



Investing in infrastructure to open northern Uganda for agriculture

Uganda has in recent times increased her investment in infrastructure, in a move that is expected to increase productivity in agriculture as more rural areas get opened due to a better road network.

One of the areas to benefit from this development is Northern Uganda, which has the country's poorest population because 20 years of conflict made investment difficult.

However, the benefits of peace and increased investment in infrastructure are already delivering some results. President Yoweri Museveni has already commissioned a market and two roads in this area including the Gulu-Atiak-Nimule road, which has been upgraded to tarmac, connecting Northern Uganda to South Sudan.

South Sudan is one of Uganda's major markets for agricultural exports and its proximity to Northern Uganda plus eased transportation as a result of the Ush89bn (\$24.1m) Gulu-Atiak-Nimule road improves the prospects of kicking poverty out of this region. The President also commissioned the Shs108bn (\$29.2m) 103km Mbale-Soroti road stretch that has been under reconstruction since 2010.

Government however expects to reconstruct this road so that it can be brought to grade one standard.

According to officials at UNRA, feasibility studies and road designs for the 340km stretch that starts from Soroti-Mbale, Mbale-Tororo, Soroti-Lira and Lira-Kamdini are on-going. The plan is to start the reconstruction process by May 2016. Uganda has already agreed on the financing for this project, as both Cabinet and the World Bank have approved a loan worth Shs620.7bn (\$241.5m) for this

project. The loan is now awaiting final approval from Parliament.

Construction of these roads makes it easy for buyers to reach farmers. And some farmers are already reporting these benefits. Farmers in northern Uganda are for example getting a ready market for their cassava, as opened up roads attracted investors to the region like Kamtech Logistics, an ethanol extraction factory in Lira. The \$1.8m plant, opened on February 20, is a joint venture between Ugandans, Saudi Arabians and Lebanese investors.

While production of cassava in Uganda has been

on the rise, farmers have not been as lucky selling their crop due to low demand, low prices and unscrupulous middlemen. Production has been rising since 2010, after the country received

\$30m under the World Bank's East Africa Agricultural Productivity Project (EAAPP). Consequently, Uganda led research on cassava and shared new technologies with Kenya, Ethiopia and Tanzania.

Under the EAAPP, Kenya is leading research on dairy productivity while Tanzania is focusing on rice. Ethiopia is championing technologies to improve the productivity of wheat.

Dr Chris Omongo, a cassava researcher at the National Agricultural Research Organisation (NARO), said that since the EAAPP was implemented, cassava production in Uganda has increased from six million metric tonnes annually to 11.3 mil-



lion tonnes, but it has not been matched by a corresponding rise in demand and prices.

According to Dr Omongo, the World Bank loan enabled NARO to research and distribute improved cassava technologies to farmers, leading to a surplus. Farmers now see the Lira plant, which is using 15 tonnes of cassava daily to produce 4,000 litres of ethanol, as a good market for their produce.

Such initiatives are likely to improve the success of Operation Wealth Creation, whose duty is to ensure that productivity in agriculture is improved. Adding value to agricultural products, like is the case for Kamtech Logistics, provides ready market for the produce that would otherwise have gone to waste.

Augustine Akutu, a cassava farmer in Amuria District in Eastern Uganda, lost more than 1,000 tonnes of cassava due to the lack of a ready market and

low prices. "I hoarded a lorry-load of cassava in my store hoping that the price would rise to at least Ush400 (\$0.13) per kilogramme, but now it is rotten," said Mr Akutu.

A kilogramme of cassava in Amuria is currently trading at Ush250 (\$0.08), but the price is expected to rise at the start of the rainy season. "Prices increase during the rainy season because that is when it is difficult to dry the cassava," said Mr Akutu.

According to Dr Omongo, 36 per cent of Uganda's cassava is grown in the north and 38 per cent in the east. Toby Akecha, a director at Norah Agro Transformation Ltd — the company contracted to supply cassava to Kamtech — said they are now buying from these two regions, where production of the crop has increased rapidly over the past five years. Omongo says Norah Agro Transformation Ltd will be buying cassava from Northern Uganda and the Teso sub-region at Ush400 (\$0.14) per kilogramme.

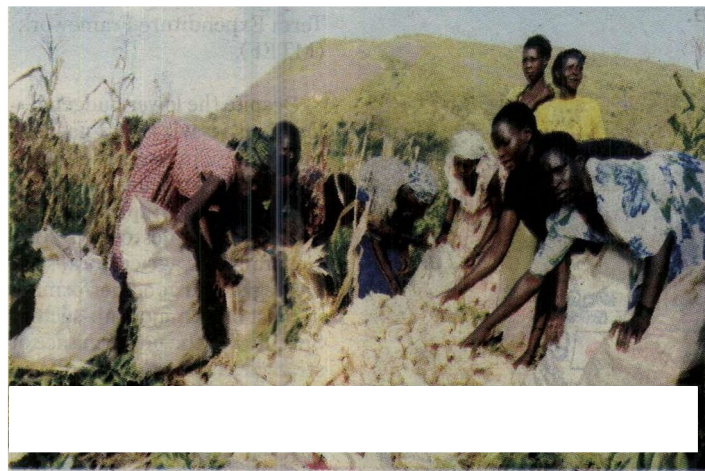
Value addition also means that Uganda doesn't have to export its products raw, as this fetches less money. It also means creating jobs and according to Ibrahim Eitani, a

director at Kamtech Logistics, his factory will provide at least 80 jobs to Ugandans. Extracting ethanol from cassava will also provide bio-products such as animal and chicken feed, as well as acetyldehyde, which is used in the production of acetic acid, Mr Eitani says. By-products of acetic acid are used in printing processes, creation of wood furniture and the treatment of bacterial infections. While Kamtech could have used sorghum and maize to produce ethanol, the company chose to use cassava because it is widely grown in Northern Uganda.

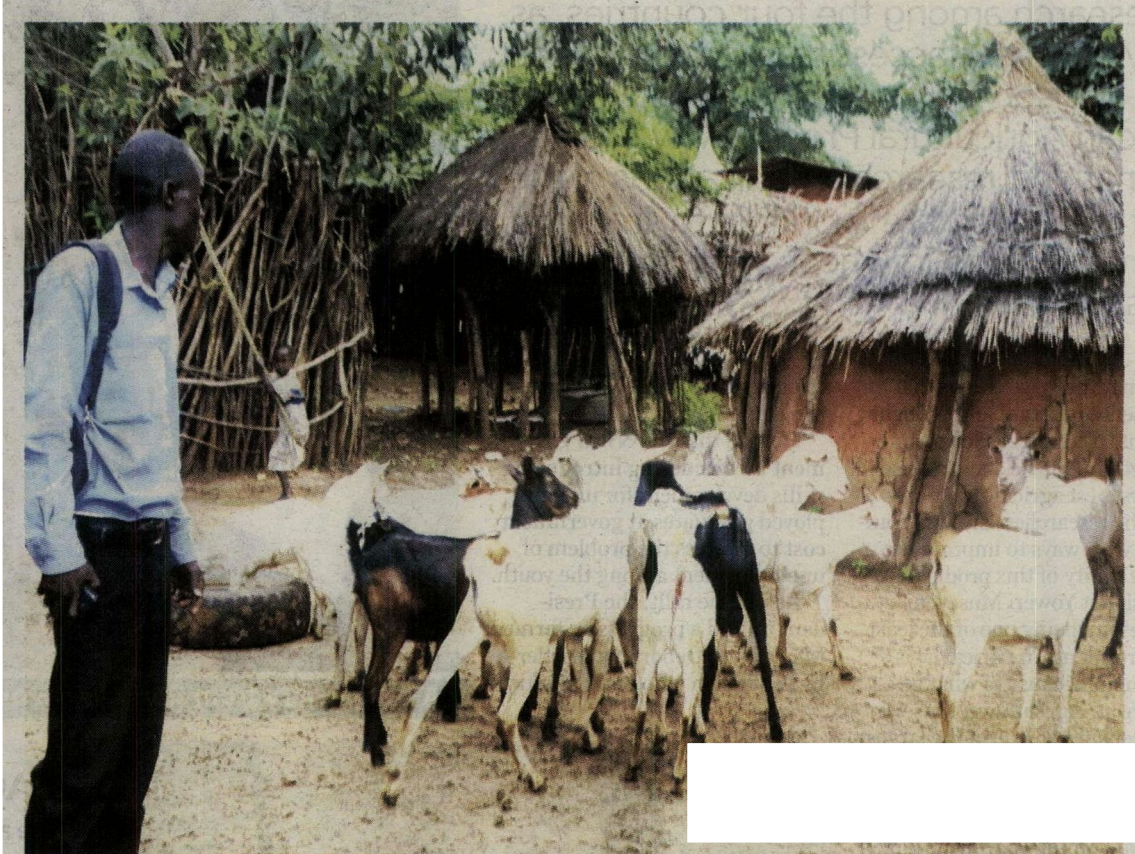
Other farmers like Simon Benard Opeded a teacher from Katakwi District and Robert Ogalo from Serere District who were until 2007 living like paupers as taxi drivers, say that currently they have partnered with Kenyan traders to whom they sell oranges. Oranges are an important source of income for the farmers as they make over Ush20m (\$5,412) per annum from this crop.

CASSAVA PRODUCTION

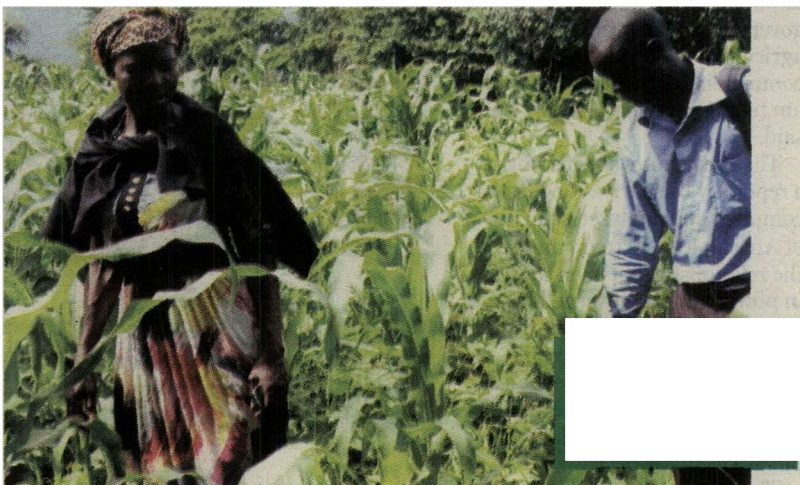
DR CHRIS OMONGO, A CASSAVA RESEARCHER AT THE NATIONAL AGRICULTURAL RESEARCH ORGANISATION (NARO), SAID THAT SINCE THE EAAPP WAS IMPLEMENTED, CASSAVA PRODUCTION IN UGANDA HAS INCREASED FROM SIX MILLION METRIC TONNES ANNUALLY TO 11.3 MILLION TONNES, BUT IT HAS NOT BEEN MATCHED BY A CORRESPONDING RISE IN DEMAND AND PRICES.



Farmers from Northern Uganda packing their maize.



Goats provided by Government in a Karamajong homestead



A farmer in Nakapiripirit District showing off her intercropped garden