenous Voluntary Associations
DFI	District Farm Institute
DfID	Department for International Development (United Kingdom)
DSP	Dissemination and Sensitisation Programme
DTPC	District Technical Planning Committee
EAP	Economically Active Poor
EMCBP	Environmental Management and Capacity Building Project
EMG	Evaluation Management Group
EPRC	Economic Policy Research Centre
ERP	Economic Recovery Programme
EU	European Union
FAC AGR	Faculty of Agriculture, Makerere University
FAC FOR	Faculty of Forestry and Nature Conservancy, Makerere University
FAC VET	Faculty of Veterinary Medicine, Makerere University
FAL	Functional Adult Literacy
FAO	Food and Agricultural Organisation of the United Nations
FOWODE	Forum for Women in Democracy
FRA/VECO	Food Rights Alliance /VeCo-Uganda
FY	Financial Year
GBS	General Budget Support
GDP	Gross Domestic Product
GEF	Global Environment Facility
GIS	Geographic Information System
GoU	Government of Uganda
HASP	Household Agricultural Support Programme

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HDI	Human Development Index
HIPC	Highly Indebted Poor Countries
IDEA	Investment in Developing Export Agriculture
IDPs	Internally Displaced Persons
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
JAR	Joint Annual Review
LC	Local Council
LG	Local Government
LGDP	Local Government Development Programme
LGFC	Local Government Finance Commission
LRA	Lord's Resistance Army
M&E	Monitoring and Evaluation
MAAIF	Ministry of Agriculture, Animal Industries and Fisheries
MAPS	Marketing and Agro-processing Strategy
MDG	Millennium Development Goal
MEMD	Ministry of Energy and Minerals Development
MET	Department of Meteorology
MFI	Microfinance Institution
MFPED	Ministry of Finance, Planning and Economic Development
MGLSD	Ministry of Gender, Labour and Social Development
MoES	Ministry of Education and Sports
MoH	Ministry of Health
MoLG	Ministry of Local Government
MOP	Microfinance Outreach Plan
MOPS	Ministry of Public Service
MTCS	Medium Term Competitive Strategy
MTE	Mid-Term Evaluation
MTEF	Medium Term Expenditure Framework
MTTI	Ministry of Trade, Tourism, and Industry
MWHC	Ministry of Works, Housing and Communications
MWLE	Ministry of Water, Lands and Environment
NAADS	National Agricultural Advisory Services
NARO	National Agricultural Research Organisation
NARS	National Agricultural Research System
NEMA	National Environment Management Authority
NIMES	National Integrated Monitoring and Evaluation Strategy
NGO	Non-Governmental Organisation
NRM	National Resistance Movement
NRM	Natural Resource Management
NSCG	Non-Sectoral Conditional Grant
NSDS	National Service Delivery Survey
NWSADP	North West Smallholder Agriculture Development Programme
OPM	Office of the Prime Minister
OPM	Oxford Policy Management
PAF	Poverty Alleviation Fund
PEAP	Poverty Eradication Action Plan
PMA SC	PMA Steering Committee
PMA	Plan for the Modernisation of Agriculture
PRSC	Poverty Reduction Support Credit
PRSP	Poverty Reduction Strategy Paper

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PSFU	Private Sector Foundation of Uganda
REA	Rural Electricity Authority
RDS	Rural Development Strategy
SBFP	Sector Budget Framework Paper
SC	Steering Committee
SCPC	Subcountry Production Committee
SCTPC	Subcounty Technical Planning Committee
SEP	Strategic Export Programme
SWG	Sector Working Group
TA	Technical Assistance
TOR	Terms of Reference
UBOS	Uganda Bureau of Statistics
UCDA	Uganda Coffee Development Authority
UCFT	Uganda Coffee Trade Federation
UDN	Uganda Debt Network
ULAA	Uganda Local Authorities Association
UNCCI	Uganda National Chamber of Commerce and Industry
UNDP	United Nations Development Programme
UNFFE	Uganda National Farmers' Federation
UPPAP	Uganda Participatory Poverty Assessment Process
USh	Uganda Shilling
WB	World Bank
WFP	World Food Programme
ZARI	Zonal Agricultural Research Institute

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Executive Summary

Focus of the Evaluation
The Plan for Modernisation of Agriculture, PMA, is a framework which sets out the strategic vision and principles upon which interventions to address poverty eradication through transformation of the agricultural sector can be developed. The PMA core document sets out these principles, but also identifies priorities for interventions and activities in the form of seven pillars, to be implemented by various government ministries and local government, and a non-sectoral conditional grant (NSCG) to be administered by the PMA Secretariat but allocated though local government.

The Evaluation was asked to address: the validity of the original PMA concept, and its strengths and weaknesses; how well it has performed, in terms of achieving outcomes and objectives; and to suggest, where relevant, options for improving management and performance. This has involved an assessment of how appropriate and effective the structures set up to coordinate activity have been, the extent to which priority activities have been carried out by the implementing stakeholders, the extent to which PMA principles have been respected in the policies, strategies and activities developed by the various stakeholders, and what effect this has had on the environment for private sector activity and the opportunities available to poor farmers.

The Evaluation involved documentation analysis, stakeholder interviews, focus group discussions and a small household survey.

Status of poverty, the macroeconomy and agriculture in Uganda
Compared to other African countries, Uganda has progressively created an environment that supports economic and agricultural growth, and the reduction of poverty. This makes the achievement of PMA objectives a realistic expectation. However, rising poverty after 1999, its concentration among farmers, and slow economic growth mainly as a result of a weaker performance in agriculture, provide cautionary signals that these goals will not be achieved unless constraints to widespread agricultural growth are addressed.

The validity of the PMA concept and vision
The vision of the PMA is poverty eradication through a profitable, competitive, sustainable and dynamic agricultural and agro-industrial sector. Rural poverty is seen to be best addressed through promoting the commercialisation of agriculture, and in particular providing a coordinating framework for support services and public goods in rural areas.

The Evaluation analysed the concept, principles, constraints and assumptions as set out in the core PMA document, in the light of both Uganda experience from implementation and the international debate on the role of agriculture in pro-poor growth over the last 10 years. Overall, the Evaluation is convinced that the basic conceptualisation of the PMA is still valid. International experience has reinforced the importance of the agriculture sector in addressing poverty in countries such as Uganda. This can either be directly, by improving incomes from agriculture, or indirectly, through providing the capital and potential market for non-farm activities. The overall logic of the PMA still holds good, but there have been confusions over the function of the PMA, insufficient emphasis on some of the constraints identified, and weaknesses in the implementation which should be addressed.

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In particular, the Evaluation feels that there is a need for greater differentiation amongst the target groups. More importance should be placed on improving performance along the value chain for traditional food crops, a key activity for resource-poor risk-averse farmers, including women. Access to land is an important constraint for many women farmers, which has not yet been addressed effectively under the land policy. There is need for greater support and capacity building for both private sector service providers and local government officials.

The time is now ripe for an updating of the PMA core document, to address these issues, and to provide a more specific set of time-bound targets and indicators of success. This should also make clear the poverty focus of the PMA, and its relation to the overall agriculture sector strategy currently being finalised by the Ministry of Agriculture, Animal Industries and Fisheries, MAAIF.

Implementation of PMA pillars

The PMA identifies seven pillars where priority actions are recommended. These are research and technology, national agricultural advisory services, agricultural education, improving access to rural finance, agro-processing and marketing, sustainable natural resource utilisation and management and physical infrastructure.

It is widely recognised in Uganda that the rate of rollout of the pillars, has been highly variable. This has led to frustration for some stakeholders. It has also meant that potential synergy amongst the pillars has not been achieved. The geographic distribution amongst the pillars has exacerbated this. In some districts, there appears to have been a deliberate policy to spread out available services and resources, to achieve an equitable result, at the expense of effectiveness and efficiency.

The report suggests seven areas where re-arrangement of pillars could improve performance. Chief amongst these is mainstreaming of marketing issues within all pillars, development of more differentiated strategies according to target groups, and greater coordination of pillars at district level.

There are specific concerns about the linkages with, the National Agricultural Advisory Services, NAADS, in particular for research outputs, marketing and financial services. More generally, crosscutting issues, including a clear focus on poverty, gender and environment issues, have not always been effectively integrated in the activities undertaken within the pillars. This reduces the potential impact on poverty reduction of the services provided, and raises questions over their sustainability. The team feels that this strengthens the case for differential strategies within the pillars, which should also reflect local agro-ecological concerns and economic potentials.

Institutional and policy reform

The PMA is a framework, rather than a programme. Ensuring an appropriate regulatory and policy environment has been an important element of establishing this framework in the past five years. Considerable progress has been made in a relatively short period of time. New policies have been approved, including an agricultural research policy, a fisheries policy, and a food and nutrition policy. Core functional analyses have been carried out for three ministries (MAAIF, Ministry of Trade, Tourism, and Industry, MTTI and Ministry of Water, Lands and Environment, MWLE) and National Agricultural Research Organisation, NARO and Uganda Coffee Development Authority, UCDA to align organisations to their new functions, but implementation of the recommenda-

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tions has been delayed, in the case of MAAIF, because Cabinet has not yet approved the new structure, and in the case of NARO because of delays in passing the National Agricultural Research System (NARS) bill.

A proposal has recently been put forward by the Minister for Agriculture for a Cabinet PMA Sub-committee. The Evaluation feels that this could give the needed high-level political impetus to ensure more rapid progress of PMA-related bills through the Parliamentary process.

In the immediate future, priority should be given to completing the development of the land policy and to the implementation of the recommendations of the core functional analysis of MAAIF.

The overall programme of reform is creating an enabling environment that will create benefits for both farmers and the agricultural sector as a whole. However, farmers are unlikely to benefit equally from the reforms and some may even be made worse off as the sector becomes more commercialised. It is important that support is provided to farmers to help them comply with the increased demands of a more commercial environment, for example, in terms of quality regulation.

PMA implementation structures

On the whole, the institutional and organisational aspects of PMA implementation system are working well, but there are areas where there is a need to review the existing arrangements. Some subcommittees have achieved their initial objectives, other still have an important role to play, but with a change in focus to reflect the activities already undertaken. The time is now ripe for the PMA SC to review the continuation, mandates and membership of the various sub-committees.

The PMA Secretariat is providing a high quality of service in response to a very demanding mandate. In conjunction with this Evaluation, the Secretariat undertook an internal core functional analysis, and identified a number of areas for improvement, including information recording and retrieval systems.

While there is a PMA Steering Committee at national level, there is no provision for an explicit institution responsible for overall coordination and strategic guidance at local government level. NAADS has its own coordinators at district level, and where a district receives the Non-Sectoral Conditional Grant, there is a PMA focal point who, in addition to his/her other responsibilities, monitors its disbursement and deployment. There is a clear need for an institution providing overall coordination and strategic guidance at local government level along the lines of the national Steering Committee. Rather than create a new institution to address this, the Evaluation suggest that the existing mandate of the District Technical Planning Committee, DTPC, should be broadened to assume increased responsibility for this coordination role. Specific responsibility for coordination should rest with the district planning unit.

The PMA monitoring framework is still being refined. The Evaluation recommends that it should focus on intermediate outcome and impact indicators, where the PMA Secretariat could exercise some control over data collection. The team feels there is a particular need to undertake regular impact assessment surveys, perhaps in conjunction with Uganda Bureau of Statistics, to give more realistic assessments of changes in commercialisation and the resulting effect on poverty and wellbeing amongst the rural poor.

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Impact assessment
The PMA has a poverty reduction target for 2017, and should not be seen as a short-term initiative. Any sustainable process of poverty reduction through agricultural commercialisation is likely to be slow, and the team feels it important that an updated PMA core document (may wish to rephrase to 'road-map') gives clear indications of what would be seen as acceptable indicators of success.

To assess progress in achieving intermediate and final outcomes of the PMA, the Evaluation undertook a household survey, supplemented by district visits. This showed that there was significant activity going on at district level. The household survey, which was qualitative in nature, also showed progress in terms of improved technologies and increases in marketed output, though it is not possible to attribute this directly to any particular element of the PMA. In focus group discussions with women's farmer groups, participants were very clear that their wealth status had increased as a result of joining these groups, which were receiving services from NAADS. The team feel that, although the process is slow, where technology is appropriate and the relevant inputs are available, adoption rates are significant, and there are positive outcomes. However, more emphasis should be being placed on monitoring of outcomes and impact, to enable effective assessment of progress.

Other issues arising
Dissemination strategy. Awareness of and attitudes towards the PMA vary between central and district level, with the latter often more supportive towards the concept. The Evaluation feels that too much effort has been spent on national level dissemination, often with the unfortunate side effect of raising expectations, rather than focussing on the district and sub-county levels. It is important that the PMA secretariat has effective links with local levels, and focus future dissemination activities on the provision of practical information to local government and farmer groups, together with evidence of where pillar activities are having positive impact.

Crosscutting issues. The PMA has made good progress in addressing crosscutting issues, in particular gender and HIV/AIDS mainstreaming, but there is still scope for improvement. The most important gender concern for the PMA is women's lack of ownership and control over land and productive assets. At present men seem to be in a position to benefit more from services provided under PMA. If greater emphasis is placed on traditional food crops, it is important that this be done in a way that recognises women's particular role in producing these crops.

Resource allocation. Overall, the PMA accounts for a significant share of total Government of Uganda spending (10 percent of GoU spending in 2003/04). This is consistent with government's commitment to poverty reduction as articulated in the Poverty Eradication Action Plan, PEAP, and the role of agriculture in contributing to PEAP objectives. However, for the PMA to be effective there is a need to strengthen reporting on PMA spending and impact and develop mechanisms to ensure that PMA activities are fully integrated and prioritised within the budget process.

Development partners. Development partners have supported the PMA by providing financial resources for its implementation and by contributing to policy formulation. The PMA provides a common vision for the role of agriculture in poverty reduction and has enabled partners to continue to support projects individually, but in a way that is now more strongly harmonised around agreed priorities and objectives. This harmonisa-

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tion has been supported by the activities of the donor-sub group on the PMA and the PMA sub-committee on programme and projects.

Recommendations[1]

Overall

1. *A roadmap should be developed for the next five years of PMA implementation, which addresses issues of conceptualisation identified in the evaluation, and strengthens areas of weakness in implementation. The roadmap should contain clear quantitative targets, and indicators of success.*

PMA pillars

2. *Differentiated strategies for farmer categories should be developed for each pillar and the Non-Sectoral Conditional Grant, NSCG. This should make sure that the particular concerns of women farmers are addressed. As part of this process, National Agricultural Advisory Services, NAADS, should be encouraged to pay more attention to staple food crops for poorer farmers.*
3. *There is a need to address marketing and land issues more generally, not just within the marketing and natural resource pillars, but across all relevant pillars, and NAADS in particular.*
4. The rollout of PMA pillars should reflect available resources and, where possible, deepen service provision within a district before expanding to new districts.
5. Under its new structure, National Agricultural Research Organisation, NARO, should develop an appropriate strategy for linking with NAADS, particularly for the dissemination and multiplication of foundation seed.
6. The need for capacity building of service providers should be addressed as a priority – this has been the slowest disbursing component of NAADS.
7. There is a need to address issues of input marketing under Pillar 5. This is an area which has not been addressed by Marketing and Agro-processing Strategy, MAPS.
8. *Environment issues are not being effectively addressed as a crosscutting issue, particularly by NAADS. This should be addressed as part of a broader review of enterprise provision under NAADS.*
9. The Non-Sectoral Conditional Grant, NSCG, should be merged with the Local Government Development Programme, LGDP – with the proviso that LGDP guidelines be revised to include specific measures that support and strengthen PMA implementation.

Policy, regulatory and institutional reform

10. The suggested formation of a Cabinet PMA Sub-committee is strongly endorsed by the Evaluation.
11. *The Government and the PMA Steering Committee should fast track approval and implementation of the new organisational structure and mandate of the Ministry of Agriculture, Animal Industries and Fisheries, MAAIF.*
12. *The provision of funds allowing MAAIF to relocate to Kampala should be a high priority.*
13. *There is a need to inject a sense of urgency into the whole of the land reform agenda, particularly to address women's poor access to land.*

1 *Priority recommendations are shown in italics*

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14. The PMA SC Agricultural Finance sub-committee should work rapidly to overcome the particular financing needs of poor farmers.

Mobilisation of beneficiaries, communication and awareness

15. PMA dissemination should, in future, focus on district level activities and developing a two-way flow of information between the centre and local levels.

Institutional aspects of the PMA

16. The Steering Comittee should review the continuation, mandates and membership of the various technical sub-committees.
17. Sub-committees should prepare annual work-plans, approved by the SC and monitored through the Secretariat's quarterly reports and the Joint Annual Review process.
18. High priority should be given by the Secretariat to a review of its whole information storage and retrieval system.
19. *The mandates of the district and sub-county Technical Planning Committees should be broadened to include coordination of PMA activities with the District Planner having specific responsibility for coordination under delegated authority from the Chief Administrative Officer, CAO.*

Financial management

20. The Ministry of Finance, Planning and Economic Development, MFPED, should ensure that Sector Budget Framework Papers are consistent with the guidelines it issues, and that these guidelines include PMA undertakings by line ministries.
21. The PMA Joint Annual Review should be held sufficiently in advance of the budget process for the findings and recommendations to be disseminated to Sector Working Groups, and line ministries.
22. *The Joint Annual Review should set clear targets and expected outcomes to be considered by Sector Working Groups for inclusion in Budget Framework Paper.*
23. The PMA Secretariat should develop a PMA expenditure reporting system (perhaps based upon the methodology used by this study) as part of a wider PMA impact monitoring system.
24. Continued efforts are needed to strengthen community participation in decision-making processes, and to improve transparency and accountability in the use of funds.
25. *Funding for the PMA Secretariat should remain at least at 2004/05 levels.*

Monitoring and evaluation

26. The PMA monitoring and evaluation framework should be refined to improve its effectiveness and implementability. The framework should focus on outcome and impact indicators.
27. There is a need for more systematic data collection on production and marketing. This could be included in the Community Information System proposed this year in the Rural Development Strategy and budget statement.
28. *As part of its monitoring and evaluation, there is a need for more systematic impact assessment. This should be linked to the implementation of the PMA Monitoring and Evaluation system, which should include key impact indicators and periodic case studies, to address more qualitative aspects of PMA implementation and impact.*
29. Efforts should be undertaken to address the need for more detailed data and analysis of NAADS coverage, activities, and impact.

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1. Introduction

The evaluation was agreed at the 2003 PMA Joint Annual Review, endorsed by the PMA Steering Committee in July 2004. Danida funded and contracted Oxford Policy Management to provide substantial input to form the basis for the fourth PMA Joint Review in September 2005. According to the Terms of Reference[2]. The Evaluation is required to:

- assess the performance of the PMA in terms of progress towards achieving its objectives, final and intermediate outcomes;
- identify the strengths and weaknesses in the conceptualisation and implementation of the PMA;
- present options and opportunities for changes or adaptations of the PMA and its implementation modalities to enhance the achievements of the vision and mission of the PMA and the objectives of the Poverty Eradication Action Plan, PEAP.

The Evaluation report is based around ten themes as set out in the Terms:
1. Status of poverty, the macro-economic environment and agriculture
2. PMA's vision, principles, strategies and assumptions
3. PMA's seven pillars and the Non-Sectoral Conditional Grant, NCSG
4. Policy, regulatory and institutional reform
5. Mobilisation of beneficiaries, communication and awareness
6. Crosscutting issues
7. Impact – tentative assessment
8. Institutional structure for PMA implementation
9. Resource allocation and financial management
10. Support of the development partners

The Evaluation[3] has involved three phases. First, an inception phase which started on February 28th 2005 and involved consultation with key stakeholders and collection of documentation. The study inception report was accepted by the Evaluation Management Group on May 9th and can be found on the PMA website http://pma.go.ug). Second, a field-work phase, involving district visits, key informant interviews, focus-group discussions, and a household survey. Finally, data synthesis and report drafting.

Annex A contains a list of persons interviewed as part of the evaluation, and the documentation used in the analysis. Details of the methodology used in the field work and the household survey report can be found in Annex B.

Assumptions and definitions
As the report makes clear, the PMA was, and still is, an approach to poverty eradication which is unique to Uganda. There have been many misrepresentations and confusions about what it entails. This report begins by setting out what the Evaluation understands by the PMA, its principles and its composition. This is the basis on which the Evaluation proceeded.

2 *Attached in Annex A1.*

3 *The core evaluation team consists of five international consultants, Anne Thomson (team leader), Stephen Akroyd (project manager), Dennis Chiwele, Lawrence Smith, Bodil Warming, and local consultants, Allen Kebba (local team leader), Milton Ogeda and Paschal Ntanda. Other Ugandan consultants provided shorter inputs. Data analysis was carried out by Hysteria Ltd.*

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The PMA is a framework, not a programme, nor an agricultural strategy. The framework does, however, include strategic elements.

The **PMA Vision** is "Poverty eradication through a profitable, competitive, sustainable and dynamic agricultural and agro-industrial sector";

The **PMA Mission** is "Eradicating poverty by transforming subsistence agriculture to commercial agriculture";

The **PMA Objectives** are to: (i) increase income and improve the quality of life of poor subsistence farmers; (ii) improve household food security through the market; (iii) generate gainful employment; and (iv) promote sustainable use and management of natural resources.

The PMA has seven priority pillars[4]:
(i) Research and technology development
(ii) National agricultural advisory services
(iii) Agricultural education
(iv) Improving access to rural finance
(v) Agro-processing and marketing
(vi) Sustainable natural resource utilisation and management
(vii) Physical infrastructure

In addition, to support the implementation of the PMA at district level and below, the GoU provides a Non-Sectoral Conditional Grant (NSCG) to local governments.

PMA activities are any activities, whether national, district or below, public sector, donor funded or NGO, which fall under the seven pillars, or otherwise promote sustainable rural livelihoods.

Based on the principles set out in the PMA core document and the guidelines for PMA project compliance the Evaluation has defined PMA principles as:
- A focus on rural poverty;
- Government role limited to public goods, market failure, or regulatory functions;
- An emphasis on deepening decentralisation;
- Empowerment of the poor and local communities to take decisions in accordance with PMA principles;
- Integration of gender and other crosscutting issues within planning processes;
- Encouragement of private sector provision of goods and services;
- A multisectoral approach to agriculture.

4 *The order in which the pillars are listed vary from document to document. The report uses the order set out in the PMA core document.*

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2. Status of poverty, the macro-economic environment and agriculture

This chapter summarises broad development trends in Uganda since before the introduction of the PMA to the present, and sets the context for the PMA evaluation.

The macroeconomic context

After showing initial promise in the immediate post-independence years, the Ugandan economy declined after 1971 due to mismanagement, political instability and civil war. When the National Resistance Movement, NRM, took power in 1986, the economy had collapsed with GDP 20 percent lower than its 1970 peak, high inflation rates, chronic budget deficits, an overvalued exchange rate, significantly lower export earnings and deteriorated infrastructure[5]. The new government launched an Economic Recovery Program, ERP, in 1987 to correct macroeconomic imbalances and promote economic growth.

The sharp fall of coffee prices in 1992 prompted the NRM government to deepen reforms, as seen in the: (i) liberalisation of coffee, tea and tobacco marketing; (ii) liberalisation of the foreign exchange rate; (iii) measures to improve fiscal discipline; (iv) liberalisation of interest rates; (v) measures to deepen financial markets; and, (vi) commitment to end subsidies to state-owned enterprises. Legislative and institutional reforms were also introduced, of which the decentralisation programme – to strengthen people's participation in decision-making and bring service delivery closer to communities – formed a major part.

The results have been impressive. The Ugandan economy has outperformed other African countries. GDP grew at an average annual rate of 7 percent from 1992-1998, and 6 percent from 1999-2004. Inflation dropped from over 100 percent in the 1980s to 54 percent in 1992, thereafter fluctuating between -0.3 and 10 percent. Fluctuations in food prices, which constitute a significant part of the composite consumer index, have contributed to the recent instability in inflation rates. After the sharp fall in the 1980s of the Ugandan Shilling, the currency depreciated more gradually after 1995.

Growth in GDP has not been even across all sectors. Agriculture's contribution to GDP dropped from 54 percent in FY 1989/90 to 39 percent in FY 2003/4 (Table 2.1). The significant drop in the contribution of non-monetary agriculture accounts for much of this change, indicating that the agricultural economy has become more market based. Gains in the share of GDP have been made by manufacturing, construction, transport and communication, and community services.

The structure of exports has changed significantly with the share of traditional export crops (coffee, cotton, tea and tobacco) falling from 80 percent in 1994 to 37 percent in 2004. This is due mainly to the variability in coffee prices, Uganda's major export commodity, with earnings per tonne peaking in 1995 at USD 2,300 before falling to USD 800 in 1999. Although coffee prices have picked up since 2000, the volume of coffee

5 *Jayati Datta-Mitra, 2001: Uganda – Policy, Participation, People, World Bank Operations Department, Washington D.C.*

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production has not recovered. At the same time, the export of non-traditional exports has risen – particularly fish and fish products, floriculture, and maize.

Table 2.1: Sector share of GDP, FY 1989/00 - FY 2003/04 (percent)

Monetary GDP (%)	**1989/0**	**1992/3**	**1995/6**	**19989/9**	**2001/2**	**2002/3**	**2003/4**
Agriculture	24.3	24.6	23.7	23.1	22.5	22.3	22.3
Manufacturing	5.4	6.2	7.9	9.6	9.4	9.4	9.2
Construction	5.1	5.2	6.9	7.3	6.8	7.3	7.5
Wholesale and retail trade	11	11.2	13.1	13.1	11.1	11	10.9
Transport & communication	4.1	4.2	4.7	5.2	5.4	5.9	6.3
Community services	14.4	15.8	15.2	15.1	18.4	18.4	18.2
Others	2.2	2.6	3.1	3.4	5.1	5.1	5.2
Sub-total	**66.5**	**69.8**	**74.6**	**76.8**	**78.7**	**79.4**	**79.6**
Non-Monetary GDP (%)							
Agriculture	29.6	26.5	22	19.7	17.2	16.4	16.2
Others	3.9	3.7	3.4	3.5	4.1	4.2	4.2
Sub-total	**33.5**	**30.2**	**25.4**	**23.2**	**21.3**	**20.6**	**20.4**
Total GDP (%)	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: UBOS, Statistical Abstract, 1997, 1999, 2004.

Macroeconomic stability in Uganda was attained by the mid-1990s, laying a strong foundation for agricultural growth. On the basis of its strong policy reform agenda and good economic performance, Uganda was one of the first countries to become eligible for the HIPC initiative in 1997 and then again in 2001, leading to a substantial external debt write-off.

However, some areas of concern remain:

- Lower economic growth in recent years has slowed, and most recently reversed, the positive gains made in poverty reduction;
- The budget deficit continues to rise, due in part to low domestic revenue generation – which in 2003/4 was only 13 percent of GDP (compared to an average of 18 percent for sub-Saharan Africa);
- Macroeconomic stability would be seriously undermined if there were a significant reduction in donor funds (exchange rate stability is supported by donor inflows);
- There is a large trade balance deficit (USD 737 million in 2003), reflecting Uganda's reliance on donor funding and difficulties in replacing coffee earnings.

Poverty trends

When the GoU launched its ERP in 1987 it was faced with the task of reducing high levels of poverty (Table 2.2). When national figures were first recorded in 1992, poverty, although widespread, was predominantly rural. Poverty incidence was recorded as highest among crop farmers of whom 64 percent were estimated to live in poverty compared to 56 percent for the nation as a whole.

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Poverty also showed significant regional differences in 1992. In the north of the country, 72 percent of the population were considered poor, but this falls to 46 percent in the central region. Economic growth in the 1990s reduced the overall poverty headcount to 33 percent in 1999, falling slightly more in rural areas than in urban areas but much less in the north. However, this trend reversed in 2003 when the poverty headcount increased to 38 percent. Whereas poverty had been falling at a faster rate in rural than urban areas before 1999, it is now rising faster in rural areas, especially for crop farmers. Female-headed households benefited less from the fall in poverty in the 1990s, but are less affected by the recent reversal which appears to be accounted for by increased poverty amongst male-headed households. Inequality, as measured by the Gini Coefficient was rising even when poverty was falling in the 1990s, but has risen more sharply thereafter.

Table 2.2: Poverty and inequality in Uganda, 1992 - 2003

	1992	1997/98	1999/00	2002/03
Poverty headcount by geographical location (%)				
National	56	44	34	38
Rural	60	49	38	42
Urban	28	17	10	12
Central	46	28	20	22
East	59	54	35	46
West	53	43	26	31
North	72	60	64	63
Poverty headcount by gender (%)				
Female	56		39	39
Male	56		33	38
Poverty headcount by occupation group (%)				
Food Crop	64	62	45	
Cash Crop	63	46	34	
Crop Farmers			39	50
Non-Crop Agriculture	55	40	42	34
Manufacturing	44	34	23	28
Construction	37	35	20	23
Trade	26	21	13	17
Government Services	37	32	15	13
Not Working	59	60	43	38
Gini Coefficient (National)	0.36	0.35	0.39	0.43

Source: MFPED, 2004: Poverty Eradication Action Plan (Draft), Tables 2.1 & 2.2.
Note: The 1996/7 poverty headcount by occupation group in the table is for 1996.

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The fall in poverty during the 1990s was accompanied by improved well being. The Millennium Development Goal Progress Report of 2003 assessed that Uganda would probably or potentially attain all MDG targets except for child mortality and maternal health. The target on HIV/AIDS has already been attained. Progress in non-income poverty indicators of well being indicate positive outcomes to increased investments in social sectors, especially education. Data are not yet available to indicate whether the increase in income poverty after 1999 has dented this positive trend.

There has been much discussion regarding the factors that account for poverty. Uganda has undertaken two Participatory Poverty Assessments (UPPAP), in 1999 and 2002, with the intention to "*bring the voice of the poor into planning for poverty reduction*". These assessments show that people themselves see poverty mainly in terms of an "*inability to satisfy a range of basic human needs that stems from powerlessness, social exclusion, ignorance and lack of knowledge, as well as shortage of material resources*".[6]

Poor health and high incidence of diseases is a causal factor in poverty. This is either because people cannot work when they are sick, or they need to take care of sick relatives (e.g. chronic illnesses associated with HIV/AIDS). Limited access to land is also ranked highly by UPPAP respondents as a cause of poverty. This is partly due to Uganda's relatively high population density and slow pace of land reform. It is also due to other factors such as gender discrimination in access to land, insurgencies and internal displacements, particularly in the North. Poor access to markets as a cause of poverty is surprisingly ranked higher than constraints to agriculture production.

Since the launch of the PMA in 2000/01 three regions – the west, north-east, and north – have faced varying degrees of insecurity[7]. The insecurity in the west caused by rebels of the Allied Democratic Forces has died down since 2002. However, insecurity continues in the north and north-east regions associated with cattle rustling and the Lord Resistance Army (LRA). Armed conflict in these regions over the last 19 years has displaced 1.6 million people and created a huge disparity between the north and the rest of the country. In Acholi sub-region alone, between 1986 and 2002 the economic loss of the conflict is estimated at USD 1.33bn (3 percent of GDP), with losses to agriculture estimated at USD 354m.

Performance of agriculture

Agriculture has great potential to contribute to sustainable and broad-based economic development in Uganda. The fact that the majority of Ugandans derive their livelihoods from agriculture and that the country's foreign exchange earnings are predominantly agriculture-based reflect the importance of the sector. The potential for poverty reduction associated with agricultural progress is well articulated in the revised PEAP (see chapter 3 of this report).

After declining between 1971 and 1986, agriculture started to recover responding to new policies and increased stability in the country. Growth of agricultural GDP averaged 6 percent between 1989 - 1999 for monetary agriculture and 2 percent for non-

6 *MFPED, 2002: Second Participatory Poverty Assessment Report, Deepening the Understanding of Poverty, p.10.*

7 *Civil Society Organisations for Peace in Northern Uganda (CSOPNU), The Net Economic Cost of the Conflict in the Acholiland Sub-region of Uganda, September 2002.*

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monetary agriculture[8]. Between 2000 and 2004 and these growth rates narrowed, with growth in monetary agriculture falling to 5 percent per year, and non-monetary agriculture rising to 3.5 percent per year. Within monetary agriculture, performance of the cash crops sub-sector has been volatile, averaging an annual growth rate of 9 percent from 1989-1999 and then just 3 percent from 2000-2004. The slowdown in cash crops is due mainly to the decline in export prices, particularly for coffee.

Growth in agricultural GDP has been achieved through expansion in the area cultivated. Yields per unit area have remained more or less constant except for cereals which increased by 34 percent between 1996 and 1999, but flattened out thereafter. This is due to a number of factors including: reliance on manual labour (which accentuates labour constraints and results in low areas cultivated); poor farm management, limited access to inputs and low technology adoption, and low crop diversification. Low market participation among poor farmers also leaves them with few prospects for emerging out of poverty.

Table 2.3: Composition of agricultural GDP (%)

	1990	1999	2004
Cash Crops	6	9	11
Food Crops	69	65	66
Livestock	17	17	13
Forestry	4	4	5
Fishing	5	4	6
Monetary	45	54	58
Non-Monetary	55	46	42
Total	**100**	**100**	**100**

Source: UBOS, Statistical Abstract, 1997, 1999, 2004.

Food crops have dominated agricultural GDP since 1990 and the overall structure of agriculture has changed little (Table 2.3). The main shift has been from non-monetary to monetary agriculture, indicating that agriculture has become more commercialised and market-based. Although the Evaluation do not have information to calculate agriculture's terms of trade, the relative movement in implicit prices of agriculture and manufacturing shows that the sector started to lose out to manufacturing after FY 1998/9 (Figure 2.1).

Summary

Compared to other African countries, Uganda has progressively created an environment that supports economic and agricultural growth, and the reduction of poverty. This makes the achievement of PMA objectives a realistic expectation. However, rising poverty after 1999, its concentration among farmers, and slow economic growth mainly as a result of a weaker performance in agriculture, provide cautionary signals that these goals will not be achieved unless constraints to widespread agricultural growth are addressed.

8 *As in many countries, data on non-monetary agriculture tend to be "guesstimates" at best and one needs to be cautious in placing too much reliance on them in discussing their implications for the rate of commercialisation of agriculture.*

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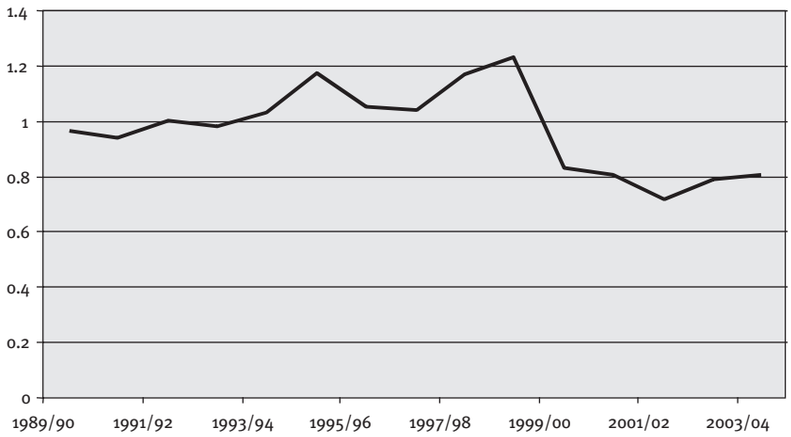
The question of whether PMA implementation is moving in the right direction and what modifications, if any, are required to make it effective are addressed in the following chapters.

Figure 2.1: Ratio agriculture / manufacturing implicit prices, 1989/90 - 2003/04



Source: UBOS, Statistical Abstract, 1997, 1999, 2004.

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3. PMA's vision, principles, strategies and assumptions

When the PMA was implemented in 2001, it was a unique attempt to address pro-poor growth in the productive sector in the context of the Poverty Reduction Strategy Paper, PRSP. To this day many PRSPs focus on social sector activities, such as health and education, where the rationale for government involvement is clear, and where there is need for significant expenditure to address poverty in broad terms. It has been more difficult to address production issues in a way which combines the need for overall growth with poverty eradication[9]. The PMA fills that gap for the agriculture sector in Uganda.

The vision and its critics

The overarching goal of the PMA is the eradication of poverty. As mentioned in the Chapter 1, the vision is explicitly stated as "poverty eradication through a profitable, competitive, sustainable and dynamic agricultural and agro-industrial sector". Rural poverty is seen to be best addressed through promoting the commercialisation of agriculture, and in particular providing a coordinating framework for support services and public goods in rural areas. The PMA core document states that achieving the vision would depend on transforming the subsistence farmer and transforming the agricultural sector in general.

Is the vision still valid? The role of agriculture in pro-poor growth has been a topic for hot debate in recent years, particularly in the context of PRSPs and achieving the MDGs. Many observers are sceptical about the ability of the agricultural sector in Africa today to deliver the kinds of benefits to the poor that arose from, for example, the Green Revolution in India. Much has been made of the importance of the non-farm rural sector in assisting people out of poverty[10]. However, a healthy and growing rural non-farm sector is dependent on growth in agriculture. Improved standards of living for most of the rural poor in Uganda will come either from improvements in their agricultural activities, or in their ability to use capital and savings accumulated from agriculture in the non-farm sector (or both).

Policy interventions for pro-poor growth. A recent World Bank Study[11], based on 14 countries, including Uganda, identifies five key policy interventions that increase the participation of the poor, particularly the rural poor, in growth. Some of these areas have been addressed effectively within the PMA, others less so.

- Improving market access and lowering transactions costs;
- Strengthening property rights for land;
- Creating an incentive framework that benefits all farmers;
- Expanding technology available to smallholder producers;
- Helping poorer and smaller producers to deal with risk.

9 *There have been a number of critiques of the way in which PRSPs have addressed productive sectors, in particular the agricultural sector, e.g. Achieving the Hunger Millennium Development Goal: A review of Poverty Reduction Strategies, DFID Country Assistance Plans and their treatment of food security issues, Anne Thomson and Gareth Williams, July 2003.*

10 *This is particularly relevant in view of the findings of the Uganda Household Survey of 2003, that poverty had decreased most amongst the rural population who had diversified away from agriculture.*

11 *Pro-Poor Growth in the 1990s: Lessons and insights from 14 countries, World Bank, June 2005.*

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The study emphasises the importance of the agricultural sector, and in particular the traditional crop sector, in reducing poverty levels in Africa. Over 80 percent of poverty reduction in Ghana and Uganda came from improvements within a sector, rather than the poor moving from one sector to another[12]. The study also identifies difficulties in increasing yields in food crops and poorer access of women to land, inputs and technologies as particular constraints to increased poverty reduction in Uganda.

The revised PEAP. As the revised PEAP points out, agriculture has a key role to play in both growth and poverty reduction. But can a framework which focuses on poverty reduction through agriculture also succeed in providing growth opportunities for the sector as a whole? Or should the focus be on pursuing growth and assuming that this will pull people out of poverty? The revised PEAP is not entirely clear on this. Pillar 2 of the PEAP promotes a focus on poor rural households, but also identifies the PMA as one of three main policy frameworks, along with the Medium Term Competitiveness Strategy, MTCS, and the Strategic Export Programme, SEP, to address demand and supply constraints to improving production, incomes and competitiveness. The SEP, in particular, addresses the need for export growth, rather than inclusion of poorer farmers[13].

Is the PMA the agricultural sector strategy? There has been some criticism of the PMA as not providing an integrated plan for the agriculture sector[14]. The Evaluation's view is that the PMA was not intended to address the agricultural sector as a whole, but should be seen as a strategic and operational framework for eradicating poverty through multi-sectoral interventions (including agriculture) for transformation of the agricultural sector. As such it targets poorer farmers rather than established commercial farmers. There is also need for an agricultural sector strategy. This sector strategy should be consistent with the PMA, in particular in its emphasis on poverty reduction, but should also address issues such as the role of commercial farmers, regulation and standards, support for export marketing, and other issues relevant to the agricultural sector as a whole. It is important that the agriculture sector development strategy and investment plan, currently being refined by MAAIF, achieves this balance.

The Evaluation also feels that, given the challenges facing the PMA in supporting those farmers who fall beneath the poverty line, the Government should remain focussed upon the PMA for the next five to ten years at least – i.e. on helping poor farmers to increase their output through: access to appropriate improved and more modern agricultural practices; improved access to markets and greater "commercialisation"; and enabling them to build up capital, either for reinvestment in agriculture, or for funding their move out of the sector. This will involve greater emphasis on traditional food crops, which are still the major crops grown by the poor[15]. If successful, this approach should also deliver on growth objectives, as food crops are extensively traded both within Uganda and within the region. The benefits from increasing productivity of these com-

12 *The study defined food crops and export crops as separate sectors.*

13 *A poverty and social impact assessment of the SEP, undertaken in 2002/2003, identified the lack of explicit targeting of women farmers as likely to undermine some SEP initiatives, because of the potential for gender conflict in poor farm households. (Booth et al., the Strategic Exports Initiative in Uganda).*

14 *Discussion paper on Economic Growth, Investment and Export Promotion, D. Bevan et al., PEAP Revision 2002/2003, June 2003.*

15 *There are no readily accessible national data on the numbers of farmers growing different crops. In the survey carried out as part of the evaluation, three quarters of farmers grew maize and beans, half or more grew groundnuts, sweet potatoes and cassava, and over a quarter grew matooke and sorghum, or raised chickens and goats. Although these have not been analysed by poverty category, there is no reason to believe that poorer farmers are atypical in this regard.*

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modities both for farmers, and for the economy far outweigh those from limited adoption of non-traditional export crops.

Is the PMA vision well understood? This vision, of addressing poverty through supporting poor rural farmers, was not shared by all interviewed stakeholders. The most common reason appeared to be a feeling that the PMA approach was not working; that it was not providing results. The validity of this perception is addressed later in the report, but often reflects a confusion (discussed above) between PMA as a framework for addressing poverty through agriculture and PMA as the entire agricultural strategy. There is also a debate as to the specific groups that PMA should be targeting, discussed later in this chapter.

Considerable confusion has also arisen because of the name, PMA. As one stakeholder said to us, *"PMA is not a plan, it is not about modernisation and it is not just about agriculture*". The PMA core document defines and uses several terms in a confusing way. It is not always clear as to what it means by 'commercialisation', and even less so by 'modernisation'. The 'private sector' is used to include farmers, whereas many Ugandans would take this to mean commercial businesses. The poorest level of farmers is referred to as 'subsistence' farmers, yet most farmers within this group have strong, if intermittent, linkages with markets. 'Modernisation' is not clearly defined, but seems to mean increased integration into markets, and the use of improved seeds and technologies. The Evaluation feels however, that if modernisation is to help the poor in a sustainable manner it must be about basic issues, such as improved techniques affordable by, and relevant to, resource poor and risk averse farmers. Yet the team came across perceptions that PMA should be about mechanisation, and quick transformation of poor farmers into business people focussed entirely on the market.

A multi-sectoral approach? There is also considerable scepticism about the multi-sectoral nature of PMA, both from parliamentarians and NGOs. Some of this may be fuelled by the inability, so far, for PMA to properly exploit the potential synergies from the different pillars[16]. There is also concern that important sub-sectors in agriculture, particularly livestock and fisheries, appear to have been neglected. This is not necessarily a correct perception; much depends on how both the NARS and NAADS provide research and extension services to those active in these subsectors. Nevertheless, it underlines the need for a wider agricultural strategy to address public goods such as disease control, and regulatory standards.

Have the constraints changed? There are five main areas of constraints faced by subsistence farmers identified at different points in the PMA core document:

- natural environment aspects;
- access to finance to address both food security issues and the financing of improved technological approaches;
- physical infrastructure;
- human capital, and;
- weak social capital in the aspects of accountability and transparency, though strong in community elements.

Five years after the start of implementation these constraints still hold. In addition, two further constraints can be added: access to land, and vulnerability to market volatility.

16 *This is discussed further in chapter 4 of the report.*

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Access to and ownership of land is included under the natural environment constraint, but is of sufficient importance to justify inclusion as a separate item. It is identified by the poor themselves as one of their main constraints, and is increasingly recognised in the literature as a major constraint to pro-poor growth[17]. This is a particular issue for women who rarely inherit land in Uganda, but use land which belongs to men, or have to rent or buy land. The vulnerability of the rural poor to both internal and external market volatility is another constraint that has to be addressed in order to develop sustainable improvement in agricultural livelihoods.

The PMA principles, approaches and strategies

This section assesses the extent to which key approaches and strategies – differentiation of target beneficiaries, private and public sector roles, co-funding and a multi-sectoral approach – have been implemented and how effectively.

Principles. The basic principles of PMA, as interpreted by the Evaluation, have been laid out in the introduction to this report. They appear to be generally accepted by stakeholders, and this is perhaps one of the most important achievements of the framework: that these principles of privatisation, liberalisation, democratisation and gender sensitivity, are increasingly being incorporated into both government and donor activities. Even within the NSCG, where funds are often spent on toll goods[18], rather than public goods, there are attempts to ensure that benefits are more generally spread than they would have been in the past.

The need for a differentiated approach. One of the weaknesses of the PMA is that insufficient attention has been paid to the differences between sections of the target population. The core document differentiates between the *destitute*, identified as needing safety net interventions, *subsistence* farmers, who will require literacy skills, greater involvement in development activities and, in some cases, access to land, *semi-commercial* farmers and *commercial* farmers. The PMA identifies subsistence farmers as its main target group. In practice, a different categorisation has been developed by NAADS as they have rolled out their programme. They are targeting the *economically active poor*, who, because of greater assets, are assumed to be able to adopt riskier enterprises that may be inappropriate for poorer farmers.

The PMA core document recognises that there are different categories within the poor, such as female-headed households, youths, households with high economic dependency ratios and those living with HIV/AIDS. Yet none of the pillars appear to have developed strategies based on the differential needs of these groups. Field interviews indicate that some NAADS enterprises are inappropriate for the farmer groups targeted, either because of labour requirements (HIV/AIDS groups), religious or cultural reasons, or insufficient resources of the group members. Yet the team also spoke to farmer groups who felt that they had benefited from very basic technological inputs, such as sowing in straight lines rather than broadcasting. There needs to be clearer analysis of, and differentiated strategies for, the needs of specific groups. In particular, more emphasis should

17 *A recent World Bank study, Agricultural Growth for the Poor (2005), identifies four major conditions for agricultural growth to reduce poverty: agriculture must be important to the incomes of the poor; climate and soils allow significant potential for productivity and profitability to grow; land distribution is relatively equitable; and the poor consume nontraded food staples.*

18 *Toll goods, sometimes described as 'club' goods, are like the privileges obtained from club membership. All members can mutually share the benefits but non-members can be excluded, or made to pay for the same services. Most services delivered to farmer groups would fall into this category.*

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be put on improving the yields of staple food crops for poorer farmers, rather than introducing newer crops, which may be more risky to grow or market. Access to land by different groups is also an issue. Agroforestry, which has high potential for poorer farmers, may be unsuitable for those without secure access to land to ensure their investment.

The Evaluation recognises that developing fully integrated strategies across all pillars for a number of different groups may be very resource intensive and challenging. However, PMA implementation in general would benefit from a clearer identification of the characteristics of two groups in particular: poorer farmers, and women farmers. This would involve an assessment of access to assets, attitude towards and ability to bear risk and livelihood strategies. Where the approaches taken under the different pillars are not addressing the needs of particular sections of the target population, this could be improved through greater participation of the poor and women in design and monitoring of activities.

The role of government. The PMA definitions of public and private sector roles within the different pillars are consistent with the government's view, that its own role should be restricted to the provision of public goods, regulatory activities, and addressing market failure. Under this principle, delivery of public goods and services in areas such as agricultural research and advisory services are being opened up to private sector delivery, but remain publicly funded. Public funding and/or provision of private goods to individuals should be on a full-cost basis and government should avoid interventions that undermine legitimate private sector activities, whether through provision of goods at below cost, or through creation of uncertainty in the policy environment.

Private sector delivery of public goods. The approach taken by NAADS and some NSCG activities, namely government funding of private sector delivery, places high demands on contract management and monitoring. The short-run costs of implementing this approach may be high, and have probably been underestimated. However, provided the private sector can deliver effective services (see below) this is one way of introducing the possibility of greater client responsiveness and ownership for the services envisaged. This is particularly relevant for pillar 2, advisory services and elements of pillar 5, marketing. Other pillars have a clear need for a strong public sector role, because of the high level of externalities in, for example, education, basic research and natural resource management.

Not all stakeholders understand or accept the problems of government undermining private sector activities. A past history of subsidies, free inputs and government intervention has led to a sense of entitlement, both amongst beneficiaries and amongst the stakeholders who delivered these subsidised goods and services. However, programmes with free distribution of goods and services tend to undermine the general approach of encouraging farmers to use market channels for their inputs. Some recent policy initiatives are inconsistent with PMA principles on the role of government. For example, the SEP has distributed free inputs for certain key crops. In some cases, the private sector has been used to distribute these inputs, with a temporary boost to their activity, but free input distribution reinforces dependence on government by farmers, and has the potential to undermine the development of a private input market. The Evaluation is concerned that elements of the recent Rural Development Strategy, by distributing inputs through NAADS, could have a similar effect. This could be implemented through the private sector, but care will have to be taken about the mechanisms used

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if the strategy is not to undermine private sector activities and lead to a self-fulfilling prophesy that the private sector cannot deliver.

Co-funding. In principle, the services provided by PMA implementers should have an element of co-funding, to reduce dependence by beneficiaries, including local government and in some cases to provide a first step towards financial self-sufficiency. In practice the results of this are mixed. NAADS groups are supposed to contribute 2 percent towards the cost of services received (collected through the farm group subscriptions), and districts and sub-counties are supposed to provide 10 percent of the value of the NSCG towards the activities funded. The co-funding element in NAADS does appear to be working in some areas, but concern has been expressed by NGOs that the approach discourages poorer farmers. An issue here is whether the services provided are appropriate for the recipients. Evidence from a number of countries shows that even poor farmers are prepared to pay something towards services that provide real benefits, particularly increased incomes[19].

There has been a move away from subsidising services, such as rural finance, with the closure of the Entadikwa scheme. District Agriculture Training and Information Centres, DATICs, are mandated to achieve financial self-sufficiency over time, through the sales of training services. However, the pilot Foodnet market information pilot scheme which closed in June, and is currently subject to evaluation, has raised concerns over the financial viability of this specific approach to information dissemination. These are not strictly examples of co-funding, but address some of the same concerns, of discouraging dependence, and identifying clients for services, rather than beneficiaries.

Co-funding at local government level is likely to become more difficult with the removal of graduated tax. The tax base varies considerably from district to district. Some districts with very limited resources may be tempted to increase taxes, such as market dues, which could have a detrimental effect on economic activity. Co-funding is an important step towards ownership and sustainability of the services provided, but unless new ways of financing local government are developed soon, it would make more sense to introduce it gradually as the services delivered under PMA start to produce more income at individual, and at district and sub-county level. It will be important to monitor the success of different approaches to increasing ownership and reducing financial dependency, in order to better understand what works, where and why.

A multi-sectoral approach. All multi-sectoral approaches can suffer low buy-in from the relevant ministries. This is compounded in the case of PMA by a feeling amongst many ministries, both at national, and to a lesser extent at district level, that PMA is a framework for agriculture, which gives little benefit to other ministries. Yet, in principle, there is considerable merit in coordinating support activities around such a key sector as agriculture to tackle rural poverty. However, it does require bringing together the different pillars and agencies of the PMA to reinforce each other.

The question is whether the approach is too ambitious and that therefore Uganda should return to a more traditional approach. On balance, the Evaluation feels that the potential benefits of a coordinated multi-sectoral approach are significant, particularly at district level. Funding and planning processes at district level are slowly changing to

19 *This is based on personal experience of team members in Bangladesh and Nepal.*

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prove more scope for such an approach. The challenge is to ensure that this works to promote PMA principles.

The assumptions

The Evaluation was asked to assess the validity of two assumptions within the core document:

- Poor farmers have the capacity to articulate their demand for services effectively, with adequate knowledge of market conditions and opportunities;
- The private sector has the capacity to respond to market openings as private sector providers.

To this the Evaluation has added a third:

- Local Governments, LGs, have the requisite capacity in place to internalise, strategically plan for, and implement the PMA.

None of these assumptions have been validated entirely in the process of PMA implementation. However processes have been started, within NAADS and with the activities of Community Development Workers, CDWs, which can be modified to address problems of limited capacity and lack of adequate information of both farmers and the private sector.

Demand-driven services. Because of slow implementation of some pillars, the only real area where the capacity of poor farmers to articulate their demand for services can be assessed is in NAADS. Even here however, it is difficult to assess whether the enterprise selection process provides enterprises that are appropriate to their needs or to the market opportunities facing them. This is discussed in more detail in Chapter 4. The principle of demand-driven services appears to be well understood but ironically, the current restrictions on NAADS enterprises means that, in some cases, the traditional extension services are responding more flexibly to farmers' demands than NAADS.

Bringing demand and supply together. There is no evidence that poor farmers are unable to define and express their demand. However, there are limitations on their ability to access information on market opportunities and the types of technologies being developed by national and local research stations. In addition, there are no mechanisms for allowing either the private sector or local agricultural research stations to give information to farmers about opportunities available in the local area. What is needed is a way to make this information available to farmers, and bring the demand side together with the supply side. One possibility would be to hold mini agricultural shows as part of the NAADS enterprise selection process, where researchers could present new varieties or private sector entrepreneurs could present market opportunities.

Private sector capacity. There do not appear to have been problems in identifying private sector providers, whether for NAADS, or for construction activities undertaken under NSCG, District Development Support Programme, DDSP, LGDP or Poverty Alleviation Fund, PAF. However, interviews in a number of districts indicate that the skills of service providers, particularly for new extension technologies such as apiary and vanilla, are very limited. One NAADS sub-county coordinator complained that there was not much choice amongst service providers because the overall numbers were small. Service providers are often underfinanced, and as a result there are delays in the provision of services, as they have to be pre-financed. Delayering has yet to occur at district level, limiting the movement of expertise from the traditional extension service into

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NAADS. Quality control processes are still at an early stage, and contractual processes require a more business-like approach, on both sides.

NAADS has funding to build capacity of private sector providers but as yet little of those funds have been used. There are examples of the private sector undertaking training itself. In Kiboga, for example, the Chamber of Commerce is developing a training programme for its members. There are also donor supported programmes which are working to develop private sector skills, notably the USAID funded SCOPE programme, but they tend to operate at national rather than district level. Some training is carried out by SIDAs (sub-county integrated development associations), particularly where the DDSP is operating.

Local Government capacity. The core document made three questionable assumptions concerning local government capacity:

- That it was sufficiently developed to enable PMA principles to be internalised at district level;
- That the local government institutional and legal framework was sufficiently supportive to facilitate speedy PMA implementation;
- That planning processes were sufficiently developed to address the multi-sectoral and inclusive planning process set out for the NSCG.

Diverse interpretations of the PMA by local government officials, however, show that these assumptions do not hold. The PMA coordination role has been nested in various institutional settings but mostly in the agricultural sector. The lack of an explicit institution for strategic guidance and overall coordination of PMA implementation at local government level and the confusion over the appropriate institutional location for that role has not facilitated efficient execution. Moreover, in reality local government planning processes are still fairly weak and not completely inclusive and are also liable to influence by elected officials, leading to questionable investment decisions. The situation is not helped by the parallel planning process for the LGDP.

Public-private partnerships

PMA has developed a set of principles governing its relationship with civil society. No such document exists for the private sector, whether for farmers or the commercial business sector.

The private sector has limited input into national policy, or institutional and legal frameworks. Representatives of the private sector are invited to the annual reviews of the PMA, but much of the discussion appears arcane and abstract to them. Active participation is minimal. The same is true for farmer organisations. The PMA is perceived, by NGOs in particular, as being less participatory than the PEAP, and, other than the Joint Annual Reviews, consultation processes with the private sector are not well developed.

The situation is similar at the district level. In Kibaale, private sector participation has been invited in monthly planning meetings, but attendance has been minimal because these meetings focus mainly on operational aspects of departmental function. The Support District Partnership Programme in Kiboga, Kibaale and Kumi, funded by Development Cooperation of Ireland, DCI, promotes the strengthening of public-private partnerships, but there is little else at district level which actively targets public-sector partnerships. Farmers have some role in NAADS where farmer fora have an important role to play in the contracting process for service providers. Members of the

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Farmers' Forum sit on the procurement committee and are also responsible for ensuring that the activities contracted are being carried out.

There is scope for better linkage between the different actors at district level. This could be focused around the concept of the value chain, the importance of which seems weakly understood by NAADS and others in the public sector. Enterprises are being encouraged without good understanding of their market potential. Better linkages between farmers, NAADS, and the private sector could increase the likelihood of successful investments.

Consideration should be given to developing a strategy for more effective interaction with the private sector at both national and district level. Although consultation at national level takes place with organisations such as Uganda National Farmers' Federation, UNFFE, and specific commodity organisations, lack of effective farmers' and private sector organisations at district level is a constraint. Building up organisational capacity at a higher level than the farmer group, and with small-scale traders and processors, would go some way to enabling this type of process. The Agricultural Productivity Enhancement Program, APEP, has made progress building farmer linkages with large-scale processors, using a top-down approach. Some thought should be given to developing a more grass roots, bottom-up equivalent with smaller scale actors.

Summary

The vision, principles, approach and strategies of the PMA are still valid after five years. However, implementation under the pillars has not always been in accordance with the approaches and strategies set out in the core document. Some of the constraints should be updated and expanded. The assumptions need to be revisited in the light of experience and strategies amended to take account of identified weaknesses. This is particularly true of NAADS and district level implementation.

The Evaluation feels that the time has come to develop a roadmap for the next five years, based on the principles laid out in the PMA core document, updated to reflect the experience of the last five years. The current document was ground breaking in its time, but in many ways it lacks sufficiently clear targets, milestones and timeframes, particularly given that the timeframe for achieving the objectives is 2017[20]. The interventions matrix appended to the document is ambitious, and brings together a combination of new and ongoing activities, but is unrealistic in its timescale (five years on, some activities have still to be completed). Perhaps the most serious lack is any visioning of what success in the PMA might involve and what timeframe would be appropriate. This is a particular problem given the high expectations raised by the programme.

The Evaluation considered the option of re-launching PMA under a more appropriate name, but concluded that this would only create more confusion.

An updated roadmap should make clear the poverty focus of the PMA. It should be more specific about what PMA can deliver in terms of outcomes at the level of subsistence farmers. Indicators of success should be identified, with quantitative targets. Steps should also be taken to build capacity to interpret and implement these targets at district level in accordance with local circumstances. Progress towards these targets would be measured as part of the monitoring and evaluation system, through regular surveys. The

20 PMA core document, p 105.

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roadmap should also address issues of private sector capacity building, increasing the scope for effective farmer participation in service provision and improving links between the private sector and the farmer. PMA implementing agencies should then ensure that their strategies are consistent with the specific targets identified.

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4. PMA's pillars and the NSCG

This chapter provides an analysis of key issues in the targeting and rollout of the seven pillars[21] and the PMA Non-Sectoral Conditional Grant, NSCG. A concise account of the policies, strategies and implementation of each pillar is provided in Annex A5. Given differences in the pace of rollout of the pillars, much of the discussion focuses upon NAADS and the NSCG.

Summary of pillar implementation and impact[22]

Pillar 1: Research and technology development
Following the launch of the PMA a task force was established to review the National Agricultural Research System, NARS. This review subsequently led to the formulation of the NARS policy in 2003 and the establishment of a core implementation team (CIT) to implement the policy, particularly in terms of institutional mechanisms and the legal and regulatory framework. The new policy required a new legal framework, and in 2003, a draft bill for Agricultural Research was prepared. This draft bill was approved by Cabinet in 2004, but there were delays in its approval by Cabinet, which did not occur until June 2005.

The delays in passing the NARS bill has affected progress in a number of key areas, including: the piloting of a Competitive Grant System, CGS, the establishment of an Agricultural Research Trust Fund, an inventory of potential research providers outside NARS, and the establishment of a NARS research baseline.

As yet little impact can be attributed to the restructured NARS because of the delays in passing the NARS bill. Previously International Food Policy Research Institute, IFPRI, estimated the returns to research in Uganda in the order of 50 percent – a high rate relative to other types of investment. However, the research undertaken did not always correspond to the needs of poorer farmers, women, or specific groups such as the HIV/AIDS affected.

While there can be no guarantee that the recent reforms will yield more appropriate research, the restructured NARS is now well placed to develop research processes that are more open and participatory. However, impact will be dependent upon dissemination and uptake, and this is an area which appears to have been disrupted by the move away from the traditional extension system to NAADS.

Substantial effort has been put into capacity building, particularly at the zonal level, but there has not been sufficient acknowledgement of past successes in developing improved varieties and their relevance to poor people's livelihoods. In this respect developing effective links between the National and the Zonal Agricultural Research Institutes, ZARIs, is important.

21 *These are: (i) research and technology development; (ii) agricultural advisory services; (iii) agricultural education; (iv) rural finance; (v) agro-processing and marketing; (vi) natural resource utilisation and management; and, (vii) supportive physical infrastructure.*
22 *See Annex A4 for more detail on progress with implementation of the PMA pillars.*

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Although NARO has had substantial achievements in developing technologies, the dissemination process is not working well. Once a variety has been tested and the most appropriate varieties identified, foundation seeds or cuttings are given to partners to multiply. However, where dissemination has been through farmer groups, there have been difficulties getting repayment for the seeds or cuttings, and links with NAADS have not yet been developed effectively.

Pillar 2: Agricultural advisory services (NAADS)

The most significant contribution to this pillar has been the establishment of NAADS as a new national approach for extension. NAADS was launched in 2001 in six districts and twelve sub-counties. Since then districts and sub-counties have been added at a pace determined by capacity and funding. Amongst all PMA pillars, progress with the roll-out of NAADS has proceeded at the fastest pace.

To date, NAADS has registered 449 private service providers, PSPs. The de-layering (redundancy) of public extension workers was intended to increase the number of PSPs available to provide NAADS services. However, the process of delayering has been held up by the omission of NAADS structures from the local government restructuring programme. PSPs are provided with one-year contracts. Due to the time involved in tendering this can result in PSPs being contracted for periods as short as three months – an issue highlighted as a problem by both PSPs and farmer groups. Low capacity amongst PSPs is recognised by NAADS as a constraint to effective service provision. Although PSP capacities are low, this does not appear to hinder the rate of service delivery, with disbursement against NAADS contracts of 71 percent in 2003/4. However, little information is available on the quality of services provided.

The NAADS target group are economically active poor (EAP) farmers. These are defined as subsistence and semi-commercial farmers with access to productive assets and with some skills and knowledge (i.e. farmers with potential). The Evaluation finds this approach justified provided that the focus upon the economically active is interpreted as an 'entry point' for the programme. As NAADS matures it needs to develop services that reach out to other groups of farmers, including the elderly, the disabled, and sick, who cannot afford or are not able to join a group, and those who have a limited access to productive assets (i.e. a 'deepening' of the programme is required).

The Evaluation finds that despite NAADS enterprise selection being conducted in an apparently participatory manner, the technologies available to farmer groups are limited to only three enterprises – or for the most recent 8 NAADS districts, to just one enterprise[23]. This leads to similar enterprises being selected across NAADS districts, with little opportunity to support marginal enterprises, or enterprises that may be attractive to only a small sub-set of farmers.

The Evaluation also questions the emphasis by NAADS on non-traditional (or 'new') enterprises. This approach tends to exclude poorer, more risk-averse farmers, for whom improvements in traditional crop technologies may yield significant benefits. This is particularly relevant where income-enhancing opportunities available to farmers are constrained by weakly commercialised input and output markets and limited access to agricultural finance. The Evaluation found that services provided by the traditional

23 *Concerns over the NAADS enterprise selection process are also raised in a recent paper Prioritising Farmers' Extension Needs in a Publicly-Funded Contract System of Extension – Mokono Case Study, Uganda, AgREN Paper No. 147 July 2005, available from www.odi.org.uk/agren.*

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extension service (due to be phased out) in non-NAADS sub-counties, provided a more diverse range of technologies to farmers, and was more responsive to the needs of the poorest groups (although even here services tended to be captured by better-off farmers). NAADS does not provide general extension advice to farmers, but works solely within an enterprise framework.

Overall, it is still too early fully to assess the impact of NAADS. Some data are available from annual surveys and also from the NAADS Mid-Term Evaluation (summarised in Annex A4). However, in the absence of robust empirical evidence it is difficult to say anything conclusive about the impact of NAADS. Efficiency of service delivery is especially difficult to assess given limited information on the costs and quality of services. This is an issue that NAADS should seek to address if it wishes to strengthen its future claim on public resources.

Pillar 3: Agricultural education

Agricultural education is addressed through the National Agricultural Education Policy 2004-2015, NAEP, developed jointly by the PMA and the Ministry of Education and Sports, MoES. As of July 2005 NAEP is awaiting GoU cabinet approval and MoES is in the process of integrating NAEP within the National Education Sector Strategic Plan.

Agricultural education at primary schools is an important means of conveying PMA messages and practices to tomorrow's farmers. According to the PMA Annual Report 2003/2004, in four districts 247 primary schools have started agriculture-related teaching or formed agriculture 'clubs'[24]. School gardens established through the NSCG are supervised by extension workers. According to sub-county extension workers met during field visits, commitment to the gardens by teachers and students is low. Teachers are reluctant to take on the extra work of managing and maintaining the gardens, and students regard the work as a punishment rather than as education. Integrating agricultural education within the curricula for primary schools is a challenging task. However, the Evaluation feels that this is an important component of the education pillar and should be continued.

The Functional Adult Literacy Programme, FAL, was initiated in 1992 as a pilot project in eight districts and is now nationwide. The objective of FAL is to raise adult literacy levels to 85 percent by 2007. By 2004 FAL had over 400 thousand learners enrolled, of whom 76 percent were females. FAL is implemented by local government and CDWs play an important role in the implementation and monitoring of FAL classes. NGOs and donor agencies are also involved. In FY 2003/04, FAL classes were implemented in 14 districts and 800 sub-counties, representing an expansion of 11 percent since FY 2002/03. The team could not find nationwide data on drop-out rates of FAL instructors or learners, but districts complained about 'high' drop-out rates.

District Agricultural Training and Information Centres, DATICs, also contribute to the education pillar. DATICS train farmers, youths, and women in the management of profitable agricultural enterprises that can generate profit.

Pillar 4: Rural finance

The Microfinance Outreach Plan, MOP, was launched in 2003 as the implementing vehicle for the pillar aiming at 'expanding the outreach of sustainable microfinance in

24 PMA Annual Report 2003/04 pp. 17-21.

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Uganda' with a target of creating 40 new MFIs (branches of microfinance institutions), and 40,000 new clients by June 2006.

Analysis of progress to date shows that access and availability of rural finance services has improved, with the establishment of 12 new MFI rural branches reaching 22,000 new clients. This is in line with the target of 10 new MFI branches and 10,000 clients every 6 months up to June 2006, agreed by the third PMA Joint Annual Review of November 2004.

However, overall, the rollout of the Microfinance Outreach Plan has lagged behind due to inadequate funding. The MOP was supposed to be rolled out to cover the whole country within a period of three years starting in July 2003. The intention now is that by June 2006 MOP will cover 25 districts (a shortfall of 31 relative to the original plan).

Lending to agriculture and specifically to small farmers is unattractive to most microfinance Institutions. By September 2004, crop and animal production accounted for only 13 percent of the total MFI loan portfolio. MOP experience to date shows that the principal problems associated with lending to smallholder farmers relate to: (i) the concentration of demand for borrowing at the start of a season, followed by a period of several months without income during which it may be difficult to make repayments; (ii) the difficulty of mobilising savings from agriculture; (iii) the low number of commercial and semi-commercial farmers; (iv) high costs in searching, screening, monitoring and enforcing agricultural loans; (v) the tendency towards 'strategic default' by farmers due to past experience of not suffering penalties following default.

Pillar 5: Marketing

The Ministry of Trade, Tourism, and Industry, MTTI, is responsible for implementing the marketing and agro-processing pillar. Progress in the implementation of this pillar has been slow. Following a number of studies, the Marketing and Agro-Processing Strategy, MAPS, was approved by MTTI, MAAIF and the PMA Steering Committee in 2004, but has yet to be launched formally. The main thrust of MAPS is to increase the competitiveness of the sector by addressing major constraints through public investments. MAPS has yet to be formally launched, but a wide array of marketing and agro-processing initiatives are already occurring as components of a variety of interventions (see Annex A4).

Agricultural marketing in Uganda is characterised by limited access to finance by many small traders, small amounts that most farmers have to sell, and the high costs and availability of transport. However, given these limitations, the marketing system is relatively robust and efficient and, although farmers complain of low and variable prices, these reflect the market costs and risks. The 'market' is often unfairly blamed for an inability to cope with sudden production surges caused by encouragement of farmers to diversify into, or expand production of, specific products without consideration of the whole value chain, the size of the final market, agro-processing capacity and the financing and risk costs involved.

The MAP Strategy states that its target beneficiaries are 'small-scale farmers'. Within this very broad group, actual benefits are likely to vary widely. For example, the criteria used for feeder road development and maintenance, the selection criteria used in providing marketing training to farmers' groups, the presence of agro-processing facilities in the

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locality, the farmer's ability to generate a marketable surplus, are just a few of the parameters that will determine the actual beneficiaries within the farming community.

Rather surprisingly, MAPS has no component for improving agricultural inputs marketing, even though this is in the PMA Document. The recent Rural Development Strategy (RDS) reintroduces the need to strengthen the capacity of local input suppliers and dealers. A recent report indicates a rapid growth in the dealer network with over 2,200 input dealers nationwide. However, limited capital and lack of technical and business training are common problems. Experience from other countries shows positive benefits from stockist training combined with encouragement to national suppliers to extend credit lines to rural stockists. These schemes often incorporate an Inventory Guarantee Fund to share the risk with suppliers of credit default by stockists during the training period (e.g. Smallholder Enterprise and Marketing Programme, Zambia).

Pillar 6: Sustainable use of natural resources

Land tenure is important for the commercialisation of agriculture, both in terms of providing collateral for finance, but also in terms of allowing larger scale production. Generally, there is an absence of a shared vision on land reform for Uganda. The medium-term impact of investment under PMA is likely to be constrained unless the land issue is addressed more expeditiously.

There are no easy answers to the problems posed by the current state of land tenure in Uganda. The precise nature of the issues varies according to the four land tenure systems in the country: customary, freehold, *'mailo'* [25] and leasehold. However, there are two general concerns. First, many poor farmers do not understand what their rights are legally to land, and this deters them from investing in infrastructure, perennial crops and trees, or soil conservation technologies. Where people do understand their rights under law, they may have no faith in local juridical systems to enforce these. Second, women's rights to land are still highly disputed, even though they may provide the major labour input on the land. Attempts to address this have proved controversial and have not had sufficient political support to be adopted in law. A clause on co-ownership in the Land Act Amendment was dropped because of an inability to find a consensus position.

The Land Sector Strategy Plan addresses the need for a land policy, to define the range of formally recognised land rights, the distribution of those rights, and land use. An integral part of this will be a land use policy. A draft land use policy is being finalised for presentation to Cabinet before the end of June 2005. However, the land policy is moving slowly. An issues paper is in place, but four major gaps have been identified: the issue of raising revenues based on land taxation; the privatisation of land services (in particular cadastral surveys and land valuation); how to deal with internally displaced persons, IDPs; and HIV/AIDS and land.

The Water for Production strategy and investment plan has now reached its fourth draft. One of the components of the strategy is the formation of a national coordinating body. In response to this, terms of reference have been drafted for a National Water for Production Sub-sector Working Group, a sub-group of the Water and Sanitation Sector Working Group. The proposed members include representatives from MWLE, MAAIF

25 *The 'mailo' land tenure system was created by the British in 1900 when it gave large tracts of land in Central Uganda to the political elite with most Baganda becoming tenants. In its current form there is, in effect, a stalemate where the owner has no inducement to invest and the tenant has no power to grow anything other than annual crops.*

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and PMA as well as other ministries, UNFFE, the private sector, local government and donors.

Over the last four years, MWLE has focused all its resource for the Water for Production on an emergency programme to address the water needs for pastoralists and livestock keepers. This has involved the rehabilitation or development of large water reservoirs in the Karamojo, and small dams in the major cattle corridors. MWLE has provided the funds for this, and MAAIF has engaged communities in participatory planning processes. Increasingly water resources are being developed at district level, funded by the centre, and using a multi-sectoral approach.

The main challenge for the forestry sector is to recognise the value of forest resources in the Uganda economy. The Uganda Forestry Policy was passed in 2001. This has resulted in major restructuring of the forestry sector. In 2001, stakeholders were brought together to develop a National Forestry Plan, which was approved by cabinet in 2002 and a National Forestry and Tree Planting Bill was approved by Parliament in 2003.

The National Forest Authority has actively engaged with PMA, particularly in monitoring and evaluation. However, there is poor integration with other pillars of the PMA. In particular the potential of agro-forestry for poverty reduction has been rather overlooked, particularly where NAADS is concerned.

Environmental issues are addressed at district level through the development of District Environmental Action Plans, DEAPs, to be integrated into the District Development Plan. At present 14 DEAPs have been prepared, but only 8 districts, supported by the World Bank funded Environmental Management and Capacity Building Project , EMCBP II, have fully integrated their DEAPs into their DDPs. All 56 districts have a functioning district environmental committee, though these are not separate but part of the production, marketing and environmental committees.

Much of the achievement under the natural resource pillar so far has been at policy and strategy level, rather than at the level of implementation. District structures are slowly being put in place, but as yet there is limited evidence of impact. Activities have been funded by EMCPB in many districts, but the NSCG has provided useful additional funds, for workshops and sensitisation. Both technical staff and farmers appear to understand the severity of the environmental problems caused by inappropriate agricultural practices. There are limited incentives, again in part because of the nature of land tenure, to address these.

Pillar 7: Physical infrastructure

As indicated in Chapter 9, expenditure on rural infrastructure projects accounts for the major share (30 percent) of overall PMA spending. The road sector has been given high priority by the GoU during the last 15 years and many development partners have contributed to the development of the sector. Most current road projects are part of the 10-year Road Sector Development Programme budgeted at USD 1.5 billion.

Support to the development of rural roads will be achieved through two major programmes. The District Roads Investment Programme (USD 476 million) and District, Urban and Community Access Roads programme (USD 577 million). Both are ten-year programmes and should improve access to rural areas, enabling farmers to access markets

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for their produce, and building district capacities for road network planning and management.

Road investments are managed by the Ministry of Works, Housing and Communications, MWHC. Maintenance of the district roads is now entirely through the use of private sector contractors. However, district and community funds for road maintenance are limited, and delayed transfers from central government can slow down progress with road maintenance and rehabilitation. With the decentralisation of road maintenance and the restructuring of the MWHC, it is important that local government give priority to community access roads and district roads. Under the Local Government Act, the responsibility of feeder roads falls under local government. However, most districts do not have adequate funds to address all their road maintenance needs.

The Evaluation found, that where the NSCG has been spent on roads it has provided modest inputs to on-going projects (e.g. culverts on feeder roads projects). Given the limited resources available under the NSCG, it is recommended that the PMA Secretariat reviews the use of the NSCG for this purpose.

The 10-year Energy for Rural Transformation programme, ERT, aims to increase rural access to electricity from 1 percent in 2002 to 10 percent by 2012 using private sector led delivery mechanisms. The ERT is making slow but steady progress. Between 2002 and 2004 access to power in rural areas increased from 1 percent to 3 percent. The main challenges faced by the ERT are: (i) under-funding of the Rural Electrification Fund, and (ii) difficulties experienced in implementing the new private sector-led approach to rural electrification.

The Non-Sectoral Conditional Grant (NSCG)

The Non-Sectoral Conditional Grant, NSCG, was introduced in 2000/01 to support PMA implementation. Expenditure on NSCG activities increased from USh.2.0bn in 2000/1 to USh.5.0bn in 2002/3, and has remained at this level for the last two years. The NSCG budget for 2005/6 remains set at USh. 5bn, despite the planned expansion to 33 districts. The level of funding of the NSCG is too low to allow significant investment activities to take place at sub-county and parish levels, thereby limiting the potential impact of the grant.

Over the four years to 2003/04 nearly 65 percent of NSCG funds have been allocated to agriculture[26]. Within agriculture, half of the funds were used for the purchase of inputs for production (seeds, fertilisers, etc). The remainder was split between the construction of physical assets for production (irrigation, fish ponds, dip tanks etc), and capacity building (farmer training). Beyond agriculture, other areas for NSCG spending include infrastructure (16 percent) and health and sanitation (4percent). This is confirmed by the Evaluation which found instances of the NSCG being used for the repair of rural roads and bridges, and the construction of public latrines and water storage facilities.

Reviews of the NSCG consistently indicate weak community participation in decisions over how funds are allocated and suggest that local political leaders and technicians have the major influence over the identification and selection of NSCG projects. The district visits by the Evaluation confirm that NSCG decision-making remains dominated by local politicians and technicians, and that further work is required to: (i) build capacity

26 *Review of the use of the NSCG by local governments, 2000/1 - 2003/4, Independent Consulting Group (January 2005).*

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for planning amongst local communities; and (ii) ensure greater transparency to communities in how NSCG funds are used.

The Evaluation found that while many NSCG investments have strong public good characteristics and benefit the wider community including the poor (e.g. public latrines, water storage facilities etc.), a major share of the NSCG continues to be used for the distribution of crop planting material and improved livestock breeds to individual farmers for demonstration or multiplication purposes. Recipients ('caretakers') of these inputs are chosen by extension workers or political leaders, and tend to be amongst the better-off members of the community. While this is justified on the basis that better-off farmers are most able to manage the assets provided to communities, it is important that measures are taken to ensure that the benefits are spread as much as possible throughout the community and that the demonstration and multiplication objectives are achieved.

Since the NSCG was first introduced there has been considerable debate about whether it should be merged or kept separate from the Local Government Development Programme, LGDP. The argument to keep the NSCG separate is based on a perceived need to retain the NSCG as a funding source specifically to support PMA implementation. The contrary view, in favour of merging the two grants, has two main arguments. First, that the NSCG is not being applied as intended. This is supported by evidence that a significant number of the projects financed by the NSCG are inconsistent with both the PMA and NSCG guidelines and that the 'value added' put forward to justify retaining the NSCG as a separate grant do not exist. Furthermore, many NSCG investments are effectively government managed distribution of free inputs to (better-off) farmers. Second, a merger would significantly rationalise financial streams to districts by removing the administrative cost and inefficiency of involving the PMA Secretariat in grant administration, as well as the burden on local governments and communities of having to plan and account separately for two very similar streams of funds.

While the Evaluation recognises that there are arguments for and against the merger, the evidence in favour of the merger appears overwhelming. It is therefore recommended that the NSCG be merged with the LGDP – but that the LGDP guidelines be revised to include PMA priorities and principles, and that this be done is such a way as to ensure that a share of LGDP funds be used in PMA defined areas. The merger will however have to take into consideration two critical issues, the first being the need to ensure that the integrated and multi-sectoral planning process does not lose the agricultural focus. The second is the need to make provision to review the situation when LGDP II comes to an end in 2007, or alternatively, to ensure PMA involvement in the design of any planned follow-up intervention. The need to inject a stronger PMA flavour within the LGDP should therefore be a minimum condition for the merger to proceed.

Assessment of targeting and pillar rollout

Targeted beneficiaries. It is not always clear that 'targeted beneficiaries' means the same thing for all pillars or conforms to the target group in the PMA document. Part of the problem is that the PMA document does not provide a detailed description of farmer categories nor does it specifically state the targeted beneficiaries for individual pillars, implying that the general target group – 'subsistence farmers' – fits all. The revision of the PMA core document proposed in Chapter 2 should rectify these deficiencies in the current PMA document.

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In some cases, pillar documents have used terms that suggest different meanings. The NAADS documents state that its targeted beneficiaries are the economically active poor (EAP) – subsistence and semi-commercial farmers with access to productive assets and some skills and knowledge (i.e. farmers with potential to benefit from the services provided). However, this definition implies that not all subsistence farmers can benefit from NAADS. This at times has led to a perceived tension between poverty and commercial considerations in targeting NAADS services.

Similarly, under the rural finance pillar, the Microfinance Outreach Plan, MOP, is vague about its targeted beneficiaries. It refers only to shifting the concentration of financial services from urban to rural areas, and is not specific about the extent to which farmers are intended beneficiaries. Indeed, by June 2004, agriculture constituted only 13 percent of the loan portfolio of MOP rural financial services.

Rollout of pillars. Evaluation of rollout plans is difficult because they are outlined only in the NAADS, NSCG, MOP and NARS pillar documents. As of June 2005, the implementation of pillar 2 (agricultural extension) has proceeded fastest, with NAADS now covering 29 districts (Figure 4.1). Although NAADS has exceeded its planned rate of expansion, in general the rollout of pillars is perceived not to have been as fast as anticipated. While considerable investment has taken place under the infrastructure pillar, this does not appear to be well co-ordinated with activities implemented under the other pillars.

Selection of districts. Table 4.1 shows that PMA pillar activities are concentrated in districts with a headcount poverty of less than 40 percent (based on 1999 poverty data). This suggests that the targeting of the poorest districts has not been a criterion in the rollout of pillars.

Table 4.1: Distribution of Districts Covered by Pillars and the NSCG by Poverty Incidence

	Poverty Incidence (Proportion of Population Below Poverty Line {%})								
Pillar	**< 20**	**20-30**	**30-40**	**40-50**	**50-60**	**60-70**	**70-80**	**> 80**	**Number**
1. NARS	1		1	1	1	1	1		6
2. NAADS	2	7	9	2	2	2	4	1	29
3. Rural Finance	3	5	7	1		1			17
4. MAPS[1]	2	7	8		3	3	1		24
5. Ag. Education	2	6	6	2	1	2	1		20
6. Natural Resource	5	5	7	2	4	3	1		27
7. Infrastructure	4	5	5	2	2	2	3	1	24
8. NSCG	3	4	8	2		3	2	2	24
Cumulative Total	**23**	**39**	**51**	**12**	**13**	**17**	**13**	**4**	

Source: Based on "Where are the poor – mapping patterns of well-being in Uganda", UBOS 2004.

1 The MAPS pillar has not yet been rolled out. Presented here are related activities under NAADS and APEC.

Selection of districts. At least five other factors have affected the selection of districts. First, Local Governments are assessed annually under the Local Government Development Programme, LGDP, and those governments not accessing the LGDP capital development grant because of non-compliance or poor performance were excluded from the NSCG, NAADS and MOP rollout plans. This may have built in a bias against

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poorer districts even if it raised chances for implementation success. It is noticeable that in the first years of PMA implementation, districts selected for rollout qualified tended to be the better-off districts. All local governments are now accessing at least one of the two LGDP grants, namely the capacity building grant and the capital development grant.

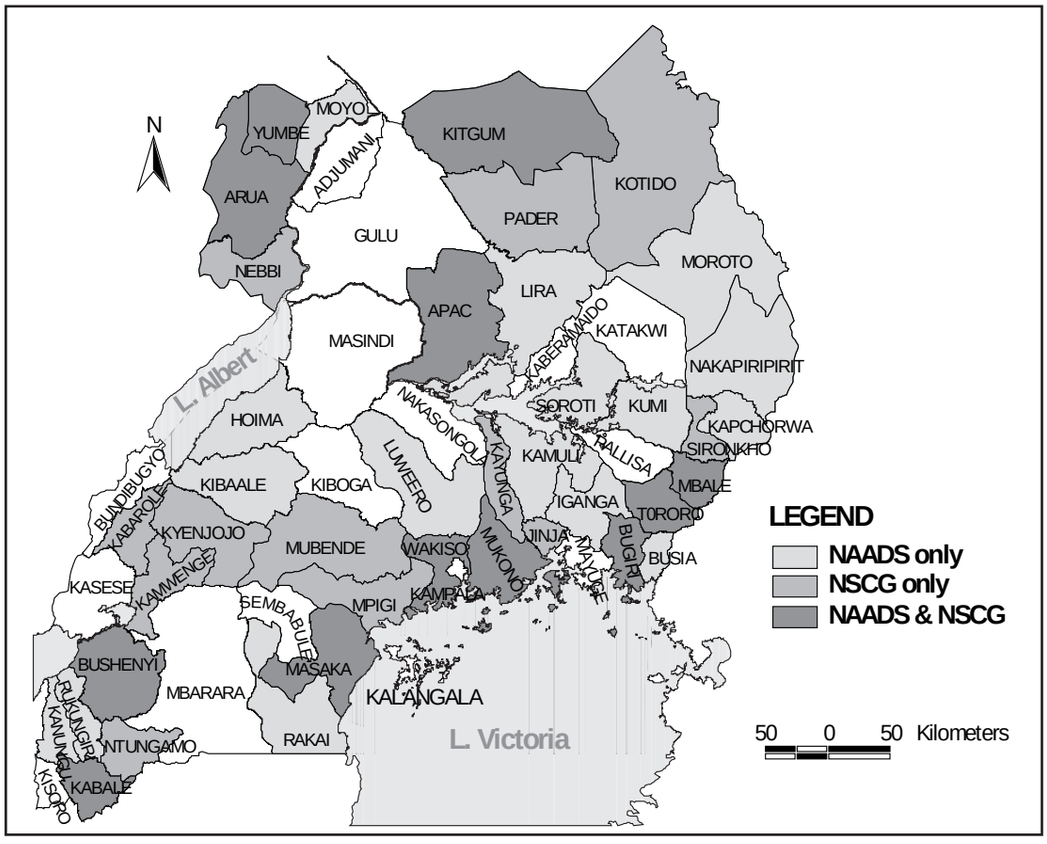
Second, the presence of ongoing activities in a district. For example fish-landing sites (under the sustainable resources pillar) could only be established in certain districts. Similarly, existing irrigation schemes and valley dams influenced the selection of districts for the physical infrastructure pillar. There are many on-going agro-processing and marketing initiatives that are likely to influence the rollout of the Marketing and Agro-processing Strategy.

Third, the presence of appropriate institutions to support implementation. The seven pilot districts for rural finance were selected because they had Promotion Centres set up with UNDP support.

Fourth, the link to other donor projects with their own coverage criteria. For example, MOP has selected districts based upon Danida funding for microfinance within the Household Agricultural Support Programme, HASP.

Finally, in the case of NARS, the determination of where to locate the Zonal Agricultural Research Institutes was based on the need to service the various agro-ecological zones and the presence of existing research facilities.

Figure 4.1 Map showing NSCG & NAADS districts (as of June 2005)



Source: PMA Annual Reports, 2003-2005 (Graphics by PMA, July 2005).

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Implementation. The implementation of rollout plans has been variable. Administrative and political factors, such as the splitting of districts, have accelerated the rate of rollout of some pillars (e.g. NAADS). Budgetary constraints (discussed below) and the slow pace of some policy and institutional reforms retarded others. For example, restructuring of NARS and the rollout of the envisaged research activities have been delayed by the failure to enact the NARS bill until June 2005.

Effectiveness and sustainability of rate of expansion

MTEF ceilings have made the planned rate of expansion unobtainable. The rollout of the NSCG stalled at the initial 24 districts that met the LGDP criteria in FY 2000/01 (Figure 4.1). The NSCG has not expanded any further[27] despite the fact that all districts now access the LGDP. Lack of funds has also stalled MOP expansion. Revised rollout plans should be prepared to reflect this reality.

If qualification for LGDP is a proxy for absorptive capacity at district level then it is no longer an issue delaying rollout, as the LGDP is now active in all districts. Nevertheless, there is concern that, even at this slow pace, the rollout rate has exceeded the resources required to attain effectiveness. The accelerated rollout by NAADS was not matched with more resources. The NSCG, which averaged less than USh 850,000 per parish in FY 2004/05, is now spread too thinly to have significant and sustainable impact. Thus deepening activities in existing areas should be considered before extension to new areas.

Coordination of pillars

Effective coordination is required to maximise impact as the various pillars and the NSCG tackle different aspects of farmer constraints. The design documents do not specify how coordination would be achieved. To a certain extent, the pillar concept works against the holistic concept of the PMA because activities that should be mainstreamed across all pillars are instead seen as a preserve of only one pillar. Some officials express a view that PMA coordination is also hampered by the different rates of pillar rollout. While the adoption of LGDP compliance as a criterion provides some implicit coordination, there is little evidence of deliberate coordination to enhance impact. The revised rollout plans should therefore state how each pillar will coordinate with other pillars.

Locating new projects. The potential to coordinate PMA interventions at district and sub-county levels through the planning process is undermined by the widespread practice of taking new projects to areas not covered by existing interventions. Where two or more pillars operate in the same area, field visits revealed that these operated largely independently of each other. In discussions with the Livestock Research Centre in Tororo, it was observed that coordination between NAADS and research was weaker than between research and the traditional extension service. Part of the problem is that there is no one person or institution coordinating PMA implementation at the district and sub-county levels. Chapter 8 also addresses this issue.

Appropriateness for reaching the poor

The TORs require an assessment of the appropriateness of the NSCG and NAADS for reaching the poor. The NAADS basic approach (i.e. service delivery through farmer groups) is generally amenable to the poor. Women, who are likely to be among the poorest, have responded well to this approach. However, participation by the poorest farmers is affected by: (i) the subscription and co-financing costs of belonging to groups;

27 *A decision was taken in July 2005 to rollout the NSCG to an extra 6 districts, which in practice will be 11, because of the creation of new districts from the pre-existing and new NSCG districts.*

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(ii) the high level of enterprise management required; and, (iii) the requirement for access to productive assets to utilise the services provided.

These problems were anticipated in the design of NAADS and hence the targeting of EAP farmers. The recognition that the poorest farmers may not benefit directly from NAADS interventions indicates some evolution in thinking regarding targeted beneficiaries. However, an approach which differentiates between the differing needs of poor farmers would help to identify more appropriate interventions for non-EAP farmers.

Enterprise selection. Limits on enterprise selection undermine the extent to which NAADS services are truly demand-driven. As discussed in Chapter 3 and above, the limit placed by NAADS on the number of enterprises that can be promoted restricts the extent to which interventions can match the needs of all groups in the sub-county. One group of HIV/AIDS infected women visited in Tororo said that its members would have preferred keeping goats to pigs as it was inadvisable for them to engage in the hard manual work of growing fodder crops for the pigs. However, goats were not among the three enterprises selected for promotion. Encouraging farmers to concentrate on the same products also increases the risk of over-supplying the market. While limiting enterprises may have been a useful device during a pilot phase, the Evaluation considers that there should be substantially more choice for farmers as the NAADS approach matures. The Evaluation notes that the recent emphasis on agricultural zoning will place more restrictions on enterprise selection rather than providing more choice to farmers.

The NSCG. NSCG guidelines emphasise the need to involve the poor in planning, implementation, and monitoring. Also, that activities selected should benefit the community as a whole and should reduce poverty by improving the profitability of agriculture. In practice however, community priorities are not always followed and are often substituted by the decisions of political leaders and elites. Limited funds also prevent the implementation of the range of projects selected by communities. In all the districts visited, the message was consistent – NSCG funds were too little and too thinly spread out.

Relevance, effectiveness and sustainability

Relevance. PMA design was informed by the 1999 Uganda Participatory Poverty Assessment, UPPAP-I. The 2002 UPPAP-II produced similar poverty priorities, but with some variations in ranking. The services provided under PMA pillars are broadly consistent with the issues prioritised by UPPAP respondents. However, some inconsistencies are observed.

First, marketing was ranked higher than production-related issues in UPPAP, but the design of the PMA, while recognising marketing as important, gives more weight to production. This is reflected in the NAADS approach – perhaps because it assumes that marketing would be handled by MAPS. The lack of an integrated approach, involving the promotion of technologies informed by an understanding of market opportunities (or realities) undermines the overall relevance of the NAADS approach.

Second, access to land is featured prominently in UPPAP as a constraint to poverty reduction – this is confirmed by the Evaluation district visits. However, the land issue is not strongly dealt with in the PMA design.

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Effectiveness. Effectiveness is difficult to assess due to limited implementation activity for some pillars and limited data on effectiveness across all pillars. Nevertheless, some observations can be made about NAADS and the NSCG. Previous reviews suggest that NAADS has had positive impact in terms of: (i) empowering farmers; (ii) increasing access by farmers to extension services; (iii) improving adoption rates, and; (iv) raising crop yields and farm incomes. However, the Evaluation feels that in the absence of detailed data it is difficult to say anything conclusive about the overall effectiveness of NAADS. The situation is similar for the NSCG, much of which is being used to fund the traditional extension system, which is almost completely starved of funds. Effectiveness of these pillars appears to be undermined through: (i) limited resources which are also spread too thinly (particularly for the NSCG); (ii) poor quality of private service providers; and, (iii) the limitations of the enterprises selection process; (iv) weak participatory planning processes (especially for the NSCG).

Sustainability. Budget constraints, low levels of co-funding, the limited capacity of private sector providers and the short length of contracts (Chapter 3) all raise questions as to whether the privatisation of advisory services as implemented is sustainable. The apparent unwillingness of farmers to pay for services implies that: (i) farmers may not value the services being provided, and/or (ii) that private service providers can only continue to exist if they are publicly funded.

PMA cost effectiveness

There is limited information to assess whether service delivery under the PMA is cost effective – it is difficult to obtain expenditure data by function for each pillar, and to determine unit costs[28]. Analysis undertaken as part of the NAADS Mid-Term Evaluation suggests that NAADS will generate an economic return of 18 percent and is more cost effective than the previous Agricultural Extension System – in terms of costs per household reached and overall adoption rates.[29] These findings however, are based upon a number of assumptions (on adoption rates and service costs) and that comparing costs between different extension services is notoriously difficult (something that the authors themselves acknowledge).

Summary

PMA pillars have been implemented at differing paces and with little effort to co-ordinate activities within a pro-poor agenda. While strong progress has been made in some pillars (especially NAADS), others have yet to make their mark. The Evaluation makes the following recommendations.

- All pillars should make greater use of poverty diagnosis in informing their choice of activities, and should identify the needs of different farmer groups and how these needs can be addressed. The poverty focus could be deepened by introducing a poverty indicator in allocation of resources to districts, a feasible approach given recent improvements in the quality of poverty data disaggregated by district;
- Pillars should address the needs of the targeted beneficiaries more directly. For example, the rural finance pillar should be more directly relevant to the needs of small

28 *For example, there are over 40 project types funded under the NSCG ranging widely in size. Besides the difficulty of determining actual expenditure for each project type, deciding what would be the unit cost in each case is problematic.*

29 *Four years of NAADS implementation: programme outcomes and impact, A. Ekwamu and M. Brown, May 2005.*

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farmers, perhaps by building on the savings and credit groups that have emerged strongly in rural Uganda.

- There is a need to address marketing and land issues more strongly, and not just within the marketing and natural resource pillars, but more widely across relevant pillars.
- Some Marketing and Agro-processing Strategy activities could be placed under the agricultural advisory pillar –with emphasis upon business and marketing issues;
- The rate of pillar rollout should avoid spreading services too thinly – more analysis should be undertaken to inform the choice between deepening service provision in existing locations rather than expanding to new districts;
- As much as possible, all pillars should operate in the same area to enhance impact.
- Monitoring the extent of collaboration between the NARS, NAADS and farmer groups should be addressed as a matter of priority, and should be built into the key operational indicators for both NARS and NAADS.
- There is an urgent need for more detailed data on NAADS impact. This should include analysis of NAADS beneficiaries by wealth ranking, the effectiveness of NAADS programmes in meeting the needs of different farmer groups, and more detailed scrutiny of the NAADS in comparison to the traditional extension approach;
- The process for contracting Private Service Providers should be reviewed and consideration be given to lengthening contracts for up to three years;
- The future role for NAADS in input distribution (as proposed under the Rural Development Strategy) should be restricted to instances where public distribution of inputs is justified on the basis of short-term needs (e.g. in post-conflict areas or areas with a high population of displaced persons).
- Male attendance at Functional Adault Literacy classes is low. To encourage more men (and women) to join the FAL, women and men should have separate FAL classes. Women FAL should be facilitated by female instructors;
- MAP and Agricultural Finance sub-committees to review international (regional) experience of input stockist projects and explore their suitability for Uganda;
- There is a need to address issues of input marketing under Pillar 5. This is an area which has not been addressed by MAPS;
- Environment issues are not being effectively addressed as a crosscutting issue, particularly by NAADS. This should be addressed as part of a broader review of enterprise provision under NAADS;
- The NSCG be merged with the LGDP – on the proviso that LGDP guidelines be revised to include specific measures that support and strengthen PMA implementation.

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5. Policy, regulatory and institutional reform

Progress on reforms

Chapters 5 to 7 of the PMA Document contain a very ambitious reform agenda. The Evaluation, with assistance from the PMA Secretariat, have attempted to list the various proposed policy, regulatory and institutional reform components and to chart progress in, or impediments to, their implementation in Annex A6. Progress on several of the reform components is also reviewed in Annex A4. The overall impression is that considerable progress has been made in most of the components in a relatively short period of time, despite the difficult nature of most reform processes and the typical anticipated resistance to change.

As Annex A6 shows, significant policy reforms have occurred, or are underway in the agricultural sector including reorientations of the research and extension systems. There is a new fisheries policy, further developments in decentralisation including the introduction of the NSCG, and new or revised policies for food security, gender, land and agricultural education. In many cases these policy reforms have been followed by legal and regulatory reforms. There has also been considerable activity in terms of institutional reform and strengthening, with several ministries and government agencies undertaking core functional analyses. New institutional structures are being put into place for agricultural research and extension, and a national forestry authority has been established. The private sector is now playing a much larger role in the delivery of agricultural services and there is increased stakeholder involvement in its planning and content. Patently, much remains to be done before the reforms promoted by PMA are completed and there are four main areas where the Evaluation considers that constraints, or lack of progress, are seriously affecting PMA implementation.

Processing of legislation. There are several bills that have been, or are, before Parliament for enactment that, for a variety of reasons, have suffered long delays. For example, the NARS Bill, which is of vital importance to the development of a decentralised, demand-driven research and technology development system with private sector participation, was submitted to Parliament in May 2004 but only enacted in June 2005. Likewise, the bill to implement the Warehouse Receipt System, which has the potential to provide a valuable source of agricultural finance, has suffered considerable delays and is only now receiving its first reading in Parliament. The Evaluation has two recommendations that may reduce the Parliamentary logjam. First, the Evaluation strongly endorses the suggested formation of a PMA Cabinet Sub-committee as it will give the needed high-level political impetus to ensure more rapid progress of PMA-related bills through the Parliamentary process. Second, the PMA SC should consider setting up a small joint SC/Parliamentary Liaison Committee consisting of three or four members of the SC and the Chairs of the relevant Parliamentary Sessional and Standing Committees, to provide better communication with the various parliamentary bodies involved in processing legislation or, more broadly, with PMA implementation.

Non-implementation of MAAIF Core Functional Analysis. MAAIF completed its core functional analysis in late 2001 and, based on this, a Final Report on the Reorganisation of MAAIF was produced in April 2002. However, the Ministry of Public Service has yet to approve the new organisational structure before it is sent to the Cabinet for its approval. This lack of progress has continued to stifle and hold back the Ministry's effectiveness in fulfilling its new mandate, in particular: formulating and reviewing

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standards relating to the agricultural sector; monitoring, supervising and evaluating the operations of its semi-autonomous agencies, and; monitoring private sector providers in the agricultural sector to ensure compliance with national standards. This is a very large and important area embracing not only quality of service delivery but the quality of agricultural products (a major factor determining value added and net farm incomes), and the quality of agricultural inputs and their safe use. There is a danger that unless MAAIF acts swiftly to assert its new role it may encounter 'regulatory capture' and find itself being dictated to by those it is supposed to be regulating. One indicator of this may be the failure of MAAIF to implement the proposals for reform of the coffee sector regulatory framework and UCDA's role made by a PMA-coordinated Taskforce in 2003. MAAIF also has a mandatory role to monitor NAADS and the quality of extension provision. MAAIF needs to develop effective methods of fulfilling all these functions within a system of decentralised government and where the private sector will play an increasingly important role.

The Ministry of Public Service should be required to approve the amended structure immediately or explain clearly what amendments are required to it. Once Cabinet approval is obtained for the revised structure, MAAIF should move rapidly to implement its new mandate. The Government and the PMA SC should take steps to fast track implementation of MAAIF's new organisational structure and mandate. The Evaluation also considers that MAAIF is being put at a disadvantage in fulfilling its new mandate by its current location in Entebbe and recommends that the provision of funds allowing MAAIF to relocate to Kampala should be a high priority.

Land reform. The Evaluation recognises the complexities involved in any land reform process and acknowledges that actions are being taken and progress is being made in addressing the issues of land ownership and inheritance by women and youth. However, it equally recognises that secure access to land is a crucial factor determining pro-poor agricultural growth and modernisation and achieving poverty reduction. In this regard, the field visit to Mubende District brought home to the Evaluation the debilitating effects of the '*mailo*' land tenure system on attempts by small and poor farmers to invest in long-term land improvements and permanent crops. There is a need to inject a sense of urgency into the whole of the land reform agenda to provide the broad base of access to land and security of tenure required for pro-poor growth, increased agricultural productivity and poverty reduction.

There are three actions that are urgently required, and which would alleviate many of the current problems. First, there is a need for an information campaign to explain to farm occupants their rights regarding access and security of tenure to land and the mechanisms for addressing any grievances. Second, these mechanisms need to be made effective and easily accessible. Third, rules and procedures need to be established that encourage landlords and occupants to invest in perennial crops and improve the productivity of the land.

Agricultural finance. In the core document emphasis was placed on capacity building and development of MFIs to increase the flow of rural finance. Progress in this regard has been relatively slow but rural small businesses and traders in areas served by MFIs have undoubtedly benefited from their presence. However, it is increasingly being recognised that MFIs are unable or unwilling to provide products suited to the particular seasonal needs and risks faced by poor farmers who lack access to conventional forms of collateral. An increasing number of farmer groups are helping themselves overcome some of

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these problems by forming savings and credit schemes, and the cooperative movement is encouraging the formation of Savings and Credit Societies. These initiatives should be encouraged with capacity building but it is essential that they remain financially self-sustainable to avoid the problems of previous programmes. The PMA SC formed an Agricultural Finance Sub-committee in March 2005 with a mandate to develop a national agricultural financing strategy and it needs to work rapidly to develop pragmatic and innovative financially self-sustainable policies and products and legislative reforms to overcome the particular financing needs of poor farmers.

Costs involved in reform implementation

It is almost inevitable that reform processes will involve costs to those organisations affected by the changes and their staff and clients. In addition to the potentially quantifiable financial costs associated with restructuring, such as delayering, there are also costs relating to the uncertainties associated with the reform process such as changes in roles and functions. As the PMA reform agenda is so large it is only feasible to discuss the types of costs involved in some of the major reform areas.

Reorientation required in line ministries after Core Functional Analysis, CFA. Core functional analysis exercises are typically unsettling and demoralising experiences for all involved as often long-established roles and functions are challenged, new work routines may be required and delayering may be anticipated. In the reform process initiated by PMA, CFAs have been required in MAAIF and its semi-autonomous agencies (NARO and UCDA), in MTTI and MWLE. As discussed earlier, in the case of MAAIF non-implementation of the new mandate is leading to a failure to adequately monitor standards in the agricultural sector with a potential loss in value-added and net farm incomes to the detriment of pro-poor growth and poverty alleviation.

Uncertainty and indecision in agricultural research. The slow process in developing an appropriate governance system for the new NARS and the enactment of the NARS Bill has led to a long period of uncertainty for NARO staff. The Evaluation understands that 109 staff members have left during this period and the uncertainty is a likely cause in many cases. There is also likely to be resistance to the proposal to decentralise staff from NARO HQ to Agricultural Research Development Centres, ARDCs, which may further impair research output in the short to medium term. Concerns have also been expressed over the ability of technology–oriented scientists to adapt to their proposed crosscutting roles (see Annex A4) and - over the capacity of poor farmers to effectively participate in a demand-driven research system.

New responsibilities for local governments. Local governments at district and sub-county level have to develop new institutional arrangements to implement extension services through NAADS (Chapter 8). This involves liaising with a district NAADS coordinator who is on a significantly higher salary scale to other local government officials and sub-county NAADS coordinators. It also involves decentralisation of responsibilities, work plans and budgets for agricultural advisory services from the district to sub-county level of government and farmers. The latter requires the establishment and servicing of Farmers' Fora in each district and sub-county where NAADS is operational. Local governments in receipt of NSCG also have had to develop participatory systems to decide on the allocation and use of NSCG funds and it is apparent that considerably more capacity building and resources will be required before full participation and transparency is achieved (Annex A4).

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Relevance of the reforms to the PMA

It needs to be borne in mind that the PMA was designed as a long-term framework with the vision of 'poverty eradication through a profitable, competitive, sustainable and dynamic agricultural and agro-industrial sector' and a target date of 2017. Achieving this vision was seen to depend on two related processes: transforming the subsistence farmer, and transforming the agricultural sector in general. The policy, legal and institutional reform process being undertaken now should be seen as essential and relevant to achieving the long-term vision and objectives of the PMA. It is the view of the Evaluation that the reforms outlined in the PMA Document are relevant to that vision and mission. As mentioned earlier, despite inevitable setbacks, considerable progress has been achieved with the reform agenda. However, it is entirely unrealistic to expect the reforms to yield immediate results in terms of poverty eradication, especially as many of the recently approved legislative reforms (such as the NARS Act) will take a considerable time to implement and for farmers to feel their effects. If another evaluation of PMA progress in 5 years time finds no evidence of rural poverty reduction, then a thorough investigation of the reasons, including the relevance of these reform measures, will need to be undertaken.

Consistency of reforms

As far as can be ascertained, most of the reforms proposed in the PMA document are broadly consistent with the revised mandates of the relevant ministries and agencies, although there are some anomalies. For example, the 2004 Joint Annual Review of Decentralisation indicated that: NAADS procurement procedures are inconsistent with the Local Government Act; there is currently no guidance to line ministries on how they can reprimand local government staff for failure to implement national policies and laws, and; there is a case for systematically amending the Local Government Act (and by implication its mandate) to eliminate these anomalies. The Evaluation notes that the first TOR of the Programmes and Projects Sub-committee of the PMA SC is the "Review and re-orientation of agricultural sector-wide policies, laws, standards and procedures to ensure that they are in line with the PMA as the line ministries and agencies develop them". Now that the vetting of new project proposals for PMA compliance has become a relatively routine matter (albeit still of considerable importance), the Sub-committee should in future also review broad areas of reform to ensure their consistency with the mandates of concerned agencies and recommend revisions of these mandates, where deemed necessary, to the SC.

Consequences for farmers

The reform programme that is underway is creating an enabling environment that will provide benefits for both farmers and the agricultural sector as a whole. For farmers in general, the reforms have the potential to provide empowerment, in the sense that they will have a greater say in the way in which public expenditure is allocated to research, extension and the delivery of other agricultural services through the participatory planning processes that are being established at local levels. The effectiveness of these processes, however, will be determined by the extent to which the views of all types of farmers are accommodated within the planning processes.

The quality of service delivery will also improve over time, provided that a competitive and transparent environment is generated for private sector provision of goods and services. A significant contribution to this will be made by public agencies at central and local government level through the establishment and monitoring of standards for private sector delivery. The development of private sector trade associations to provide

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self-regulation and quality control of service delivery should be actively encouraged to reduce the regulatory burden on government.

Effective land tenure reforms that provide secure access to land for poor farmers, both men and women, including the ability to use land titles as collateral would go a long way to removing one of the major constraints to agricultural development, namely access to finance for agricultural production and investment purposes. This is one of the reasons why the Evaluation is placing considerable emphasis on accelerating the land reform process, but the need to improve secure access to land has much broader implications for food security and poverty reduction.

While the reform processes should be of general benefit to farmers and the agricultural sector, experiences from many countries indicate that farmers are unlikely to benefit equally from the reforms and some may even be made worse off as the sector becomes more commercialised. For example, the price of food crops with limited export outlets may fall if increased supply outstrips domestic demand, and farmers whose yields and output have not increased will find their cash incomes from sales of surpluses falling. Similarly, as grades and standards for agricultural produce become more firmly established, farmers who produce poor quality products will find it harder to market their produce and will receive below average prices. These scenarios are likely to be particularly realistic if efforts are not made to differentiate the services on offer to suit the needs of the various groups of farmers with limited access to resources or management abilities. To avoid this, public sector expenditure should be allocated, and private sector contracts structured, in such a way that the needs of these groups are catered for.

Summary

The reforms promoted by the PMA are essential building blocks to achieving the long-term vision and objectives of the PMA. Considerable progress has been made in the reform process in a relatively short period of time. Inevitably there have been costs and there have been some unfortunate delays.

To overcome these problems and to ensure that the benefits of the reforms are effective and widespread, the Evaluation recommends that:

- The suggested formation of a Cabinet PMA Sub-committee be strongly endorsed;
- PMA SC should consider setting up a small Parliamentary Liaison Committee;
- The Government and the PMA SC should fast track the implementation of MAAIF's new organisational structure and mandate;
- The provision of funds allowing MAAIF to relocate to Kampala should be a high priority;
- A sense of urgency should be injected into the whole of the land reform agenda;
- The formation of financially self-sustainable savings and credit schemes and societies should continue to be encouraged through capacity building activities;
- The PMA SC Agricultural Finance sub-committee should work rapidly to develop financially self-sustainable methods of overcoming the particular financing needs of poor farmers;
- The PMA SC Programmes and Projects sub-committee should review broad areas of reform to ensure consistency with the mandates of concerned agencies;
- The development of private sector trade associations to self-regulate the provision of agricultural services is actively encouraged.

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6. Mobilisation of beneficiaries, communication and awareness

This chapter assesses how PMA vision and principles have been communicated to PMA stakeholders, and the contribution that the PMA has made to community participation and empowerment of the poor.

PMA communication

The PMA document does not explain how its objectives and principles would be disseminated. However, in September 2000 a task force was established to develop the PMA communication strategy. In June 2001 the PMA SC re-designated this as the PMA Dissemination and Sensitisation sub-committee.

Implementation of Phase I of the PMA Dissemination and Sensitisation Programme, DSP, began in September 2003. It developed radio broadcasts for 16 national and local radio stations, and prepared posters and information material for distribution to all districts. Sub-committee members trained 14 national trainers from UPPAP, MGLSD and the Decentralisation Secretariat. This led to 90 district trainers from 30 districts using the PMA messages that had been developed to sensitise 3,890 sub-county officials in those districts. The sub-committee also held PMA advocacy and sensitisation meetings with the Parliamentary Sessional Committee on Agriculture, the Movement Secretariat, and the media.

The PMA DSP Phase I was evaluated in 2004[30]. This found that it had resulted in an increase in knowledge and understanding of the PMA, especially in local governments, but overall the strategy had limited, and in some cases, negative effects. This was due to: insufficient funding and limited outreach beyond the district level of government; messages that were not practical or relevant to the needs of farmers; and, inappropriate language and timing of radio spots (timing is particularly important for women).

However, the Evaluation's findings are more positive. During field visits the Evaluation came across various PMA posters and information leaflets which were of good quality, informative, and relevant. The PMA popular version is also user-friendly and well illustrated. However, this information is not widely available within the districts.

The draft inception report for Phase II of the DSP (July 2005) suggests that the PMA communication strategy is evolving. The report proposes a broader and more culturally sensitive approach to dissemination with a stronger focus upon feedback on PMA to the central level. The aim of Phase II is to: change the behaviour and value of stakeholders; increase the demand responsiveness of PMA related services by providing farmers with 'voice'; improve coordination of PMA activities between sectors; and, prepare stakeholders for the rollout of PMA pillar activities.

The new dissemination strategy is timely and appropriate. The team recommend that, in addition to the priorities outlined above, the new DSP should: (i) communicate PMA successes on the ground; and (ii) focus upon the dissemination of practical information and guidelines to districts and sub-counties. These guidelines could include advice

30 PMA Post-Evaluation Campaign Survey, draft qualitative report, January 2005.

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on overcoming the many constraints to commercialisation of agriculture; problems of women's access to land; marketing and financing issues, etc. The strategy should move on from making people aware of the existence of PMA, and focus more upon providing practical guidance to local governments on how to implement PMA principles within their annual planning processes. It should no longer try to 'sell' the PMA as a brand[31].

PMA awareness

The Evaluation found that awareness and attitudes towards the PMA differ significantly between central, district, and sub-county levels. Some line ministries and civil society organisations at central level are either unaware of, or confused about, the nature of PMA. They perceive it as a '*national agricultural programme*' that has been overly promoted and has disappointed in the sense that "*it still remains to be implemented*", or "*it has failed to be implemented due to lack of sufficient funding and buy-in from MAAIF and other line ministries".* Nevertheless, most line ministries do implement activities which support the PMA vision and its seven pillars and refer to PMA, explicitly or implicitly, in their strategies and policies[32].

At local level the PMA is also perceived as a 'programme' and is closely identified with the NSCG grant and the activities it funds. In fact, some local government staff perceive the PMA only in terms of the NSCG. For local governments the NSCG provides a welcome supplement to their budgets, and is often used as a top-up fund for agricultural extension activities (see Annex A4). At this level, the Evaluation found a generally positive attitude towards the PMA in both NSCG and non-NSCG districts. In non-NSCG districts the expectations of PMA are high.

Awareness of the PMA is weaker amongst farmers. As one would expect, farmer awareness is especially low in non-PMA districts[33]. Most farmers who are aware of the existence of PMA believe that PMA is about *"helping people to improve agricultural production*" or "*farming as a business".* Low awareness amongst farmers is not necessarily a problem, as the application of PMA principles and approaches is primarily an issue for local government and PMA implementers. However, it is important that farmers understand their role in the planning of PMA activities, including the NSCG, and are encouraged to articulate their needs and priorities in a way that is consistent with PMA participatory planning principles.

Mobilisation of beneficiaries

Community mobilisation[34] and the creation of local ownership of PMA interventions are crucial to successful implementation of PMA pillars. The PMA core document does not provide specific guidance on community mobilisation although it mentions that PMA will promote *"..a two-way bottom up and top-down planning and budgeting proc-*

31 This point refers to the 'style' of the current PMA radio spots (available at the PMA web-page). These need to be revised to focus more upon the practical application of PMA principles and approaches.

32 For example, although MWHC makes little reference to the PMA in its strategies and plans, it implements an EU-funded PMA support programme, and components of the NWSADP, key PMA implementation programme. MWHC's regular activities promote farmers' acess to markets, services and market information through its district and community access roads programmes and through rural communication programmes.

33 The household survey showed that 6% of households in Kasese and 10% in Moyo (non-PMA) had heard about the PMA, compared to 48% in Arua and 73% in Kabarole (PMA districts).

34 The term "mobilisation" here refers to the consultation and meeting process which takes place in communities for the purpose of participatory decision-making and planning, group formation and group capacity building. Mobilisation of beneficiaries thus includes the "community organisation" element.

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ess by empowering local governments..". The following paragraphs discuss mobilisation in relation to different aspects of PMA.

PMA pillars and the NSCG. Currently, the mobilisation of PMA beneficiaries in NSCG planning is the responsibility of the LGDP, lower local government and MGLSD. The key players in the mobilisation process are Community Development Workers[35], CDWs, and local agricultural extension workers. CDWs cut across all sectors and are involved in community mobilisation in different programmes and projects under various line ministries together with the implementation of the Functional Adult Literacy programme, FAL. They are charged with five responsibilities: i) social mobilisation and empowerment; ii) participatory planning; iii) gender mainstreaming; iv) social protection and HIV/AIDS mainstreaming, and; v) facilitating community justice. Of these, facilitating community justice takes most of their time, involving for example, settlement of land disputes, child neglect, and domestic violence cases. All of these areas of responsibility are relevant to the PMA.

Discussions with MGLSD indicate that the NSCG has made a significant contribution to the community mobilisation process. The NSCG includes provision for wages and non-wage recurrent expenditure (operating costs) for 141 new CDWs, of whom around 50 percent are women. While the Evaluation recognises the contribution of these workers, the use of the NSCG for this purpose has created unequal working conditions amongst sub-county CDWs. The sustainability of this arrangement is doubtful for two reasons: (i) the small and continuously decreasing size of the NSCG available to each district (see Annex A4) and, (ii) under the new local government structure, the planned doubling of the number of CDWs at sub-county level from July 2005. The Evaluation recommends that CDW funding arrangements be reviewed, and the NSCG should not be spent topping-up MGLSD staff positions.

PMA planning. The mobilisation of PMA beneficiaries is closely linked with the planning of NSCG activities. In most cases no selective targeting or needs assessments of different categories of household takes place during the NSCG planning process, and political leaders usually have the last word when it comes to '*harmonising*' community needs and priorities. In all districts visited by the Evaluation, less than two days are allocated to planning meetings in each village. This is despite the LGDP Harmonised Participatory Planning Guidelines which suggest more than a week for the entire process at village and parish levels.

CDW and sub-county leaders complained about the dominance of men in the meetings. The Evaluation survey shows that of the 37 percent of households that were aware of the planning process, only 28 percent had actively participated. Participation is lower for female-headed households than for male-headed households. Discussions with women suggest that the timing and duration of meetings is not convenient for them. Overall, the annual planning process, including planning of PMA activities, appears a top-down exercise dominated by technicians and political leaders, with farmers in a passive role. There is also a tendency for those who have greatest 'voice' to get the benefits; for example from demonstrations sited on their own farms. It is recommended that local governments give increased attention to community organisation and participatory planning

35 *CDW is a common term for both the (graduate) Community Development Officers and (diploma) Community Development Assistants.*

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in line with the LGDP guidelines. This should include specific measures to encourage greater participation in planning processes by women and the poor.

PMA beneficiaries are supposed to be involved in the monitoring and evaluation of PMA activities. However, discussions with CDWs and PMA coordinators indicate that this aspect of PMA implementation needs to be strengthened. Capacity building is required in order for communities to fully 'own' the activities funded under the PMA, and for the overall approach to be sustainable. To achieve this, one option would be to train the two Parish Council representatives from each village to take a more active role in farmer organisation. Another would be to train two volunteer 'PMA village agents' (one woman and one man) in each village to facilitate planning, implementation, and monitaring and evaluation of PMA interventions, including NSCG projects. The involvement of local NGOs could support this process.

NAADS. Mobilisation of beneficiaries for NAADS interventions takes place separately from the annual community planning process. NAADS uses a farmer group approach that has potential to empower the poor, including women and the most vulnerable households. However, in some sub-counties NAADS groups suffer weak leadership, low attendance of members in group meetings, and unpaid membership fees. A study on NAADS impact in Luwero district claims that the poorest, the illiterate, widows, the elderly, and youth (10 percent of Luwero's population) were deliberately excluded from NAADS groups because they did not belong to the category of the 'economically active poor'[36].

Functional Adult Literacy. FAL classes provide a good entry point for raising awareness of the PMA. There is also a link with NAADS as FAL learners are often constituted from NAADS groups (or vice versa). In some sub-counties, there is constructive collaboration between FAL instructors and agricultural extension workers. More interaction of NAADS and government extension workers as guest lecturers in FAL classes is recommended, and this could be encouraged by CDWs and PMA coordinators through meetings or workshops for local government on how to implement the PMA successfully. In some sub-counties FAL classes suffer high drop-out rates of volunteer instructors and of both men and women learners. This could be avoided by introducing a small learner-fee, in cash or in kind. Organisation of men and women in *separate* FAL classes may serve both women and men better than mixed groups in which either men's interests tends to overrule women's or the other way round, and cultural barriers and men's and women's different starting points limit the active participation and interaction of both sexes.

Summary

Awareness of, and attitudes towards, PMA varies between central and district level, and also within districts. The PMA dissemination strategy is evolving and the changes introduced are welcomed by the Evaluation. However, more proactive action is required for farmers and communities to become fully engaged in PMA planning processes. The Evaluation recommends that:

36 *Oxfam/ FOWODE, Obosobozi: Enhancing the entitlements of subsistence farmers in Uganda: The impact of PMA/NAADS on female subsistence farmers, June 2004.*

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- PMA dissemination should focus on the district and sub-county levels, and on the provision of practical guidelines on PMA implementation. Buy-in and good-will towards the PMA at the central level is likely to come when evidence of successful PMA implementation on the ground is provided – rather than through the PMA Secretariat's efforts to convince central level stakeholder organisations to support the PMA;
- PMA activities for the same community need to be better coordinated and harmonised;
- Local governments should give high priority to implementing the revised local governments structure, which included employing a second Community Development Worker per sub-county and ensuring the means, including funding, for the CDWs to carry out their responsibilities.

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7. Crosscutting issues

This chapter reviews how crosscutting issues are addressed and integrated in PMA implementation. A major crosscutting issue for agricultural development is greater access by women to productive assets and PMA services. Women represent more than half of Uganda's farmers, and are often the poorest in rural areas. Other crosscutting issues include HIV/AIDS and malaria.

Gender equity and the PMA[37]
There are cultural and locational dimensions to gender and poverty in Uganda. The status, roles, and conditions of men and women vary from district to district, within districts, and amongst ethnic groups. It is therefore difficult to define rural poverty by gender. Not all poor farmers are women, and not all women farmers are the poorest farmers. Gender profiles prepared by Makerere University (under the Danida-funded ASPS) show that female-headed households are not always the poorest[38].

Unique amongst other countries in the region, gender equity is given prominence in Uganda through the Ministry of Gender, Labour and Social Development, MGLSD, established in 1987. Uganda has also ratified and shown commitment to implement the Beijing Plan of Action, CEDAW[39], and other international strategies and conventions on gender equity and women's rights.

MGLSD launched the National Action Plan on Women in 1999. It was also involved in the UPPAP surveys and the preparation of the revised PEAP. MGLSD has made repeated efforts over the last decade to assist different line ministries in preparing gender strategies and policies (e.g. MFPED guidelines for gender and equity budgeting, 2004). Recent initiatives from MGLSD include the Equal Opportunity Commission, and guidelines for gender budgeting for local governments. MGLSD currently heads the PMA Gender Technical Sub-Committee.

The PEAP and the PMA core documents identify gender equity as a principal factor in achieving poverty reduction in Uganda. The PMA document highlights the importance of reaching women farmers and ensuring that they benefit from development interventions. It proposes that gender concerns should be "routinely and adequately addressed in planning, implementation and monitoring and evaluation of all interventions and institutions".

The PMA Secretariat Social Development Officer and the PMA Gender Technical Sub-Committee are responsible for integrating gender and other crosscutting issues in PMA implementation. The sub-committee has undertaken a number of relevant initiatives. These include: preparation of an overall PMA gender position paper, support to the NAADS gender strategy, gender surveys (e.g. Mukono district), and preparation of PMA gender mainstreaming guidelines.

37 'Gender equity' refers to a fair share of responsibilities and benefits between men and women, and a situation whereby men and women are regarded as equal before the law and in society as a whole.
38 In Pallisa for example, 86 percent of the poorest households are headed by men.
39 Convention for elimination of all forms of discrimination against women.

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The gender guidelines outline the principal gender concerns for each PMA pillar and suggest activities to be implemented. The guidelines address gender concerns in the PMA at the central level – and the Evaluation hopes that line ministries will take them into consideration in their strategic planning processes – but it is not yet clear how the guidelines will be applied at district and sub-county levels.

Despite efforts by MGLSD and the PMA Secretariat, progress on gender mainstreaming amongst PMA line ministries varies. While strong progress has been made by some ministries (and NGOs) in mainstreaming gender in PMA implementation, other ministries accord low priority to gender and poverty (see Annex A7). The current status of gender integration in PMA implementation is summarised as follows:

- MAAIF and NARO have a gender task force and focal person, and are in the process of formulating their gender strategies;
- MoES has a gender focal person and specific strategies for girls, but has not yet mainstreamed gender in its main sector policies;
- NAADS,[40] MFPED, MWLE, NEMA have gender focal persons but have not yet secured budgets to support their work, and are not fully implementing their existing gender policies and strategies;
- MEMD and MoH have a gender focal person but no sector-specific gender policies or strategies as yet;
- MTTI does not have a gender focal person, nor any no sector-specific gender policies or strategies. The Marketing and Agro-processing Strategy is gender neutral;
- The Micro-finance Outreach Programme is gender neutral and the financial needs of rural women are not reflected in programme design;
- The Evaluation also notes a male-bias in the staffing of all PMA implementing agencies[41]. At local government level the guideline for a minimum of 30 percent of women in the staffing of local government offices appears to be understood in some districts as a 'maximum'.

The Evaluation found there to be little guidance to local government on the integration of gender issues at local level. Line ministries and implementers of various PMA projects at district and sub-county level met during the Evaluation expressed concerns over the fact that interventions have not yet had the intended positive impacts on gender equity and poverty: *"… sometimes both men and women benefit from these activities, but we have no data yet, and we still need to do more gender mainstreaming and try harder to reach the poor – but it is very difficult, and exactly how to do it is the big question".*

While the Evaluation found awareness of gender issues at local government levels, many officials regard the topic as something diffuse and academic. Requests from central government for the mainstreaming of gender and other crosscutting issues seem to have created confusion and frustration amongst staff. Local government staff noted that the annual evaluation of local government performance includes evaluation of gender equity performance, but they were not clear exactly how such assessments were made. As a consequence, the mainstreaming of gender and crosscutting issues at district and sub-county levels is often left to CDWs and NGOs.

40 The Evaluation understands that, although NAADS has made significant progress in implementing it gender strategy, the strategy as a whole has not been fully costed and budgeted, and, as a result, elements remain to be put in place.

41 Most PMA implementing agencies do not have gender-disaggregated personnel data.

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Issues of gender equity can be addressed through representation in decision-making bodies. The team found that whether or not women have sufficient voice in mixed local government bodies depends upon their capacity, and social and economic status. There is an age dimension too, as young women are often excluded from these bodies.

Some NAADS farmer groups include a minimum quota of women members, but lack of access by women to land and other productive assets can exclude them from such groups. In some cases men and women receive training in separate groups; for NAADS extension services and other PMA activities such as FAL. This approach can serve both women and men better, as differing interests and cultural barriers tend to limit the active participation and interaction of both sexes within the same group. The Evaluation does not wish to prescribe how men and women should be treated in the formation of farmer groups, but urges NAADS and other PMA implementing agencies to follow available gender guidelines and take steps to address the differing needs of men and women in group formation processes, and in the design of their activities.

Of the various gender issues important for the achievement of PMA objectives, access and control over land by women is perhaps the most significant. In Uganda, women own just 7 percent of all productive land but account for over 90 percent of the agricultural labour force, for both food crop and cash crop production[42]. At the household level women are responsible for the production of own-consumption food, whereas men, who own the land, tend to grow cash crops and raise livestock for cash income – which they often spend for their own personal needs.

For PMA to be effective it needs to improve women's access to and control over land. The amended Land Law (2004) requires spouse consent for land transfer and sale, but further amendments of the Land Law concerning joint (husband and wife) land registrations and co-ownership of customary land, are also needed. The inheritance laws and the Domestic Relation Bill are also important for enhancing the rights of women to inherit land and other household property.

The PMA Secretariat and PMA Gender Technical Sub-Committee can play an important role in raising awareness about gender equity and land, and women's legal rights in general, and by supporting PMA implementers (local government officials, CDWs, extension workers, service providers and FAL instructors) in how to address these issues in practice.

Mainstreaming HIV/AIDS and malaria in PMA

Health is a major determining factor for farmers' livelihoods. HIV/AIDS and malaria affect poor farmers most, and constrain their capacity to work and practice 'modern' agriculture. The PMA document recognises this but does not provide guidance on how PMA implementers should address these issues. HIV/AIDS and malaria also have negative effects not only on farmers' capacity to produce.

Compared to its neighbouring countries, Uganda has made good progress in fighting the HIV/AIDS epidemic over the last decade. At the central level, the mainstreaming of HIV/AIDS in different sectors is no longer seen as the responsibility of the Ministry of Health. The team identified a number of recent HIV/AIDS initiatives by PMA ministries. These include: MAAIF HIV/AIDS mainstreaming guidelines, MAAIF's new

42 See UPPAP I & II reports.

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national strategy for HIV/AIDS mainstreaming in the fishery sector, AIDS awareness activities in DATICS, the NAADS HIV/AIDS resource guide for extension workers, and various MWHC guidelines and strategies.

However, at district level, the team found little evidence of actions specifically targeted at HIV/AIDS affected farmers or malaria. There appears to be little effort actively to involve HIV/AIDS affected farmers in NAADS farmer groups or the NSCG, or to provide services and demonstrations of relevance for them. This may partly be due to extension services' lack of capacity, or affected farmers' self-exclusion from farmer groups. The problem is not helped by the strong taboo that still exists about HIV/AIDS in rural areas.

NARO has developed a gender and HIV/AIDS strategy. The Evaluation recommends that this strategy be used to increase research on the effects of HIV/AIDS on farmers' performance and agricultural practices, and to prioritise the development of labour saving agricultural technologies and alternative practices for HIV/AIDS affected farmers.

Action is also needed to mitigate the incidence and effects of malaria. For example, NARO should undertake research on the effects of agricultural and aquaculture practices on the spread of malaria, and develop malaria preventive agricultural practices accordingly. The PMA Secretariat should also involve the MoH national malaria prevention programme in providing relevant information and practical guidelines on the links between agriculture and the spread of malaria.

Summary

Women's access to and control over land is important for poverty reduction. The issue of land reform requires special amendments to the Act to address the needs of women farmers. Overall, male farmers appear to have greater access to the services provided under the PMA than do women. This is despite the fact that women provide the majority of the agricultural labour force, and are responsible for the production of crops for household's own-consumption. HIV/AIDS and malaria have a significant impact at household level. Interventions are needed that specifically target the needs of HIV/AIDS affected households, and that reduce the incidence of malaria by changing agricultural and aquacultural practices.

The Evaluation recommends that:

- MGLSD gender budgeting guidelines for local government should be finalised and distributed to local governments;
- The new PMA gender mainstreaming guidelines should be distributed and capacity building undertaken to strengthen district and sub-county capacities in the integration of crosscutting issues within local planning processes;
- Affirmative action be taken to attract female students to agricultural training and research institutes – special scholarships for girls could be considered;
- NARO should undertake research on HIV/AIDS and malaria mainstreaming in agriculture;
- MoH, MoES and NARO should become more visible in the work of the PMA Gender Technical Sub-Committee.

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8. Institutional structure for PMA Implementation

This Chapter is concerned with evaluating the effectiveness of the institutional and organisational aspects of PMA implementation.

The PMA Steering Committee (SC)

The relevance and assumptions of the SC's Terms of Reference. The PMA SC was originally designed as an Executive Steering Committee for the multi-sectoral planning and financing PMA Forum[43], which would have been responsible for the resource allocation from the anticipated basket fund. As a result, at least two of the SC's TORs reflect intended executive powers. In reality, the failure to create a basket fund (see Chapter 9) and the absence of an appropriate legal mandate means that the SC has no *de facto* powers over resource mobilisation and allocation and no executive powers. Instead, it has to rely mainly on the active, or passive, cooperation and goodwill of the wide range of agencies involved in PMA implementation to fulfil its TORs, all of which are still relevant to the achievement of the PMA's objectives. This cooperation is indirectly reinforced through the authority of the PS MFPED who chairs the SC. In addition, pressure can be asserted on publicly-funded agencies to implement measures designed to meet PMA objectives by development partners through the World Bank-funded Poverty Reduction Support Credit, PRSC-policy matrices that govern release of these funds (see below). The lack of executive powers vested in the SC limits its ability to ensure that PMA priorities are properly addressed through the budget process. This issue is discussed further in Chapter 9.

Coordination and strategic guidance. Starting with a membership that was limited to about 20 persons "to facilitate discussions, deliberations and minimise costs (time and facilitation)", the SC now has 40 member organisations. It is best viewed as a regular mini-forum of national-level organisations concerned with PMA implementation, meeting about 9 times a year. It performs a valuable coordinating role by reviewing a considerable number of position papers prepared by line Ministries, other agencies, development partners, consultants or the PMA Secretariat on current or potential PMA activities[44]. Although it has no executive powers it reaches decisions by consensus and offers strategic guidance and advice by approving, suggesting amendments or rejecting the findings of these papers, with the Secretariat following up these decisions as 'matters arising' in subsequent SC meetings. In addition, the SC has refined and approved guidelines on incorporation of, and compliance with, PMA principles in: Sector Working Groups (SWG); Budget Framework Papers (BFPs); line ministry budget submissions;

43 *The original TORs and membership of the PMA Forum are contained in Annex 7 of the PMA Document. The Forum was designed to have a broad membership of between 50 and 100 and was originally intended to meet quarterly. It now typically meets twice a year, one meeting being devoted to the Joint Annual Review process. The main purpose of the Forum is to provide advocacy, policy harmonisation and management support to PMA implementation.*

44 *Meetings from November 2004 to May 2005 have had presentations or reviewed papers on, inter alia: the Draft Reports on the National Agricultural Education Policy and National Strategy and Investment Plan; a Concept Note on the Proposed Agricultural Marketing and Processing Programme; Report on the Water for Production Strategy and Investment Plan; Progress Report on Implementation of District and Community Roads; Aide Memoire on Energy for Rural Transformation; Report on the Agricultural Census; Progress Report on the Micro Finance Outreach Plan; MAAIF Development Strategy and Investment Plan, etc.*

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programme and project preparation; expenditure of NSCG funds by districts; the operation of NAADS; and the development of poverty and gender perspectives for the various PMA pillars.

Ensuring prioritisation of PMA activities. Progress on prioritisation of PMA activities by Ministries and agencies has been tortuous and slow, despite a requirement to prioritise these activities as a PRSC conditionality (see Chapter 9). To some extent this may be a learning process in terms of presentation but it underlines the Evaluation's endorsement for the suggested PMA Cabinet Sub-committee to encourage prioritisation of PMA and PEAP objectives by all line Ministries and agencies.

Deciding/ advising on geographical expansion. The processes involved in the roll out of PMA activities are considered more fully in Chapter 4. The SC has recently approved the selection of six new NSCG districts as part of the overall NSCG pillar strategy. The selection was proposed by the Secretariat using criteria based on the UN Human Poverty Index and minimum conditions of LGDP.

Aligning projects to ensure PMA compliance. The SC has made considerable progress in aligning projects and programmes to ensure PMA compliance, through the relevant Technical Sub-committee. This has developed guidelines that are used in line ministries. Members of the sub-committee consider that PMA-compliance and the quality of project preparation are improving over time. Projects are prioritised and approved within MTEF ceilings by the MFPED Development Committee and PMA prioritisation should be strengthened by the recent decision of the SC to nominate four members of the Projects and Programmes Sub-committee to this committee.

Ensuring that PMA objectives are achieved. The SC is still in the process of refining an M&E framework (see below). The Evaluation notes that the quarterly progress reports prepared by the Secretariat are not reviewed by the SC and this failure should be rectified. Furthermore, the SC should place more emphasis on determining the extent to which PMA objectives are being achieved at district and sub-county levels.

Achieving institutional buy in. Previous Joint Annual Reviews have discussed the lack of institutional buy in to the PMA process. Indicators used to exemplify this have been attendance at SC meetings and the use of alternates who are sometimes junior officials. The Evaluation can identify no discernible trend in these parameters over time. Attendance at the 17 meetings in FY2003/4 -2004/5 (end May) ranged from 14 to 25 and averaged 18.6 member organisations (47 percent of the total) with only 10 per cent being junior officials. As Table 8.1 shows, attendance by junior officials occurs more frequently for agencies with a below average attendance. Permanent Secretaries and directors of member organisations may find this table useful in reflecting on their level of commitment to the PMA process.

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Table 8.1: PMA Steering Committee meeting attendance, July 2003- May 2005

No. meetings attended	Organisations
12-17 (70-100%)	UCDA, MFPED, Danida, DFID, EU, MAAIF, UNFFE
9-11 (53-65%)	UCTF, MTTI (2), UBOS, FAO (2), PSFU, FRA/VECO, FAC FOR, MET
6-8 (35-47%)	MEMD, AUPWE, FAC AGR, NEMA, MoES (3), MWLE (6), WB, NARO, REA (1), EPRC, ULAA, MOPS (2), DENIVA (2), MGLSD (5)
0-5 (<30%)	UNCCI, NGO FORUM (1), MWHC (2), UDN (4), MoLG, LGFC, UCDA, FAC VET, WFP (1), BoU, ACU

Note: Bracketed figure indicates attendance by a junior official (below Programme Coordinator, Commissioner, Senior Lecturer, etc.).
Source: derived from information provided by PMA Secretariat.

Of course, attendance of meetings is not necessarily a good proxy for institutional buy-in. Some agencies may not feel the necessity for exchanging views in a mini-forum setting but may still have a strong commitment to PMA principles. SC agendas and minutes show that all agencies, even indirectly involved with PMA implementation, are encouraged to present position papers to the SC, which suggests amendments, if required, to make them more PMA compliant.

The PMA Sub-committees

There are nine technical sub-committees of the PMA SC designed to deal with cross-cutting issues involving cooperation or coordination between various line ministries and agencies. Their early work centred mainly on developing guidelines and strategies to assist PMA implementation. In most cases the government and stakeholders have acted on their advice but sometimes it has taken an inordinately long time for particular ministries to approve their proposals. The Evaluation recommends that the time is now ripe for the SC to review the continuation, mandates and membership of the various sub-committees. Many have achieved their initial objectives, indeed once a Food and Nutrition Council has been established with the Director of the PMA Secretariat as a member, the future need for a Food and Nutrition Sub-committee must be questioned.

The need for a separate Finance and NSCG Sub-committee is also questionable, as its main work is monitoring the use of NSCG funds. This work is undertaken by the Secretariat, which could report directly, or through the Monitoring and Evaluation Sub-committee, to the SC. Alternatively, this sub-committees mandate could be widened to include a continuous monitoring of the extent to which PMA priorities are reflected in the budget process (Chapter 9). Some sub-committees may have a continuing role in reviewing progress and developing new policy initiatives to deepen or widen the achievement of PMA objectives. However, their mandates and TORs should be adjusted to reflect these roles (Dissemination and Sensitisation, Marketing and Agro-Processing, Monitoring and Evaluation, and Programmes and Projects). In some areas membership of SWGs by SC members and/or PMA Secretariat staff may provide an alternative and preferable way of promoting PMA objectives (Environment and Natural Resources) and providing the required link with the PMA SC.

Most sub-committees have retained their initial membership and many have added to it. In many cases it is not clear whether membership is vested in an individual or an organisation. Attendance of some 'members' is low or non-existent. There is an urgent need for the SC to review membership and to clarify for each sub-committee whether the technical expertise of particular individuals or organisations is required. Membership should

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be regularly reviewed by the SC, taking into account changes in focus and member's attendance.

Each sub-committee should prepare an annual work-plan, approved by the SC and monitored through the Secretariat's quarterly reports and the JAR process. These work-plans should be proactive in identifying emerging issues and proposing policy initiatives to deal with them, rather than merely reacting to previous JAR undertakings.

The NARS Core Implementation Team, CIT. During the inception phase of this study, the terms were modified to include an examination of the roles and functions of the NARS CIT. The CIT was established with members drawn from relevant organisations to oversee the development of the NARS system under PMA. Most of the work was carried out by a small Core Inner Team of professionals or by consultants hired by them. In the past, the delay in passing the NARS bill (see Annex A4) led to considerable frustration and some inertia within the CIT process. However, with the enactment of the NARS Bill in June 2005 there is now renewed activity to implement the Act and to develop the organisational structure and institutions to achieve this. CIT has an approved workplan and budget until June 2006, which includes the gradual absorption of CIT activities into NARO as it develops over the coming year.

The PMA Secretariat

Mandate and role. The PMA Secretariat was established to provide technical and analytical support to the PMA SC and the PMA Forum. Its functions and TORs are laid out in the PMA Document (p.143) and are wide-ranging. However the Secretariat staff, when carrying out a Core Functional Analysis as an input to this Evaluation, assessed that all the TORs are still relevant and that they were able to carry out the majority of them effectively. The Evaluation considers that one of the Secretariat's major roles is as a catalyst of change, and as such its focus should be upon strategic thinking and planning (rather than project management responsibilities). However, its focus and activities are likely to alter over time.

Reporting and financing issues involved in the Secretariat's institutional location. The PMA Secretariat is a unit within MAAIF reporting to the PS MAAIF who is the *de facto* secretary to the PMA SC. Thus, all administrative and financial reporting is done through the PS MAAIF. Formally, the Secretariat reports to the SC through the PS MAAIF on all matters relating to the PMA. However, under delegation of PS MAAIF, the Director of the PMA Secretariat reports directly to the Chairperson, PMA SC on all matters pertaining to the PMA (except administrative and financial matters). The Secretariat observes that reporting through MAAIF can cause delay especially for urgent issues, for example, the Director has to go through the PS MAAIF to communicate to any other ministry. Procurement, for example of consultants, through MAAIF procedures can also be subject to delays.

The financing arrangements for the Secretariat have always been problematic. The fundamental issue has been, and is, a concern within MAAIF that the Secretariat budget has to be fitted within the MAAIF budget ceiling whilst contributing to the activities of other Ministries. The problem has been exacerbated this year by the non-availability of EU Stabex Funds, which have been used to meet any budget shortfall in recent years. The problem is likely to remain as long as the PMA Secretariat is a unit within MAAIF, and would not necessarily be resolved by an assurance from MFPED that MAAIF's MTEF ceiling has been raised to accommodate the full budget costs of the Secretariat.

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An alternative to the current arrangement considered by the Evaluation is for the Secretariat to be a unit within MFPED reporting to the PS MFPED. This presents a number of potential advantages: the Secretariat's budget would come under the MFPED budget ceiling and would free MAAIF from what it considers to be an unfair burden; the new location would emphasise the Secretariat's multi-sectoral coordination role; it may also increase institutional buy-in from those agencies that fail to appreciate this role because of the Secretariat's location in MAAIF. However, it is not evident to the Evaluation that these outcomes would necessarily be achieved by moving the Secretariat to MFPED. On balance therefore, the Evaluation recommends no change in the institutional home of the Secretariat.

Relevance and efficiency of the services and activities of the Secretariat. The TORs of the Secretariat are very demanding, given that the 'professional' staff consists of the director, two programme officers and a social development specialist. Between them their regular functions include: supplying secretarial services to the PMA SC and the nine technical sub-committees; preparing position papers to support the formulation of government policies, strategies, investment plans and bills; monitoring the performance of the PMA process through organising the JAR and quarterly and annual reports; monitoring the performance of the NSCG; supervising taskforces and consultants; preparation of press releases, etc. Nevertheless, the overall level of service provided by the Secretariat is of a very high standard. However, in their functional analysis the staff identified certain areas where they felt they could improve their performance and the Evaluation agrees with their analysis.

- *Strategic outsourcing*. More use could be made of strategic outsourcing of monitoring activities to consultants, with the Secretariat focusing on quality assurance (see below). Related to this is a need to upgrade the consultant database and evaluate the work of consultants more critically.
- *Office management systems*. There is a need to revise the system of recording and tracking actions taken on agreed decisions of the PMA SC and the whole of the information recording and retrieval systems given the breadth and volume of activities it is engaged in. The Evaluation fully endorses the Secretariat's need to improve its information storage systems on the basis of its recent experience and considers that high priority should be given to this activity.
- *Information dissemination*. All Secretariat reports should be on the PMA website and their dissemination increased. Moreover, it should be more proactive with the media. However, the Evaluation considers that production and dissemination of 'hard copy' material should be carefully costed and targeted to ensure cost-effectiveness.
- *Liaison with stakeholders*. Strategic engagement with stakeholders, especially local government structures and cultural and faith-based groups should be increased. The proposal outlined in the next section to have a PMA coordinator in each district provides a mechanism for achieving this in the case of local government.

Local government arrangements

While there is a PMA Steering Committee at national level, there is no provision for an explicit institution responsible for overall technical coordination and strategic guidance at local government level. This role is currently (assumed to be) played by the district or sub-county Technical Planning Committee. However, district and sub-county farmers' fora were created at higher and lower local government levels to facilitate implementation of the NAADS pillar. District Agricultural Technical and Innovation Centres and Agricultural Research Development Centres, which are a reconfiguration of former

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District Farm Institutes have also been established in local governments to deal with research and farmer training, but are not new institutions as such.

In local governments accessing the NSCG, overall responsibility for PMA implementation falls under the Office of the Chief Administrative Officer, CAO. In some local governments the CAO has delegated the coordination role to the Head of the Planning Unit (also responsible for LGDP coordination) or in others, like Mukono, to the Head of the Production sector or department depending on the local government interpretation of PMA. Similarly, overall responsibility for NAADS implementation falls under the CAO, though actual implementation is the responsibility of the District NAADS Coordinator who is recruited by the District Service Commission in close collaboration with the NAADS Secretariat. It should be noted that the District NAADS Coordinator is contractually positioned outside the traditional civil service structure although NAADS reporting modalities are harmonised with the local government hierarchy and systems. At sub county level a NAADS coordinator or liaison officer, picked from the sub county extension officers, is nominated to handle NAADS implementation while a PMA sub county coordinator also from the extension service coordinates planning, implementation and supervision of the NSCG project investments. In essence NAADS operates more or less like another department in the district but under statutory provisions that require, inter alia, the district NAADS coordinator to report directly to the CAO. While no specific problems were reported with current operations, the arrangement raises questions regarding its sustainability and the extent to which existing institutions and systems have been strengthened, especially those that were (and still are in most cases) responsible for extension service delivery. Community development staff are involved in the mobilisation of communities for PMA related activities. In local governments like Mubende, accessing the NSCG, attempts are made by the Planning Unit and PMA coordinator to integrate planning, implementation, supervision and monitoring to ensure complementarity.

Because the PMA is interpreted as being concerned mainly with agriculture, the District Production Sectoral Committee is responsible on behalf of the District Council for providing political oversight and monitoring for both NAADS and the NSCG. This mainly involves approving and reviewing annual and quarterly work plans and reports for both NAADS and NSCG as well as direct monitoring of activities. This committee also approves resource allocation under the NSCG in addition to deciding which specific sub counties will be beneficiaries. Ideally these decisions are supposed to be informed by technical presentations from the appointed officials. However, in actual fact these decisions are heavily influenced by political considerations and therefore place the chairperson and members for that committee in quite influential positions.

Three key issues arise from these arrangements. First, there is a clear need for an institution providing overall technical coordination and strategic guidance at local government level along the lines of the national PMA SC. However, creating new institutions is not the answer. What is required is a broadening of the existing mandate of the District Technical Planning Committee, DTPC, and the Sub-county Technical Planning Committee, SCTPC, and to assume explicitly increased responsibility for this vital coordination role.

Second, specific responsibility for coordination should be nested in the District Planning Unit while implementation can be handled by the various heads of departments. It is important to note that this role is more than management of the NSCG and includes all

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the pillars of PMA. This does not mean that PMA Focal Point persons lose their responsibility for NSCG implementation, rather that the District Planner, already responsible for multi-sectoral planning and coordination of implementation of the District Development Plans, is the most suitable and appropriate coordinator at district level, with delegated authority from the CAO. Related to this is the issue of the most appropriate location for nesting the overall political coordination role, this should change from the Production sectoral committee and instead be nested in the Finance and Administration sectoral committee where there are more opportunities for institutionalising a multi sectoral focus and where the district planner already reports.

Third, from a system's strengthening point of view, merging the two grants (PMA NSCG and LGDP) then becomes even more compelling (see Chapter 4) because the District Planner is already responsible for the coordination of LGDP implementation. The team is convinced that a merger will bring planning and implementation modalities together while decreasing the transaction costs.

The monitoring and evaluation framework

As the PMA Monitoring and Evaluation Framework is still being refined the Evaluation has focused on assessing the design and the limited experience in implementing the Framework.

Description of the PMA Monitoring and Evaluation Framework. The main objective as stated in the PMA M&E Framework document is "*to provide a set of parameters that PMA stakeholders should streamline into their existing M&E systems so that they can monitor and evaluate the performance, intermediate outcomes and impact of the PMA*". The Framework defines key indicators for the seven pillars and the NSCG, the Steering Committee and the Secretariat. At a higher level, the PMA Framework feeds into the National Integrated Monitoring and Evaluation Strategy, NIMES, set up in 2003 under the Office of the Prime Minister, OPM, to facilitate the coordination of all government policies and programmes. NIMES has defined the M&E Framework of PEAP II. PMA contributes to PEAP Pillar 2: enhancing production, competitiveness and incomes, specifically to the strategic sub-objective of increased and more efficient agricultural production. Five outcome indicators are to be tracked under this pillar[45]. At the lower level, the PMA Monitoring and Evaluation Framework utilises monitoring and evaluation systems existing in line ministries and organizations implementing different components of the PMA.

The M&E Framework has three components. Implementing agencies have responsibility to provide information on Component 1, called Performance Assessment, which tracks input, process and output indicators and checks the implementation of the pillars and the NSCG. Component 2, Beneficiary Assessment, consists of indicators for intermediate outcomes with information provided by the PMA Secretariat. Component 3, Impact Assessment, is the responsibility of the Poverty Monitoring and Analysis Unit in MFEPD in conjunction with the NIMES Secretariat in OPM and with the help of UBOS seeks to track the final outcomes of PMA implementation. The Joint Annual Reviews are the main mechanism for receiving and discussing progress and taking strategic decisions to modify implementation for better results.

45 *These are: (i) Production of major crops/livestock; (ii) Yields of adopted improved technologies by category; (iii) Percentage production marketed (exported); (iv) Percentage share of farm-gate price of market price; (v) Proportion of households with land title.*

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Comprehensiveness of the PMA M&E Framework. The design document stresses that the PMA M&E Framework would be different from an M&E system. This implied a strategic approach operating at a higher, coordinating level and focusing on Components 2 and 3. However, based on its own criteria, the design document has produced something closer to an M&E system focusing on short term, Component 1 issues. As a result, the PMA M&E Framework is too comprehensive and appears designed for a programme implemented largely by one organisation.

The M&E Sub-committee has been rightly concerned at the high number of indicators (89) but given the current structure, there is little room to reduce this number to a more manageable level. It is also difficult to judge the realism of indicators because their relevance has not been profiled, i.e. the methodology and data requirements for calculating each indicator and the expected analysis and types of messages that are anticipated from each indicator have not been documented. For some indicators, there is no baseline information or targets. A baseline study was conducted in April-July 2003 to collect information to fill the gaps but these still remain in some cases. It may thus be unrealistic to expect that this information will be consistently produced.

Assessment of Buy In. Implementation thus far has indicated two challenges to buy in. First, some organizations implementing pillars reported financial and other capacity constraints in carrying out their M&E mandate. Second, there is little incentive for agencies to generate and submit consistent and timely information. The expectation that the PMA M&E Framework would not require incentives to make it work has not been borne out in reality. Continuation of funding of pillar activities, whether from internal or external resources, could be made dependent on producing the necessary information within the projects' regular reporting system.

Quality of the PMA M&E Logframe. It is difficult to see the logical links of how inputs translate to intermediate outcomes and later on to impact. This has brought into question the relevance of some indicators. Due to this, there has been little rigorous analysis and the focus has been on reporting on the implementation progress (i.e. Component 1 of the matrix).

Alternatives to Address the Need for PMA M&E. The Evaluation's recommendations to address some difficulties arising from implementing the PMA M&E Framework are:

- The Framework should eliminate Component 1 and focus on Components 2 and 3. This reduces the number of indicators to 31 and allows the PMA Secretariat to focus on indicators over which it could exercise some control in terms of data collection. Organizations implementing pillars will be responsible for reporting on PMA implementation progress;
- The PMA M&E Sub-Committee should, through a consultative process, develop a core set of indicators for Components 2 and 3, on which information should be generated at least once every two years;
- The PMA M&E Sub-Committee should make a contractual or some other arrangement[46] with UBOS to undertake a sample survey to generate information on intermediate and final outcomes. This could include some process indicators that were under Component 1. Side by side should be qualitative beneficiary assessments on similar issues to give the perspectives of beneficiaries and key actors;

46 *This could include, if UBOS can assure regularity, integrating information on key indicators in its National Household Survey*

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- Analysis of survey findings should be done by an independent organization such as a university or institute, probably the same one undertaking qualitative beneficiary assessments. This will help to sharpen the messages on the PMA process;
- The proposals above imply systematic two-yearly evaluations of the PMA from which milestones and targets for the next two years could then be set. Therefore, a two-staged Joint Annual Review meeting should be held once every two years – the first stage to receive the findings of the qualitative and quantitative surveys and agree on what needs to be done to address areas for modification and the second (probably after three months) to receive and agree on revised work plans of implementing agencies. Each Joint Annual Review should be completed in time for the undertakings to be included in Sector Budget Framework Papers for the following financial year.

Summary

The Evaluation has examined the effectiveness of the various institutional/organisational aspects of PMA implementation. On the whole, the system is working well, but there are areas where there is a need to review the existing arrangements. There is also a need to develop new institutional arrangements to improve coordination of PMA activities at the local government level and links between the central and local levels of government. The Evaluation recommends that:

- The Steering Committee should review the quarterly progress reports prepared by the PMA Secretariat and place more emphasis on the achievement of PMA objectives at district and sub-county level;
- The SC should regularly review the continuation, mandates and membership of the various technical sub-committees ;
- Sub-committees should prepare annual workplans, approved by the SC and monitored through the Secretariat's quarterly reports and the JAR process;
- High priority should be given by the Secretariat to a review of its whole information storage and retrieval system;
- Dissemination of 'hard copy' material by the Secretariat should be carefully targeted and be done in a cost-effective manner;
- The mandates of the District and Sub-county Technical Planning Committees should be broadened to include coordination of PMA activities with the District Planner having specific responsibility for coordination under delegated authority from the CAO;
- Subject to certain preconditions, the NSCG and LGDP should be merged;
- The PMA Monitoring and Evaluation framework should be refined to improve its effectiveness and implementability.

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9. Resource allocation and financial management

This Chapter reviews resource allocation to the PMA, the extent to which the budget process (MTEF) influences the prioritisation of PMA activities, and issues relating to financial management of the PMA. Supporting tables are provided in Annex A9.

Analysis of PMA expenditures

The methodology used by the Evaluation to assess PMA expenditures is provided in Annex A8. The analysis shows that for FY 2001/02 and FY 2002/03 11 percent of total GoU expenditure was allocated to PMA activities, falling to 10 percent (Ush 270bn) in FY 2003/04 (Annex A9, table 1)[47]. The share of MAAIF and NARO alone within total GoU spending increased from 3.2 to 3.8 percent between 2001/02 - 2002/03, falling to 2.6 percent in 2003/04 (Annex A9, table 2).

Table 9.1 shows a summary of PMA expenditure over the last three years for which data are available. Over this period, PMA projects and spending under the PAF together have accounted for 90 percent of total PMA expenditures. Spending through NAADS and the LGDP provide a small but increasing share of PMA spending. Over the same period the PAF, which accounts for around one-third of GoU discretionary spending, has allocated 12 percent of its funds to PMA activities – down from 14 percent in FY 2001/02 (Annex A9, table 3).

Table 9.1: Breakdown of PMA actual expenditure, Ush bn

	2001/02	2002/03	2003/04	Total 3yrs	Share 3yrs
1. MAAIF & NARO recurrent	5.5	6.6	6.6	19.7	2.4%
2. PMA relevant projects	159.5	174.1	163.0	496.6	64.7%
3. NAADS districts	2.4	5.5	9.0	16.9	2.2%
4. LGDP (at 25% PMA relevant)	11.2	10.6	16.3	38.1	5.0%
5. Other PAF, not included above	59.7	62.6	75.4	1977	25.7%
Total	**238.4**	**259.4**	**270.3**	**768.0**	100.0%

Source: MoFPED database on development expenditures, Public Investment Plan, Background to the Budget.

In total, 155 projects are identified as PMA-relevant over the three-year period under review. Of these, 14 projects each have total expenditure exceeding Ush 10bn (and 3 projects each exceed Ush 20bn)[48]. Overall, 6 projects account for 25 percent of PMA project spending; 16 projects for 50 percent; and 33 projects for 75 percent (Annex A9, Table 7).

Table 9.2 provides a breakdown of expenditure on PMA projects over the period FY 2001/02 - 2003/04 (i.e. a more detailed analysis of line 2 in Table 9.1 above). This shows PMA project expenditures according to line agency and the seven PMA pillars,

47 *This compares to the PMA Public Expenditure Analysis undertaken in 2002, which estimated that 16 percent of the total GoU budget (not actual expenditure) for 2001/02 was allocated to PMA activities.*

48 *Support to NARO (Ush 26.9bn), Land Tenure Reform (Ush 22.0bn), and Environment Capacity Building (Ush 20.3bn)*

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plus an additional category for projects that address policy and institutional reforms and which are crosscutting in their implementation.

Table 9.2: Share of PMA project spending (actual expenditure FY 2001/02 - 2003/04, Ush bn)

	Actual			Actual	
Ministry	**Ush bn**	**Share**	**Pillars**	**Ush bn**	**Share**
MAAIF	124.7	25%	1. Research & technology devt.	51.4	10%
MWH&C	120.0	24%	2. Agricultural advisory services	142.1	29%
MWLE	106.9	22%	3. Rural finance	6.2	1%
NARO#	51.4	10%	4. Agro-processing and marketing	2.0	>1%
MTTI	21.4	4%	5. Agricultural education	13.5	3%
MOLG	21.5	4%	6. Natural resource management	82.8	17%
OPM	16.3	3%	7. Infrastructure	149.2	30%
MOES	11.7	2%			
MOH	9.3	2%	8. Other – institutional & policy reform	49.4	10%
MOFPED	7.3	2%			
MEMD	3.8	1%			
MGLSD	2.5	1%			
	496.6	**100%**		**496.6**	**100%**

Source: MoFPED database on development expenditures, Public Investment Plan, Background to the Budget.
NARO is identified separately from MAAIF as it has a separate vote. NAADS is included within the MAAIF vote.

Analysis by PMA implementing agencies shows that 80 percent of total PMA project spending is accounted for by four agencies MAAIF (25 percent), MWHC (24 percent), MWLE (22 percent) and NARO (10 percent); the remainder being split amongst the other 8 PMA implementing agencies. Together MAAIF, NAADS, and NARO account for 35 percent of PMA project spending over the three-year period. This finding is relevant on two counts. First, it shows that the perception of MAAIF as the dominant agency responsible for PMA implementation is incorrect; and second, that successful implementation of the PMA requires close collaboration and co-ordination across a number of different government agencies.

Analysis by PMA pillars shows that just three pillars account for 75 percent of PMA project expenditure – infrastructure (30 percent), extension (29 percent), and natural resource management (17 percent). Spending on the agricultural marketing pillar appears low at 0.4 percent, but in fact this pillar is supported through spending on rural infrastructure (especially roads) and through spending on policy and institutional reforms, including regulation and standards. While more could perhaps be done to strengthen the 'enabling environment' for agricultural marketing this does not necessarily require high levels of investment spending. Spending on the agricultural finance pillar is also low at 1.3 percent and is a pillar that has attracted criticisms of lack of progress from previous reviews. It is noted that rollout of the Microfinance Outreach Plan, the principal implementing vehicle for this pillar, has been slow due to limited funding. While support to this pillar may benefit from increased investment, for example through capacity building and loan guarantee funds targeted towards small farmers, more fundamental questions remain to be addressed over the role of this pillar in effectively achieving PMA objectives (Chapter 4 of this report).

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Expenditure on policy and institutional reform is significant at Ush 49bn (10 percent of PMA project spending). Policy and regulatory reform does not usually require high levels of investment, although implementing institutional change can be costly. The high level of spending in this area reflects the impressive performance achieved to date in implementing critical reforms, although further work is required (Chapter 5). Amongst this group of projects, the most significant in terms of spending is the Land Tenure Reform Project (Ush 22bn) – this is appropriate given the significance of land reform in achieving PMA objectives (Chapter 3).

Table 9.3 shows disbursement rates on PMA projects. This shows that actual expenditure on PMA projects is significantly lower (54 percent) than budgeted (the approved budget for PMA-relevant projects over the three-year period was Ush 921.4bn, compared to actual expenditure of Ush 496.6bn).

Disbursements rates vary considerably by line agencies, PMA pillars, and funding sources. In relation to disbursement by pillars, it is noticeable that the highest level of disbursement is for policy and institutional reform (77 percent), perhaps reflecting the importance that has been attached to this area of work. Disbursement rates are lowest for the marketing (14 percent) and rural finance (24 percent) pillars.

MFPED has suggested that the low disbursement on PMA projects is due to the relatively large share of PMA project spending financed by donors, for which releases are often erratic. This is supported by analysis of disbursements by funding sources which shows a higher disbursement rate for GoU, of 72 percent (which while good, is not especially high)[49]. Disbursements rates by donors vary from over 100 percent (Germany, UK) – implying some flexibility within the MTEF framework – to disbursement rates of below 40 percent (IFAD, ADF, GEF). The Evaluation recognises however, that these low disbursement rates may reflect poor central recording of expenditures. Disbursement rates for NAADS, NSCG, and LGDP are close to 100 percent[50].

Table 9.3: Disbursement rates on PMA projects (actual / budget expenditure, FY 2001/02 – 2003/04)

Implementing Agency	Disb. rate	**PMA pillar**	Disb. rate	**Funding agency**	Disb. rate
MAAIF	51%	1. Research & technology devt.	56%	GoU	72%
MWLE	58%	2. Agricultural advisory services	50%	IDA	44%
MWH&C	70%	3. Rural finance	24%	EU	94%
NARO	56%	4. Agro-processing & marketing	14%	ADF	34%
OPM	26%	5. Agricultural education	71%	UK	129%
MTTI	61%	6. Natural resource management	58%	DENMARK	40%
MOLG	39%	7. Infrastructure	54%	USA	67%
MEMD	10%			GERMANY	143%
MOES	69%	8. Other – institutional & policy reform	77%	IFAD	22%
MOH	92%			GEF	31%
MOFPED	74%			NORWAY	70%
MGLSD	79%			Others	18%
	54%		**54%**		**57%**

Notes: ADF = Africa Development Foundation, GEF = Global Environment Facility.

49 *Note, the overall disbursement rate for GoU development spending, over the same period, is estimated at 71 percent (Evaluation estimation).*

50 *Disbursement against Pillar 2 (agricultural advisory services) is recorded as only 50 percent, but is wider than NAADS alone – including a total of 37 projects.*

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PMA basket funding

The PMA core document proposed that improved co-ordination between donors (development partners) and GoU would likely result in "*a suitable environment for a shift from project funding to programme funding.. and the gradual evolution of a 'basket' funding mechanism*". This has not been the case.

Had such an arrangement developed, at least two benefits may have resulted. The first is that the fund could have vested stronger powers within the SC and provided it with an incentive mechanism to encourage recalcitrant ministries to prioritise PMA activities within their budgets, thereby reducing difficulties experienced in promoting PMA priorities through the budget process (see below). The second is that it could have strengthened donor harmonisation around the PMA by encouraging a shift away from project-driven approaches.

The Evaluation does not recommend however, that a basket fund now be established for the PMA. Rather, the allocation of resources to the PMA should be determined through the budget process and within agreed MTEF ceilings – i.e. through the normal political process by which public resources are allocated against competing needs. However, as discussed below, there is a need to strengthen this process to ensure that the budget reflects PMA priorities and undertakings.

Prioritisation of PMA activities within the budget process

Currently there is no mechanism to ensure that PMA priorities are adequately captured within the budget process. At the start of the budget process guidelines are prepared by MFPED to guide Sector Working Groups, SWG, in the preparation of their Sector Budget Framework Papers, SBFP. In parallel, the PMA SC recommends PMA priorities for SWGs to consider for inclusion within their SBFPs. However, there is no compulsion upon SWGs or line ministries to comply with these recommendations.

The guidelines for the 2005/06 budget process for the first time included a requirement for SWGs clearly to show within their SBFPs details of resources allocated to PMA undertakings agreed at the PMA Joint Annual Review. Following the publication of these guidelines, in December 2004 MFPED circulated a memo to PMA relevant ministries indicating government's continued commitment to implementation of the PMA and that undertakings, agreed at the October 2004 JAR and discussed with officials from respective ministries, should be included in SBFPs. The memo indicates that the SC would review SBFPs in order to assess the extent of incorporation of the undertakings, and that line ministries would be expected to report on progress of implementation of their respective undertakings.

The Steering Committee (through the Sub-Committee on Finance and NSCG) contracted a consultant to review the extent to which PMA priorities have been addressed through the budget process and to discuss with line ministries and agencies the process of integration of PMA priorities within their budgets[51]. The findings of this review (submitted in May 2005 and updated in July 2005) found that, insofar as the PMA was concerned, the structure of SBFPs did not conform to the Guidelines for the Budget Process 2005/06 and that several line ministries and agencies were not fully aware of the PMA undertakings agreed with them at the 2004 JAR.

51 *Analysis of Budget Framework Papers of PMA Line Ministries for PMA Prioritisation, Development Consultants International Ltd, PMA Secretariat, 2005.*

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During the initial years of the PMA there was a perception amongst some line ministries that prioritising PMA activities within their budgets would result in additional funding. Experience has demonstrated this not to be the case. Currently there is little (if any) incentive for line ministries to priorities PMA activities over and above their core programmes. Some line ministries complain that, within MTEF ceilings, they are only able to include PMA priorities by sacrificing 'their own' programmes – an action that few ministries are willing to consider.

This does not imply however, that the budget process is necessarily undermining PMA implementation. Activities will continue to be implemented that support the PMA and contribute to the rollout of the pillars – for example the construction of rural infrastructure. However, greater impact is likely to be achieved by ensuring that a process exists to ensure that critical PMA undertakings (e.g. those agreed at JARs) are captured and prioritised within the budget.

This requires a strengthening of the budget process in two respects. First, the PMA SC and MFPED should ensure that PMA undertakings are included within the budget guidelines distributed to SWGs. Subsequently, it is the responsibility of MFPED to ensure that SWGs comply with the budget guidelines and to formulate sanctions as appropriate for non-compliance with the guidelines (for example a reduction in sector budget allocations).

Second, there is a need to improve the quality of information on PMA activities and impact that feeds into the budget process. Reporting on PMA expenditures generally is weak. This is reflected in the considerable effort required by the Evaluation in identifying PMA-relevant expenditures. While expenditure information is available on components of the PMA (for example, the NSCG, NAADS, MAAIF, and NARO) this does not capture the full extent of PMA implementation. Information on impact is almost non-existent.

Despite methodological difficulties, there is a need for more systematic reporting on PMA spending and its impact if the PMA is to provide an effective framework for justifying and prioritising future public resources to the sector. This is a joint responsibility involving the PMA Secretariat, MFPED, line ministries, UBOS, and local governments. The Evaluation recommends that a framework for reporting on PMA expenditures and impact be developed as part of the process of updating the PMA.

Impact of the fiscal decentralisation strategy

The Evaluation's ToR ask the likely impact of the fiscal decentralisation strategy upon PMA implementation. This is difficult to assess as much depends upon the extent to which communities genuinely are engaged in decision-making processes, and the political priorities attached to PMA spending at local levels. Discussions with district and sub-county officials indicate that, given the option, local politicians tend to prioritise resources towards 'tangible' investments (schools, roads etc), rather than to 'productive activities' (although allocating resources to agricultural input distribution can also be politically attractive, especially in an election year). The Evaluation recommends continued efforts to strengthen community participation in decision-making processes as a means of improving transparency and accountability in the use of funds.

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Resources used for PMA administration

Costs of administration and co-ordination provided by the PMA Secretariat since its inception in February 2001 to the end of June 20004 amount to Ush 4.7bn (USD 2.4m) (Annex A9, table 9). Since 2002/03, the Secretariat has been funded by a combination of GoU and EU funds, with the EU providing the major share – in 2003/04 two-thirds of actual expenditure by the Secretariat was provided by the EU. However, EU funding ended in June 2005, leaving the Secretariat with a significant budget shortfall for 2005/06 and onwards that has yet to be resolved. Secured funding for the Secretariat for 2005/06 amounts to Ush 1.1bn (Ush 700m from GoU and Ush 426m from Danida[52]). This is equivalent to half the current level of spending by the Secretariat (Ush 2.2bn in 2004/05).

Since 2001, the costs of the Secretariat are equivalent to a fraction (0.6 percent) of overall PMA spending. The important role of the Secretariat and the high level of service it provides in supporting PMA implementation (Chapter 8) suggest that the unit provides good value for money. Its role is especially important given the institutional complexities of PMA implementation, and the fact that no single line agency has overall responsibility for PMA administration and co-ordination. The Evaluation therefore recommends that: (i) funding for the Secretariat remains at 2004/05 levels (Ush 2.2bn); and (ii) steps are taken by the Secretariat to improve performance and functions in the areas identified in the functional analysis recently undertaken by the Secretariat.

Summary

Overall, the PMA accounts for a significant share of total GoU spending. This is consistent with government's commitment to poverty reduction as articulated in the PEAP, and the role of agriculture in contributing to PEAP objectives. However, for the PMA to be effective there is a need to strengthen reporting on PMA spending and impact and develop mechanisms to ensure that PMA activities are fully integrated and prioritised within the budget process.

The Evaluation recommends that: [53]

- MFPED should ensure that SBFPs are consistent with the guidelines it issues, and that these guidelines include PMA undertakings by line ministries;
- The PMA Joint Annual Review should be held sufficiently in advance of the budget process for the findings, recommendations, and undertakings to be disseminated to SWGs and line ministries;
- The JAR should set clear targets and expected outcomes to be considered by SWGs for inclusion in BFPs;
- The PMA Secretariat should develop a PMA expenditure reporting system (perhaps based upon the methodology used by this study) as part of a wider PMA impact monitoring system;
- Continued efforts are needed to strengthen community participation in decision-making processes, and to improve transparency and accountability in the use of funds;
- Funding for the PMA Secretariat should remain at least at 2004/05 levels (Ush 2.2bn).

52 *From Danida the following funds have been approved: Ush 426m for 2005/06 and Ush 283m for 2006/07. In addition there is a possibility that the following funds may be provided by IFAD: USh 411m for 2005/06, and Ush 390m for 2006/07 (IFAD Grant Estimate – draft concept note, PMA Secretariat, June 2005).*

53 *The first three bullets reflect the recommendations of the Analysis of BFPs for PMA Prioritisation (PMA Secretariat, 2005).*

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10. Development Partners

This Chapter provides an overview of the role of development partners in the implementation of the PMA. Development partners have supported the PMA by providing financial resources for its implementation and also by contributing to policy formulation and the principles that guide PMA implementation. This support has been provided within an overall framework for the PMA that appears genuinely to be owned by the Government of Uganda. This is reflected by growing confidence on the part of government in initiating reforms and entering into dialogue with the development partners as PMA implementation experience has evolved.

The PMA has also provided a framework that has successfully strengthened donor co-ordination in the sector. The PMA provides a common vision for the role of agriculture in poverty reduction and has enabled partners to continue to support projects individually, but in a way that is now more strongly harmonised around agreed priorities and objectives. This has been assisted by the donor-sub group on the PMA and the PMA sub-committee on programme and projects (see below).

Country assistance strategies
Most donors prepare multi-annual frameworks or strategies that guide their country operations. The team examined the strategy documents for a number of the major donors[54]. These all acknowledge the PMA as one of the major frameworks of government, and a key instrument in addressing agriculture and rural development. Two donors in particular, Danida and the EU, link their support to the agricultural sector very closely to the implementation of the PMA. However, no donors appear to have addressed the multi-sectoral nature of the PMA in their support programmes. Sectoral interests, for example as between roads and agriculture, seem to be at least as problematic for donors as they are for inter-ministerial cooperation in Uganda.

Financial support
Financial support provided by development partners comprises direct funding of PMA-relevant projects and indirect financial provided support through general budget support, GBS, and earmarked sector support. Over the three-year period FY 2001/02 - 2003/04, development partners have directly funded almost 60 percent of total expenditure on PMA projects (Annex A9, Table 11)[55]. Within this three-year period, the share of PMA spending directly provided by development partners rose from 37 percent to 43 percent between 2001/02 - 2002/03, subsequently falling to 36 percent in 2003/04. This recent reduction in the share of donor funding may reflect the trend away from project-funding towards budget and programmatic support (for example by the EU).

Previous assessments of donor support to Uganda, including in agriculture, have criticised the fact that a large share of donor spending is not systematically recorded[56], leading to uncertainty over compliance with MTEF ceilings as well as inconsistency

54 *EU, Danida, DCI, IFAD, AfDB, DFID's interim CAP, and the World Bank's 2000 CAP. DFID, the World Bank and other donors are currently developing a Joint Assistance Strategy for support to GoU around the PEAP, so their previous documents were examined.*

55 *Equivalent to approximately 40 percent of total PMA spending, including MAAIF recurrent costs and GoU transfers to districts.*

56 *The Agriculture Public Expenditure Review of 1998 suggests that up to 85 percent of donor spending in agriculture was not recorded. This finding is supported by the PMA Expenditure Analysis 2002.*

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with national strategies, including the PEAP and PMA. However, considerable progress appears to have been made in recent years in bringing donor funding within the budget and ensuring that donor spending in agriculture is consistent with the PMA.

There remains however, a tendency for unaffordable medium-term recurrent expenditure commitments to be incurred through the development budget, reflecting the fact that donor funds are relatively abundant compared to GoU funds together with weak monitoring of donor spending commitments. In consequence, some PMA projects continue to comprise elements of wage and non-wage expenditure and are rolled-over from phase to phase rather than the costs of their recurrent activities being transferred to the recurrent budget.

Donor funding modalities

The trend by donors towards general budget support allows GoU greater flexibility in prioritising how funds are allocated. This may or may not increase funding to PMA activities, depending on GoU commitments to the PMA and the extent to which donors link GBS funding to outcome indicators based around the PMA. Donors that are providing or moving towards GBS, and wish to support PMA implementation can do so indirectly by specifying PMA-relevant undertakings in the terms of the GBS. Alternatively they can provide sector budget support earmarked for PMA spending (for example, in the case of the EU). Such undertakings need to be consistent with the overall MTEF framework and sector ceiling for agriculture. This is especially true for large projects, where special care is needed to ensure that large spending commitments do not crowd-out small but essential investment activities. This implies an active role for the Projects and Programmes Sub-committee (and possibly the Finances Sub-committee under a revised mandate) to scrutinise PMA-relevant spending commitments within MTEF ceilings.

Harmonisation issues

The PMA is implemented through a combination of donor funded projects, government funded projects and NGO activities[57]. New projects are scrutinised by the Projects and Programmes Subcommittee of the PMA for compliance with PMA principles. When the PMA was implemented in 2000/01, there were a large number of ongoing projects addressing PMA concerns, which were assessed for PMA compliance, and recommendations were made for realignment.

The Evaluation has assessed the follow-up of the harmonisation study undertaken in 2003, by governments and donors, and has also looked at the effect of the Programmes and Projects Subcommittee's work on new projects being developed. Of the 68 projects where the harmonisation study recommended changes, these were fully carried out in 30 cases (44 percent) and there was partial implementation in 4 cases.[58] Realignment appeared to be easier where the Government of Uganda had a greater say. Projects with large donor contributions have been more difficult to realign (e.g. the Project for Elimination of Child Labour). For many ministries, projects represent the major share of their development budgets and recommendations for the rationalisation and merging of projects have met with resistance. The team found that there had been poor dis-

57 *The role of NGOs in agriculture is significant and often overlooked in the strategic planning of public expenditure in the sector. A report undertaken during the preparation of the PMA suggests that up to 15 percent of expenditure in agriculture is through NGOs (Support to Developing a Framework for the Modernisation of Agriculture – Agriculture Sector Investment Audit, Oxford Policy Management, 1999).*

58 *A complete matrix of the projects, recommendations and actions is presented in Annex A10.*

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semination of harmonisation recommendations to ministries, particularly MTTI, OPM, MLWE and MFPED. The Evaluation also felt that the harmonisation study inappropriately recommended closure / re-alignment of 12 projects (18 percent).

The PMA Secretariat did not adequately follow-up, document and report on the implementation of the realignment recommendations. The consultants had to visit most of the projects individually to establish the status of implementation.

Overall, the Projects and Programmes Subcommittee has reviewed 83 projects for compliance with the PMA. Of these, 13 of have been referred back for revision, mainly due to poor technical design. Only 6 were rejected because they did not comply with PMA objectives, and 2 had inappropriate implementation frameworks. It was not possible to follow up on these projects, partly because of deficiencies in the PMA database, but also because not all projects presented to the subcommittee had funding at that stage, and some have not proceeded because they are unable to find resources.

On the whole, compliance with PMA principles and objectives appears to be well understood now by donors, and problems of harmonisation are considerably reduced. However, the subcommittee does not look at funding issues, or prioritise projects (see Chapter 8). This is the responsibility of the MFPED Development Committee that prioritises all projects within MTEF ceilings. The donor subgroup (see below) also has an important role to play in coordinating project support to PMA at the development stage.

Coordination amongst donors

The donor subgroup on PMA comprises 20 donors who have signed up to PMA principles. This group has played an important role in coordinating both donor financial support and PMA related policy dialogue. Increasingly, the subgroup has provided a forum within which donors have been able to develop a single voice with which to engage government. Coordination is still a problem with agencies and donors who do not participate within the subgroup, in at least one case because there is no country presence. There have been cases where large projects have been accepted by government in spite of concerns raised by the donor subgroup, and although some modifications have been made, the project has gone ahead. However, some donors feel that the group acted with sufficient robustness and that this situation is unlikely to recur.

The team feels that the level of coordination achieved by the donor subgroup is unusual (relative to other countries) and gives donors an effective voice. However, it is apparent that this is dependent on the energies and activities of relatively few donor individuals, and is vulnerable to changes in agency personnel.

A possible negative effect of strong donor coordination around the PMA however, is that some ministries and civil society organisations may perceive the framework as too strongly influenced by donors.

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11. Tentative impact assessment

Assessing impact

The PMA has been under implementation for just over four years, which is a short time over which to measure impact, particularly when the ultimate objective is poverty reduction. However, the envisaged pathway to poverty impact is clear: delivery of services and public goods to improve agricultural practices, increase yields and outputs thereby creating surpluses, which can be marketed to improve incomes and livelihoods. The Evaluation has tried to bring evidence to bear on the different stages in this scenario from a number of sources in order to assess impact or the potential for impact. The sources used include:

- primary sources collected as part of the evaluation, a small household survey, focus group discussions and key informant interviews[59];
- a number of surveys undertaken on NAADS[60];
- surveys and case studies undertaken by government and NGOs.

The information is also used to assess whether any particular groups of the population, women farmers, youths, HIV/AIDS affected households or the very poor, are benefiting from the services delivered, and why.

There is little in the way of baseline data available against which to measure progress. There have been retrospective baseline studies carried out in a number of districts in 2004 (Arua, Kabarole, Lira and Soroti) and these contain some information recall data, but this is not systematic. Attribution is always difficult in impact assessments, and is particularly difficult here, because of the nature of the evidence. No attempt is made to attribute changes in production or marketed output shown by the household survey undertaken by the Evaluation to PMA, because the data are insufficiently robust. Attribution is only possible for information from focus group discussions and key informant interviews.

Incidence of service delivery

The household survey undertaken as part of this Evaluation, which was conducted in sub-counties in Arua, Moyo, Kasese and Kabarole, investigated how many households were involved in various service activities. Membership of farmer groups was investigated first, as many of these activities are centred around group activity.

Membership of farmer groups varied from a low of under 10 percent in Moyo, to a high of 42 percent in Arua. Membership was greater in districts which had NAADS or AAMP, but there was also significant farmer group membership in Kasese (which has neither NAADS or AAMP). With the exception of Kasese[61], female participation is greater in farmer groups. Reasons given for this varied. Some said that men's time was too valuable to spend in groups; others said that there was not sufficient money in it for men. The team was told that women were 'undeveloped' and needed the support of groups more, whereas men were already 'developed', so did not need this so much.

59 *Comprehensive reports of these are contained in Annexes A and B.*

60 *Brought together in Four years of NAADS Implementation: Programme Outcomes and Impact, Professor Adipata Ekwamu and Melissa Brown, June 2005.*

61 *At the validation workshop in Kasese, this result was felt to be false. Women were reckoned to form 70% of farmer group membership.*

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As agricultural research systems are intended to become more participatory and demand-led, households were asked about their involvement in developing new technologies. This seemed to be substantial in Arua, where there is a local ARDC, but minimal in other districts. Where NAADS, NSCG or AAMP were present, there was much greater access to improved seeds, cuttings or improved livestock breeds. This appeared to be through a combination of seed multiplications schemes, demonstration plots and purchase of exotic breeds for farmer groups. However, exploration of this at validation workshops found that there were improved seed stockists in the areas, and that farmers who could afford to, bought seed as well.

The survey showed no pattern in the extent to which individuals received extension services. This appeared to be more significant in Kabarole and Moyo than in other districts. However, high proportions of those who were members of farmer groups received advisory services, either from NAADS or from NGOs. Household heads were more likely to have participated in training in districts with NAADS or AAMP, and were also more likely to have visited demonstration sites.

Access to financial services was low in all districts, except for Kabarole, where there was also high membership of savings and credit groups. There has been low participation in Functional Adult Literacy classes[62] and DATICs. There has been limited impact in assisting communities to address issues of soil erosion, wetland conservation and afforestation. This indicates a failure to integrate these issues effectively into both NAADS and AAMP. In Kasese, there was some support, particularly in soil erosion, provided through a local NGO.

Almost all households surveyed felt that district roads had improved, and a smaller, but significant number felt that community roads had improved also.

The most recent National Service Delivery Service, NSDS, shows that in 2004 that 66 percent of households obtained agricultural inputs from shops and local vendors, as opposed to only 12 percent from agricultural officers and 3 percent from agricultural research centres. The main exception to this was artificial insemination inputs, which were received from veterinary officers by 58 percent of households using them.

A survey undertaken as part of the NAADS MTE shows that NAADS farmer groups were over three times more likely to have a technology demonstration site within 3 kilometres than a non-NAADS farmer group, and were almost three times as likely to believe that their access to agricultural technology had improved.

Overall, where districts have had either NAADS or AAMP, there is a marked improvement in access to technology, through advisory services, demonstration sites, or increased access to improved seeds and livestock. There does appear to be increased involvement in Arua in research activities with the local ARDC, though this was not found to be the case in discussions held in Tororo, where there is a national research institute. Other pillars do not appear to have any major presence on the ground, though the improvement in roads should be having a knock-on effect on marketing. The low level of NRM activities is of concern. Although women were more likely to be members of farmer groups, they were less likely to receive extension services or visit demonstration plots.

62 *A very high percentage of those who did attend FAL classes were female.*

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Adoption rates

Access to improved technology is the first step to impact. However, knowledge is of little use unless it is acted upon. In the survey, in districts with NAADS or AAMP, 33 percent of households said that they had both had access to improved technologies, and had changed their agricultural practices as a result (this is not comparable to full adoption). In the other two districts the figures were under 20 percent. In all cases, the numbers who had acted on at least some of the information received was high, at 69 percent[63]. Where people changed their practices, the most common reasons given were that it increased yields, was easily understood, and the information given was relevant. Where practices were not changed, the main reasons were that the recipients did not understand the information given to them, too much work was involved, and the technology presented was either not relevant or too expensive.

As indicated above, these figures are not directly comparable with the adoption rates reported in either the NAADS baseline surveys, or the MTE survey – as 'changing practices' could indicate much lower level uptake of new practices than 'full adoption'. In the NAADS baseline surveys, 64 percent of farmer groups reported adopting some of the technology presented by NAADS on their own fields, whereas in the MTE, only 38 percent of group members said that they had adopted new technologies. Rates of adoption were higher for traditional crops, such as maize, matooke and Irish potato. It is difficult to assess whether this is because farmers felt that this was less risky than adopting new crops, or whether there were concerns about input costs.

Yield and production changes

The NAADS MTE survey showed significant increases in yield on the demonstrations sites run by NAADS over average national yields. These varied from 53 percent in matooke to 253 percent in groundnut. It is unlikely that these would be replicated on farmers' own plots, and NAADS gross margin analysis indicates lower, but still positive returns to improved technologies. An IFPRI study using a module of the National Household Survey shows that between 1999 and 2003 participation in NAADS is associated with an increase in value of crop production per acre of 15 percent. This is believed to be a result of the promotion of high value crops, since the data showed no significant change in land management practices, or input use.

The household survey undertaken by the Evaluation focused on qualitative data. Farmers were asked whether or not the production of their crops had increased, decreased or stayed the same, and the major reasons for this[64]. Overall most farmers felt that their production of crops had either stayed the same or decreased[65]. The exceptions were groundnuts and simsim. The situation was different for livestock, with almost all categories of livestock production showing increases. Some new crops had been introduced over the four year period, most notably vanilla, but some farmers had started to keep goats and pigs, and growing rice and sorghum. The situation varied by district, with Arua showing much of the increase in groundnut production, and Moyo the increases in simsim. Vanilla had been introduced in Kabarole and Kasese (by APEP) and the largest new entrants for goat-keeping were in Moyo. Where production increased, by

63 *146 respondents, 105 from male-headed households and 41 from female-headed households had had some access to increased technology, either through extension services, training or demonstration plots. Of these, 70 male household heads and 31 female household heads had changed their practices.*

64 *There have been long drought periods during the five year period that farmers were asked to recall, and this may have affected their perceptions of production trends.*

65 *See Annex B3, Table A19.*

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far and away the most important reason given was improved practices and inputs. Good rain and adequate weather came next. Where production fell, this was because of pests, lack of or expensive inputs, and drought. Inadequate land was given as the most important reason as to why production levels stayed the same.

This would indicate that some farmers do feel that their practices are improving, presumably as a result of direct or indirect information, and that this is resulting in increased production. This finding was consistent with discussions with farmer groups, both male and female, who told us that their production had increased as a result of support to their group activities, whether through NAADS, or other programmes such as HASP.

Changes in marketed output

There is little systematic information on levels of marketed output. As indicated in Chapter 2, movements in monetised agricultural output are not based on direct estimates. This is one area where the community information systems, proposed under the RDS, could make an important contribution.

The household survey asked heads of households what had happened to marketed output by crop. It is clear from the data that where production had increased, this was likely to result in increased sales – i.e. increases in production seem to be going at least in part to the market as opposed to being entirely for home consumption[66]. More households increased their sales of traditional food crops (matooke, maize, beans, groundnuts, cassava) and of livestock (particularly chickens and goats) than of other crops. Vanilla was a new crop for sale. Most of those selling vanilla came from Kasese, rather than Kabarole, which may be because the crop was introduced earlier there and has reached maturity, but may also reflect APEP's focus on the value chain, and on involving commodity buyers at an early stage in their programmes.

Survey respondents were asked why their marketed sales had changed. The most common response indicated that there was a buoyant market for their output, which resulted in good prices. Conversely where sales had decreased, notably for cotton and coffee, it was because of the state of the market and price levels. Where sales levels remained the same, the most common reason was because output had been retained for home consumption.

Overall, the survey appears to show that most farmers are remaining with crops they understand, and are suitable for home consumption, but are taking advantage of buoyant market conditions to market surpluses. This is very much the pattern of production expansion to be expected from poor and risk averse farmers. The benefits of this are not confined to the farmer and the local economy. Estimates of cross-border informal trade suggest that maize and beans together make up 36 percent of informal exports, and are comparable in value to total informal industrial exports, which highlight the importance of such crops to the Ugandan economy[67].

The challenge for PMA and NAADS is to ensure that the support farmers receive is appropriate for their livelihood strategy, and to recognise that improved production of maize, matooke, or cassava can be at least as beneficial as vanilla or pineapple.

66 *It is difficult to be more precise than this, because the survey did not ask for quantitative estimates, but simply for the trend in sales.*

67 *Uganda Diagnostic Trade Integration Study under the Integrated Framework Concept Paper.*

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Who is benefiting from service delivery and the NSCG?
Analysis was carried out of the results of the household survey to determine whether there was bias or systematic exclusion of particular groups from the delivery of services. Since farmer groups are a major conduit for service delivery, for NAADS and for other advisory and research services, membership of a farmer group was used as a proxy for ability to receive public goods and services[68]. The survey shows that poorer farmers are more likely than other farmers, in three of the four districts included, to be members of farmer groups, and were also more likely to have received advisory services through these groups, though not as individuals. The exception to this is Kabarole.

The numbers belonging to farmer groups was also analysed according to whether they or their families were affected by HIV/AIDS, age of household head, farmer size and remoteness (as measured by distance from all-weather road). The numbers of households affected by HIV/AIDS in the survey were small (around 10 percent, which reflects national levels) and there is no clear evidence that they are excluded from farmer groups, though the data did not allow any differentiation between groups which were composed entirely of HIV/AIDS affected and others. The data indicate that farmers are less likely to belong to farmer groups if they farm less than 2 acres of land[69]. Farmers who live in more remote areas are less likely to belong to farmer groups than others.

A study by Oxfam GB and FOWODE[70] in Luwero showed that the majority of NAADS participants were subsistence farmers producing mainly for their own consumption, and that women were well represented in the groups. However, they raise concerns that widows, the least educated and the elderly were deliberately excluded. In field visits the team came across a wide variety of women's farmer groups, NAADS and non-NAADS. They varied from groups that were dominated by relatively well off women to others which included a significant number of widows and a few elderly women. The composition of groups varies by district and sub-county.

The Oxfam study also asked to what extent women in particular could benefit from membership of NAADS, and if there were constraints which prevented their full participation. Group members indicated that it was difficult to benefit from NAADS unless you had access to capital, either your own, or borrowed. Enterprises were regarded as risky, and an example was given for dairy. Unfortunately the report does not indicate what enterprises were available in Luwero, so it is difficult to know if this was typical. This does, however, support the Evaluation's concern about appropriate enterprise selection.

Changes in well-being
There is very limited information from the household study on effects of the PMA on household incomes. Given the nature of the survey, quantitative questions were not included, and it was decided that a general question on well-being would be difficult to interpret. However, respondents were asked if their income from different sources had changed over the five year period. Income from livestock was most likely to have increased. However, where food crop and cash crop income had increased, the most common reasons given were better practices, improved inputs and good market demand.

68 *There could also be exclusion on a geographic basis. This is covered in Chapter 4 of the report.*
69 *This may seem contradictory to the findings on poor farmers, but analysis of the 2000 household survey indicates that farm size is a poor predictor of poverty status in Uganda.*
70 *Obusobozi: Enhancing the entitlements of subsistence farmers in Uganda, June 2004.*

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Reductions in income were most commonly due to drought, pest and reduction in soil fertility.

In the focus group discussions, issues of changes in well-being were raised. Wealth ranking exercises were carried out with two women farmer groups, one in Arua and one in Tororo. Participants were asked about their relative position in their communities, before NAADS and now. In both cases, all the members of the farmers group indicated that they had moved up, usually from 'very poor' to 'poor', but in some cases even to 'better off'. Part of this improvement showed as improved food security, the ability to provide 2-3 meals a day, as opposed to one.

The NSCG grant should, in principle, benefit the rural poor in several ways, through improved incomes, improved access to agricultural material, improved transport networks, and improved marketing. In 2002, the PMA Secretariat monitored the benefits accruing to those receiving the NSCG[71]. Over 80 percent felt that the NSCG had delivered benefits; the most important being increases incomes and improved access to inputs.

The Evaluation was impressed, in discussions with women's farmer groups, by the extent to which members felt that they had been empowered by the formation of these groups and the greater feeling of inclusion in the community that was expressed. This was not restricted to women or to NAADS groups. A male member of a group formed under HASP told how his organisational skills and standing in the community had improved since joining the group. Though attitudes towards groups vary according to ethnicity and culture within Uganda, there is no doubt that the benefits conveyed by working within groups, particularly for poorer and disadvantaged members of the community, are considerable, if difficult to quantify.

Summary

The Evaluation is aware that impact takes time to achieve, and that the PMA's overall objective is set for 2017. The district field visits were encouraging in terms of the amount of activity that appeared to be going on. The household survey results show some progress, but do not allow this to be attributed directly to PMA. Focus group discussions with farmer groups were encouraging, and there is evidence in some districts that poorer farmers are being targeted. However, the process is slow and not helped by the low visibility of some pillars on the ground. Where technology is appropriate and adopted, this is having positive results. Based on this, the Evaluation feels that tentative impact is positive.

The Evaluation recommends:

- More systematic data collection on production and marketing. This could be included in the Community Information System proposed this year in the RDS and budget statement;
- More systematic impact assessment. This should be linked to the operationalisation of the PMA M&E system, and include periodic case studies, to address more qualitative aspects of PMA implementation and impact;
- NAADS should be encouraged to pay more attention to staple food crops and livestock for poorer farmers.

71 Reported in The performance of the Non-Sectoral Conditional Grant of PMA, 2001-2002.

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12. Summary and recommendations

Evaluation findings

The Evaluation was asked to identify the strengths and weaknesses in the conceptualisation and implementation of the PMA, to assess its performance in terms of progress towards achieving its objectives, final and intermediate outcomes, and to present options and opportunities for change.

Conceptualisation. The team analysed the core PMA document, in the light of both experience from implementation and the debate on the role of agriculture in pro-poor growth over the last 10 years. Overall, the Evaluation is convinced that the basic conceptualisation of the PMA is still valid. International experience has reinforced the importance of the agriculture sector in addressing poverty in countries such as Uganda. The logic of the PMA still holds good, but there has been confusion over the function of the PMA, insufficient emphasis on some of the constraints identified, and weaknesses in the implementation which should be addressed.

In particular, the Evaluation feels that there is a need for greater differentiation amongst the target groups. Access to land is an important constraint for many women farmers, which has not yet been addressed effectively under the land policy. There is need for greater support and capacity building for both private sector service providers and local government officials. More importance should be placed on improving performance along the value chain for traditional food crops, a key activity for resource-poor risk-averse farmers.

The time is now ripe for updating the PMA core document to address (or rephrase) these issues, and to provide a more specific set of time-bound targets and indicators of success. This should also make clear the poverty focus of the PMA, and its relation to the overall agriculture sector strategy currently being finalised.

Implementation. Implementation of the seven pillars of the PMA was examined, with a view to assessing whether the choice of pillars was optimal. It is widely recognised in Uganda that the rate of rollout of the pillars has varied, which has led to frustration for some stakeholders. It has also meant that potential synergy amongst the pillars has not been achieved. The geographic distribution amongst the pillars has exacerbated this. The report suggests seven areas where re-arrangement of pillars could improve performance. Chief amongst these is mainstreaming of marketing issues amongst relevant pillars, development of more differentiated strategies according to target group, and greater coordination of pillars at district level.

More detailed analysis of the individual pillars and the NSCG is included in Annex A4, which also contains recommendations for specific pillars, including the need for better coordination in key areas.

The PMA is a framework, and ensuring an appropriate regulatory and policy environment has been an important focus of work in the past five years. Considerable progress has been made in a relatively short period of time, but inevitably there have been some delays. There is a need to complete the development of the land policy and to implement the recommendations of the core functional analysis of MAAIF.

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Awareness of and attitudes towards the PMA vary between central and district level, with the latter often more supportive towards the concept. The Evaluation feels that too much effort has been spent on national level dissemination, often with the unfortunate side effect of raising expectations, rather than focussing on the district and subcounty levels. It is important that the PMA secretariat has effective links with local levels, and focuses future dissemination on sharing experiences of PMA impact.

The PMA has made good progress in addressing crosscutting issues, in particular gender and HIV/AIDS mainstreaming, but there is still scope for improvement. The most important gender concern for PMA is women's lack of ownership and control over productive land and assets. At present, men seem to be in a position to benefit more from services provided under PMA, and it is important that if greater emphasis is placed on traditional food crops, that this be implemented in a way that recognises women's particular role in producing these crops.

On the whole, the institutional and organisational aspects of PMA implementation system are working well, but there are areas where there is a need to review the existing arrangements. There is also a need to develop new institutional arrangements to improve coordination of PMA activities at the local government level and links between the central and local levels of government. The PMA monitoring system has not progressed beyond the development of a framework, to effective implementation.

Overall, the PMA accounts for a significant share of total GoU spending. This is consistent with government's commitment to poverty reduction as articulated in the PEAP, and the role of agriculture in contributing to PEAP objectives. However, for the PMA to be effective there is a need to strengthen reporting on PMA spending and impact, and to develop mechanisms to ensure that PMA activities are fully integrated and prioritised within the budget process.

The donor community in Uganda is active in its support of PMA, and through the donor subgroup has developed an effective forum for dialogue with government, and for harmonisation of approach to the PMA. If there is a negative, it is the possibility that the PMA is seen as too donor-driven.

Impact. To assess progress in achieving intermediate and final outcomes of the PMA, the Evaluation undertook a household survey, supplemented by district visits. This showed that there was significant activity going on at district level. The household survey, which was qualitative in nature, also showed progress in terms of improved technologies and increases in marketed output, though it is not possible to attribute this directly to any particular element of the PMA. The process is slow, but where technology is appropriate and adopted, then there are positive outcomes. The PMA has a poverty reduction target for 2017, and should not be seen as a short-term initiative. However, more emphasis should be being placed on monitoring of outcomes and impact, to enable effective assessment of progress.

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Recommendations[72]

Overall

1. *A roadmap should be developed for the next five years of PMA implementation, which addresses issues of conceptualisation identified in the evaluation, and strengthens areas of weakness in implementation. The roadmap should contain clear quantitative targets, and indicators of success.*

PMA pillars

2. *Differentiated strategies for farmer categories should be developed for each pillar and the Non-Sectoral Conditional Grant. This should make sure that the particular concerns of women farmers are addressed. As part of this process, National Agricultural Advisory Services, NAADS, should be encouraged to pay more attention to staple food crops for poorer farmers.*
3. *There is a need to address marketing and land issues more generally, not just within the marketing and natural resource pillars, but across all relevant pillars, and NAADS in particular.*
4. The rollout of PMA pillars should reflect available resources and, where possible, deepen service provision within a district before expanding to new districts.
5. Under its new structure, National Agricultural Research Organisation should develop an appropriate strategy for linking with NAADS, particularly for the dissemination and multiplication of foundation seed.
6. The need for capacity building of service providers should be addressed as a priority – this has been the slowest disbursing component of NAADS.
7. There is a need to address issues of input marketing under Pillar 5. This is an area which has not been addressed by Marketing and Agro-processing Strategy.
8. *Environment issues are not being effectively addressed as a crosscutting issue, particularly by NAADS. This should be addressed as part of a broader review of enterprise provision under NAADS.*
9. The Non-Sectoral Conditional Grant should be merged with the Local Government Development Programme, LGDP – with the proviso that LGDP guidelines be revised to include specific measures that support and strengthen PMA implementation.

Policy, regulatory and institutional reform

10. The suggested formation of a Cabinet PMA Sub-committee is strongly endorsed by the Evaluation.
11. *The Government and the PMA Steering Committee should fast track approval and implementation of the new organisational structure and mandate of the Ministry of Agriculture, Animal Industries and Fisheries, MAAIF.*
12. *The provision of funds allowing MAAIF to relocate to Kampala should be a high priority.*
13. *There is a need to inject a sense of urgency into the whole of the land reform agenda, particularly to address women's poor access to land.*
14. The PMA SC Agricultural Finance Sub-committee should work rapidly to overcome the particular financing needs of poor farmers.

72 *More details are given of these recommendations within the main text of the report, and within the pillar annexes. Priority recommendations are indicated in italics.*

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Mobilisation of beneficiaries, communication and awareness

15. PMA dissemination should, in future, focus on district level activities and developing a two-way flow of information between the centre and local levels.

Institutional aspects of the PMA

16. The PMA Steering Committee should review the continuation, mandates and membership of the various technical sub-committees.
17. Sub-committees should prepare annual work-plans, approved by the Steering Committee and monitored through the Secretariat's quarterly reports and the Joint Annual Review process.
18. High priority should be given by the Secretariat to a review of its whole information storage and retrieval system.
19. *The mandates of the District and Sub-county Technical Planning Committees should be broadened to include coordination of PMA activities with the District Planner having specific responsibility for coordination under delegated authority from the Chief Administrative Officer, CAO.*

Financial management

20. Ministry of Finance, Planning and Economic Development should ensure that the Sector Budget Framework Papers are consistent with the guidelines it issues, and that these guidelines include PMA undertakings by line ministries.
21. The PMA Joint Annual Review should be held sufficiently in advance of the budget process for the findings and recommendations to be disseminated to Sector Working Groups and line ministries.
22. *The Joint Annual Review should set clear targets and expected outcomes to be considered by Sector Working Groups for inclusion in Budget Framework Papers..*
23. The PMA Secretariat should develop a PMA expenditure reporting system (perhaps based upon the methodology used by this study) as part of a wider PMA impact monitoring system.
24. Continued efforts are needed to strengthen community participation in decision-making processes, and to improve transparency and accountability in the use of funds.
25. *Funding for the PMA Secretariat should remain at least at 2004/05 levels.*

Monitoring and evaluation

26. The PMA Monitoring and Evaluation framework should be refined to improve its effectiveness and implementability. The framework should focus on outcome and impact indicators.
27. There is a need for more systematic data collection on production and marketing. This could be included in the Community Information System proposed this year in the Rural Development Strategy and budget statement.
28. *As part of its monitoring and evaluation, there is a need for more systematic impact assessment. This should be linked to the implementation of the PMA Monitoring and Evaluation system, which should include key impact indicators and periodic case studies, to address more qualitative aspects of PMA implementation and impact.*
29. Efforts should be undertaken to address the need for more detailed data and analysis of National Agricultural Advisory Services coverage, activities, and impact.

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Uganda's Plan for Modernisation of Agriculture, PMA, is a unique and ambitious attempt to coordinate various players' otherwise often fragmented efforts to address agricultural development and rural poverty in order to increase the impact and synergy of all efforts. The players include a wide range of government authorities at central, district and local level, multilateral and bilateral donors, NGO's, farmers' associations, the private sector, etc. The vision of the PMA is to eradicate poverty through a profitable, competitive, sustainable and dynamic agricultural and agro-industrial sector. This should be achieved by transforming subsistence agriculture to commercial agriculture.

Improved standards of living for most of the rural poor in Uganda will come either from improvements in their agricultural activities, or in their ability to use capital and savings from agriculture in the non-farm sector – or both. This underlines the fact that agricultural development is the key to fighting poverty and to achieving the Millennium Development Goals in Uganda. Compared to other African countries, Uganda has progressively created an environment that supports economic and agricultural growth, and the reduction of poverty, and the results have been impressive. However, after 1999 poverty has again been on the rise and it is concentrated among farmers. Similarly, economic growth has slowed as a result of weaker performance in agriculture.

At the 2003 Joint Review of the implementation of the Plan for Modernisation of Agriculture an independent joint evaluation was agreed by the Government of Uganda and the international development partners to provide input to the fourth PMA Joint Review in September 2005. The evaluation is unusual. It analyses the national implementation of a strategic plan for transformation of a whole sector, including its donor-funded activities since 2001, as a comprehensive framework to coordinate government, donor and private sector efforts to address poverty and rural development. It was funded by Danish International Development Assistance, Danida, and carried out by consultants of Oxford Policy Management, United Kingdom, during February-August 2005.

Danida



