

# REPUBLIC OF UGANDA

## AGRICULTURE SECTOR CONDITIONAL GRANT FY 2004-2005



This memorandum is made this..... day of .....2004

**BETWEEN**

**THE GOVERNMENT OF THE REPUBLIC OF UGANDA**, represented by the Ministry of Agriculture, Animal Industry & Fisheries (hereinafter referred to as “Central Government”)

**AND**

\_\_\_\_\_ **DISTRICT LOCAL GOVERNMENT**,  
represented by the Chief Administrative Officer on the other part.  
(Hereinafter referred to as “the District”)

**WHEREAS** Central Government is alleviating Poverty through the funding of the Implementation of the Poverty Eradication Action Plan and is providing funds to the District through the Poverty Action Fund for the implementation of core elements of the PEAP.

**WHEREAS** Central Government, through the Poverty Action Fund, is providing conditional grant funds to the District for the implementation of national sectoral policy (hereinafter referred to as “the Grant”),

**WHEREAS** Central Government has identified national sectoral policy requiring Local Government Implementation

**WHEREAS** Central Government has attempted to ensure that the budget ceilings provided accurately project the level of funding that will be available to the District in the FY 2004/05 Government of Uganda Budget.

**AND**

**WHEREAS** the District agrees to implement national sector policy as is identified by Central Government in accordance with this agreement

**UNDERSTANDING**

Central Government and the District agree to implement the local government budget process in accordance with the Grant in order to implement national sectoral policy.

Central Government and the District agree to implement this process in accordance with the provisions of the Grant.

**VALIDITY OF LETTER OF UNDERSTANDING**

This Letter of Understanding is valid from the date of signing until Central Government has both received the Verified Cumulative Annual Progress Report for the Grant and any unspent funds on the Bank Account for the Grant have been returned to Central Government in accordance with the

terms of the Grant.

Any modification to this Letter of Understanding shall be by mutual agreement of both parties.

For Central Government

For the District

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Permanent Secretary,  
Ministry of Agriculture, Animal Industry  
and Fisheries

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Chief Administrative Officer/Town Clerk,  
District Local Government/Municipal  
Council

In the Presence of:

In the Presence of:

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## **SECTION 1: Introduction**

### **1.1 Background**

The overall mechanism by which Government allocates its resources is the Medium Term Expenditure Framework (MTEF). The MTEF sets sector and Local Government (local government) spending ceilings within a rolling three-year framework (the first year being the Annual Budget). The level of expenditure is determined by the resource envelope, which takes into consideration the macroeconomic environment and the prospects for resource mobilisation.

The Government of Uganda has adopted the Fiscal Decentralisation Strategy (FDS) that applies to and is incorporated into all Conditional Grants (CG). Before FDS, there were many CGs, all of which had separate conditions attaching to them, as well as onerous conditions relating to reporting, bank accounts and the like. As well, the conditionalities in respect of those CGs were inconsistent with the laws of Uganda as they limited the flexibility of local governments to respond to local needs.

### **1.2 One Conditional Grant Only**

For the FY 2004-2005 budget cycle and continuing, the system of CGs has been substantially streamlined in order to increase local government flexibility and to ensure that district level planning becomes the basis for all work plans and activities of local government.

There will be only one Conditional Grant to cover the implementation of all Line Ministry national sectoral policy. Within that CG, there are schedules for each Line Ministry national sectoral policy, which is to be implemented by local governments.

As far as possible there will be a limited number of sub-budget lines in order to ensure the maximum flexibility of each local government to budget funds to meet locally identified priorities in respect of the implementation of national sector policy.

However, because of the nature of some bilateral agreements that the Government has signed in the past, some of these sub-budget lines will simply take in existing programmes, projects and processes so that these agreements are not breached. In the future, all bi-lateral and multi-lateral agreements will be, as far as is practicable, FDS compliant.

These sub-budget lines will also clearly state whether the funds are PAF or non-PAF funds. It will continue to be the case that PAF funds may only be expended for PAF compliant purposes.

### **1.3 Releases**

Recurrent funds will be released monthly and development funds released quarterly. Financial reporting is simplified so that there are monthly reports in a very simple one-page format. Requirements in respect of separate bank accounts are substantially eased.

### **1.4 Sector Guidelines**

All Sector Guidelines (SGs) are contained within the Grant. They are the parameters within which a local government is free to act in order to deliver the implementation of

national sectoral policy and contain the standards and benchmarks against which activity must be undertaken.

### **1.5 All Local Government Activity in DDP**

All local government activity, whether funded from the centre, district level donors, local revenue or any other source must be included in the District Development Plan (DDP) or there is no validity in any local government expenditure.

All budgeting and work plans must relate directly to the activities identified in the DDP. Local Government Budget Framework Papers will now fulfill their proper role in identifying, budgeting and work planning all activities in order that all activities that any local government intends to undertake is fully and transparently identified back to the DDP.

If there is no activity in a DDP that is the basis for a local government budget line or work plan, then the budget or work plan has no justification or validity.

This requirement is consistent with LGDP II modalities, in that there must be a clear and transparent link between the DDP, Local Government Budget Framework Paper (LGBFP) and the eventual budget, with respect to all local government activities. In return for receiving the Grant, local governments are required to include all activities that they will undertake in a financial year, however those activities are funded. This ensures transparency and effectiveness.

Any DDP, LGBFP or budget that does not adhere to these principles will be returned for amendment to ensure compliance. Any budget that is not based on and incorporates these principles will be returned for amendment to ensure compliance.

It is the statutory function of the Local Government Finance Commission to analyse all LGBPs and budgets for legal compliance and this task will be undertaken transparently and effectively.

### **1.6 Conditional Grants compliant with Law**

Uganda leads the way in respect of most developing economies of the world in the process of decentralisation and the implementation of FDS modalities is the final step in transferring from the centre to local governments those powers and functions mandated by the Constitution and the Local Government Act.

The roles and responsibilities of local governments and the Line Ministries are now compliant with the laws and policies of Uganda. The freedoms that FDS modalities bring also carry responsibilities for local governments. The obligation of local governments to live up to their responsibilities is part of the design concepts of LGDP II, which the Ministry of Local Government will fully sensitise throughout the country.

### **1.7 Compliance with Local Government Budget Process**

In order that ensure that local governments are able to use and take a dvantage of all available modalities and that Central Government has available to it the necessary and required information, local governments are required to comply with the terms of this CG and comply with the processes described and contained in the local

government budgeting, planning and implementation manuals issued by Central Government, being –

All planning guidelines issued by the Ministry of Local Government  
(including those that relate to LGDP II)

General Guide to the Budgeting Process

Consolidated Budget Desk & Sector Budgeting Manual

General Guide to Budget Implementation

Technical Budget Implementation Manual

Sector Budget Implementation Manual

Formats for Budget Implementation

## **Section 2 –National Sector Policy for Local Government Implementation**

Every sector in Central Government has identified that part of its National Sector Policy (NSP), which requires Local Government (local government) implementation in order that local governments are able to have clearly articulated to it the NSP, the implementation of which is being funded by the Grant.

This is the basis in respect of which local governments plan via their DDP to implement the NSP, using the CG funds. DDP identified activities, as far as they use CG funds for implementation, must relate directly to the implementation of this identified NSP.

The NSP for each sector appears in the schedule of the Grant that relates to this sector.

## **Section 3: Local Government Budget Process**

### **3.1 FDS & LGDP II Concepts**

Application of Fiscal Decentralisation Strategy and LGDP II design and implementation concepts. It is acknowledged by Central and Local Government that the provisions of the Fiscal Decentralisation Strategy and the LGDP II design and implementation concepts shall be applied to and incorporated in this conditional grant.

It is critical that Central and Local Government fully capture and internalise the contents and concepts of both FDS and LGDP II in order that the Grant is made fully operational. Budgets and work plans must use the respective modalities of these important processes. Of particular importance is that Central and Local Government use the technical manuals separately provided in respect of these areas in all respects.

### **3.2 District Development Plans**

In every case, the District Development Plans (DDPs) are the commencement point of the budgeting process. When local governments are advised of their Indicative Budget Figures (IBF), they need to incorporate all of the activities that they intend to undertake for the following financial year in their DDP using the local government based planning process to input into the DDP.

Every DDP is resource constrained. Therefore, the total of resources that a DDP shall use for the purpose of the creation of the DDP and the resultant LGBFP are –

- the total of the IBF,
- *contracted* (not expected) district level donor funds,
- local revenue, and
- equalisation grant (if any).

The local revenue figure to be used is –

- the actual local revenue from the last available set of final accounts – it is *not* to be an expected or budgeted amount as there have been serious abuses in the use of inflated local revenue budget figures to inflate emoluments, and
- the budgeted amounts to be raised from local revenue enhancement activities that are planned for in the DDP and appear in the LGBFP. All costs of local revenue enhancement activities must come from existing local revenue, unconditional or equalization grant.

If a local government does not consider that it has sufficient time to incorporate all activities into a DDP after the release of the IBF, that local government should use the previous years actual release figures in substitution for the IBFs to commence this planning at a time within which it believes it can complete the planning process.

Every DDP will use the processes contained in the Ministry of Local Government Guide to Participatory Planning for Higher and Lower Local Governments and the Guide to Local Government Planning.

In order to ensure harmonization and consistency, every DDP will use the format contained in the ILGDP II Operational Manual to record and plan the DDP. This format attaches a number to each activity and sub-activity that is carried forward into the LGBFP and the work plans and the eventual budget. Every work plan and budget in the LGBFP and the Budget must be capable of being directly and immediately identified back to the development activity appearing in the DDP. This locks all activities and budgets to the DDP in a transparent and understandable manner. This will and must be complied with by all local governments.

DDPs must identify clearly local government priorities between sectors. The reason is that each local government has the flexibility in FY 2004-2005 in respect of non-wage recurrent only to reallocate up to 10% between sectors to meet under-funded or unfunded priorities in another sector. The amount of this flexibility each local government will use is to be identified in the DDP and the priorities to which this will be allocated must be stated clearly. The only exception is this that PAF funds can only be reallocated to PAF areas.

### **3.3 Linkage between LGBFP & DDP**

The Local Government Budget Framework Paper budgets all funding sources for the local governments in accordance with the DDP, reviews individual sector performance, specifies objectives and outputs to be achieved in those sectors over the medium term, given the resource constraints and creates the detailed and specifically costed work plans to implement the DDP.

The quality of these work plans is important. There are no other work plans that will be created by a local government and each separate activity will have a specific budget. For instance, it will not be sufficient for a Veterinary Services Budget to simply have a short budget for all of the activities to be undertaken under that heading. Instead, every single activity under Veterinary Services will have a very specific budget and work plan within the LGBFP in accordance with the DDP.

The LGBFP is the tool for integrated planning and budgeting. The LGBFP identifies what a local government wants to achieve in a given sector within all funding sources (including PAF), and identifies in detail the specific activities to be carried out within a sector in a financial year in a district/municipal council. These are the only work plans that are created and are activity based and linked to the activity identified in the DDP.

All LGBFP work plans and budgets shall be in accordance with the formats contained in the manuals already specified. This is critical in order to allow for national level analysis to be undertaken for the efficient planning and utilization of resources.

### **3.4 Budgeting for Local Revenue Enhancement Activities**

Ensuring that processes are in place for all local government to enhance their local revenue collections and increase their financial autonomy is an important government policy. Substantial resources are being devoted by the government to ensure that the resources are available to assist local governments to enhance local revenue collections.

All local governments are required to include in their DDPs, LGBFPs and eventual budgets, activities that are designed to enhance local revenue collections. These activities shall, as far as is reasonably practicable and relevant to each local government, be designed on the basis of and incorporate the substance the Local Government Finance Commission Inventory of Best Practices in Revenue Mobilisation and Generation and all supporting documents.

The financial inputs for local revenue enhancement activities can come only from unconditional grant, equalisation grant or existing local revenue. As with all other activities appearing in the DDP, these activities are resource constrained. Selection, budgeting and work planning for local revenue enhancement activities are therefore critical and required activities.

All revenue receipt increases budgeted as a result of local revenue enhancement activities must be also budgeted back into the DDP, LGBFP and the eventual budget. local governments are advised not to budget this increase in revenue against critical activities (such as the provision of cofinancing) as failure to achieve budgeted increased revenue receipts would then adversely affect critical activities.

### **3.5 Continuity of Work plans from Year to Year**

The work plans for next financial year should be a natural progression from those prepared for this financial year, and take into account the lessons learnt in

implementation this financial year. This means that over time, work plans will become increasingly more realistic and easier to implement.

**IMPORTANT:** If an activity in the current financial year work plan is delayed and will not be completed during the financial year then it must be planned for in the following financial year and be catered for within the following financial year's budget ceiling.

This is especially important in the following circumstances:

development activities where the implementing agency has already signed a contractual commitment (e.g. classroom construction, borehole drilling) payment of retention.- contracts involving construction often includes a proportion of the contract sum to be paid at a certain period (e.g. 6 months) after works are completed.

Work plans are, however, based on the activities identified in a DDP. As a DDP is a 3-year rolling plan based on resource constraints, work plans should be a natural progression.

### **3.6 Submission of LGBFP & DDP**

All local governments will submit their LGBFPs and DDPs within the time constraints advised at the LGBFP Workshops. MoFPED will circulate those LGBFPs and DDPs through all sector ministries. The ministries will then examine the LGBFPs for the activities and work plans that each local government intends to undertake to implement NSP.

Provided that the activities and work plans are within sector guidelines, no further action is needed in respect of them. If they are not within sector guidelines or are not of sufficient detail or precision to identify the activity and work plan properly, they may be returned to a local government for further attention.

A ministry cannot direct how a local government will implement NSP if the local government is within the sector guidelines, however, a line ministry may wish to mentor a local government in respect of approaches that may be more efficient or effective. Even if that occurs, the decision is that of the local government alone. It is expected however that all parties will cooperatively deal with matters that relate to implementation of NSP.

The Local Government Finance Commission has the statutory obligation to ensure that all budgets, LGBFPs and DDPs are compliant with the law.

### **3.7 Alterations in Annual Work plans over the Financial Year**

On signing the letter of understanding, local governments is committed to implementing the work plans developed. local governments should endeavour to stick to the work plans. The following alterations to work plans are allowed (provided that they are consistent with the DDP and the LGBFP):

Minor Changes in activities *within* a work plan which result in a shift in resources of less than 10% of the annual activity budget within the grant, *or* result from an *increase* in the annual activity budget of less than 10%.

In the event of differing circumstances and priorities, local governments can reallocate up to 10% of funds within a specific conditional grant to different activities without seeking the approval of the relevant line ministry.

In the event of an increase in the annual activity budget allocation for a grant of less than 10%, local governments can change/add new activities without seeking approval of the relevant line ministry.

The local government must however, formally write to the line ministry (copied to MFPED) informing it of all the changes in work plans

Once successive changes in activities have resulted in a cumulative shift in resources of more than 10% within the annual budget of a conditional grant, local governments must write to confirm the acceptability of these changes before further changes in the work plans can be enacted. If no response has been received in writing from the line ministry within 30 days from the date of receipt of the request by the respective line ministries, a local government will go ahead and effect the changes.

Major Changes in activities *within* a work plan which result in a shift in resources of more than 10% of the annual activity budget of a conditional grant, *or* result from an *increase* in the annual activity budget of greater than 10%.

Any changes in activities within a work plan that require a reallocation of resources greater than 10% within a specific grant will require authorisation from the respective sectoral ministries before they can be implemented. Only major shifts in local government priorities due to external factors (e.g. epidemics, drought) will result in alterations being approved.

Any new activities/ changes in activities resulting from an increase in the budget of greater than 10% of the annual activity budget will require authorisation from the respective sectoral ministries before they can be implemented.

In such cases, local governments must write to the respective line ministry (copied to MFPED) requesting authorisation to alter activities in the work plan. If no response has been received in writing from the line ministry within 30 days from the date of receipt of the request by the respective line ministries, local governments may commence implementation of the changed activities.

If the line ministry finds the changes unacceptable it must give reasons for the same and suggest viable alternatives.

### **3.8 The Planning Cycle**

The Planning Cycle runs from October to June.

#### ***Phase 1 – Preparation of LGBFP***

The planning process starts in October with the Central LGBFP workshop at which the planning process is outlined. At the first regional LGBFP workshop in October/November, the Local Government Indicative Budget Ceilings are presented. Local Governments should amend their DDPs accordingly and then prepare the first Drafts of their LGBFP by the end of December. The second regional LGBFP workshop will be held towards the end of January, at which the draft LGBFPs are examined in detail, and recommendations for their improvement will be made. The LGBFPs should then be finalised by the beginning of February in time for the inter ministerial consultations at the center.

<b>Central LGBFP workshop</b>	Presentation of Local Government Budget Ceilings	October (Early)
<b>First LGBFP regional workshop</b>	Discussion of LGBFPs Discussion of Sector Guidelines	Late October/early November
<b>Preparation of Draft LGBFP</b>	Local governments will then amend their DDPs and prepare the first draft of the LGBFP. Review of progress in sectors Identification of priorities Identification of appropriate strategies	December
<b>OUTPUT 1</b>	Submission of preliminary draft of the LGBFP.	December (End)
<b>Second LGBFP Workshop</b>	Analysis of draft LGBFPs Recommendations for improvement	January (Mid)
<b>Finalisation of BFP</b>	The Local Government will finalise its LGBFP.	
<b>OUTPUT 2</b>	Submission of final LGBFP.	February (Early)

### ***Phase 2 – Line Ministry Analysis of LGBFPs & Mentoring***

Line Ministries will analyse the DDP & LGBFPs for compliance with NSP, relevance, detail and accuracy of work plans. They may engage in mentoring local governments.

### ***Phase 3 – Alterations in the Budget***

In the event that final budgets differ from the budget ceilings given to local governments on which the work plans were based, then local governments should make alterations accordingly and submit amendments to the plan.

<b>Reading of the Budget</b>	Reading of the budget - final budget allocations.	Mid June
<b>Changes in the Budget</b>	In the event that allocations change at the time of the budget, local governments should make alterations to their activity work plans, or incorporate additional activities.	

## **Section 4: Reporting**

Local Governments will be required to report every month on progress. These reports are actual for the month and cumulative for the year.

The reporting is simple and consolidated in accordance with the manuals already identified. Detailed financial records must be kept in any event in accordance with the Local Government Financial and Accounting Regulations. This includes the preparation of Monthly Accountability Statements.

Local Governments must also note the requirements with respect to internal planning, budgeting and commitment controls required by all local governments in accordance with the identified manuals.

## **Section 5: Release of Funds**

### **5.1 Conditions and Timetable for Release of Funds**

Release of funds will be automatic.

Monthly reports must be delivered on time. Failure to deliver the reports will result in the automatic suspension of all further releases until the reports are delivered.

Monthly reports will be analysed by each LM for compliance with work plans. Funds will be released without deduction for funds still held on account. Failure to comply with work plans will automatically result in MoFPED suspending all further releases.

### **5.2 Local Government Finance & Accounting Regulations**

Failure to also comply with the Local Government Financial and Accounting Regulations will result in automatic suspension of all releases until the defects are remedied.

Misuse or abuse of funds will result in the automatic suspension of all releases until the abuse or misuse is cured.

### **5.3 Late/Incomplete Reports**

If reports are submitted late or are incomplete, the next release due will be automatically stopped until the reports are delivered and complete. The release will then occur at the commencement of the next month after the reports were delivered.

There is no excuse for an incomplete report as the modalities have been substantially streamlined.

### **5.4 Banking of Funds**

All conditional grant funds must be first deposited in the Government Grants Collection Account and then the requirements of the relevant manuals complied with by each local government.

Generally, the funds for each conditional grant then must be transferred from the Government Grants Collection Account into the account for that sector.

All bank accounts and other financial activities of Local Government shall in any event be managed in compliance with the all of the laws and subordinate legislation in force in the Republic of Uganda in respect of the management, utilisation, application and reporting in respect of the financial activities of Local Government.

It must be noted that these banking and accounting requirements only apply to central transfers that are not the subject of specific agree by the Government that contain other modalities. The Ministry of Finance, Planning and Economic

Development will publish a list of all funding sources that have different requirements that must be adhered to, for instance, Local Development Grant Funds, NAADS funds and the like.

### **5.5 The Close of the Financial Year**

All funds transferred from the Central Government in the form the Grant that remain un-spent after the close of the Financial Year shall be refunded to the Central Government for adjustment to the credit of the Exchequer Account. This applies to all funds, even if funds are committed under contract. The committed activity should be budgeted for within the ceiling for the next FY as indicated previously.

However, it should be noted that if a local government has commitments to be cleared within the month of July, an authority of the Permanent Secretary/Secretary to the Treasury must be sought to retain and utilise the funds for the purpose for which it was voted, clearly indicating the contractual commitment with proper documentation pertaining to the amount involved **BEFORE 15<sup>TH</sup> JUNE**. The local government that fails to obtain such an authority IN WRITING must return all unspent funds to the Treasury.

Final Progress Reports - After the close of the financial year, the monthly report for June should be prepared and submitted by the last working day of July.

In addition with the normal submission, the following must be submitted by the same date a cheque returning any unspent balances left on account to the Treasury addressed to the Commissioner/Treasury Officer of Accounts. If this is not complied with **NO FURTHER RELEASES WILL BE MADE**.

### **5.6 Re-budgeting for Contract Commitments**

In some cases a local government may enter into a contract, which overruns into the following financial year. A local government must make projections on the likely outstanding contract commitments at the end of the financial year and these should be incorporated in the next financial year's work plan & budget, ceiling.

*IMPORTANT:* The returning funds to the Treasury **UNILATERALLY APPLIES** to all conditional grant funds remaining on account at the end of the financial year, **WHETHER THERE ARE OUTSTANDING CONTRACT COMMITMENTS OR NOT**. *Large Scale Commitments* - If a local government has engaged a contractor in a large-scale contract that is expected to overrun, and outstanding commitments cannot be accommodated in the following year's budget allocation, then the local government should request the respective line ministry to increase its budget allocation for the following financial year accordingly.

This will only apply to contracts for specific development activities, which are stipulated in the respective sector grant guidelines. The application to the Line Ministry must provide:

evidence of the outstanding contract commitment,  
an explanation for the delay in implementation.

The application should be made more than one month before the close of the financial year.

NB: This provision applies to large-scale development contracts only, e.g.: Construction of Health Centre IV, Piped Water Supply Systems for Rural Growth Centres. This does not apply to contracts relating to small-scale infrastructure contracts (e.g. classrooms, boreholes) or recurrent contracts (e.g. procurement of drugs)

## **Section 6: Mandatory Public Notices**

Local government will post mandatory public notices for every conditional grant each month, once funds have been received. These notices should be in the form of work programmes, detailing activities to be carried out, their cost and funds released and be posted in public places.

## **Section 7: Monitoring & Audit Arrangements**

### **7.1 Local Government**

The local government is required to carry out periodic monitoring visits for all conditional grants. Monitoring is an activity that must appear in the DDP and the budgeted work plans. In general monitoring, visits should involve the verification of progress as reported in monthly reports and should review programme implementation and identify deficiencies in implementation in the programme

### **7.2 Central Government**

The following activities will be carried out by central government to monitor the implementation of NSP by local government in line with work plans, and Government Financial Regulations.

The Treasury Inspectorate of Ministry of Finance, Planning & Economic Development will carry out quarterly monitoring visits looking at financial flows and value for money;

Line ministries will carry out monitoring, spot-checking, follow-up and mentoring visits as it thinks necessary to adequately monitor the implementation of NSP.

The Auditor General will carry out half yearly value for money audits; and Other actors including Inspectorate Department, Ministry of Local Government, and Inspector General of Government may undertake mentoring and audit activities within their mandates.

The monitoring and audit arrangements, as well as Line Ministry mentoring, spot-checking and follow-up are in addition to all of the review and monitoring mechanisms under LGDP II.

## **Section 8: Standards**

### **8.1 Standards Rationale**

In order to ensure that activities within national sectoral policy are carried out in a nationally uniform manner, each sector has set standards for various activities. These standards may contain required processes, whether planning or otherwise, in order

that an activity is properly planned or prioritised. These standards appear in the relevant sectoral schedules.

## **8.2 Budgeting for recurrent expenses of all activities**

Local Government must budget for the full recurrent costs (including staff deployment) of all development investments. This means that all development investments, whether continuing or planned, however funded, must have its complete recurrent costs budgeted for in the LGBFP. This is a first priority of all budgeting.

This requires each local government to make proper and appropriate recurrent provision in respect of all operational and maintenance costs, including allowance for appropriate and necessary repairs and maintenance of all assets and infrastructure.

## **8.3 Performance Indicators**

In order to ensure national standardization of performance indicators within each sector, the performance indicators to be used for all planning and reporting purposes appear in the relevant sectoral schedule.

## **9.0 Non-compliance Responses**

### **9.1 Principle**

Non-compliance responses are discretionary and may be applied in any order at any time, but must be applied in accordance with the principle that as far as possible responses will be taken so as to respect the independence and autonomy of local governments, while recognizing the need of Central Government to achieve the transparent and orderly implementation of national policy.

<b><i>Non-compliance which attract responses</i></b>	<b><i>Responses</i></b>
1. Failure to comply with local government budget process.	Central Government will mentor and advise the district on how to comply with the local government budget process. Central Government provides necessary technical assistance.
2. Lack of action by district to comply with local government budget process after Central Government has mentored and advised on compliance	MoFPED will make no releases to the district until the district has complied with the local government budget process.
3. Failure to develop any or any sufficient DDP in accordance with local government budget process	Central Government will mentor and advise the district on how to develop a sufficient DDP with the local government budget process. Central Government provides necessary technical assistance.
4. Lack of action by district to develop any or any sufficient DDP after Central Government has mentored and advised on how to develop a	MoFPED will make no releases to the district until the district has developed a sufficient DDP.

	sufficient DDP	
5.	Insufficient work plans or budgets in accordance with local government budget process	Central Government will mentor and advise the district on how to develop a sufficient DDP with the local government budget process. Central Government provides necessary technical assistance.
6.	Lack of action by district to develop full and sufficient work plans or budgets after Central Government has mentored and advised on how to develop a sufficient work plans or budgets.	MoFPED will make no releases to the district until the district has developed sufficient work plans or budgets.
7.	Failure to deliver a full and sufficient LGBFP within timeframes required by local government budget process	Central Government will mentor and advise the district on how to comply with the timeframes required by the local government budget process. Central Government provides necessary technical assistance.
8.	Lack of action by a district to deliver a full and sufficient LGBFP within the timeframes required by the local government budget process after Central Government has mentored and advised on how to comply.	MoFPED will make no releases to the district until the district has delivered a full and sufficient LGBFP within the timeframes required by the local government budget process
9.	Failure or refusal to comply at any time with terms of letter of understanding.	Central Government mentors and advises the district on compliance. Written warning. MoFPED reduces or suspends further releases until compliance is attained. Termination or suspension of employment of responsible officer at request of MoFPED.
10.	Holding money on account meant for disbursement	Central Government mentors and advises the district on compliance with requirement to disburse funds. Written warning. MoFPED reduces or suspends further releases until disbursement made. Termination or suspension of employment of responsible officer at request of MoFPED.
11.	Failure to account for or keep full and proper records of all funds at any level.	Written warning. MoFPED reduces or suspends further releases. Arrest and prosecute. Termination or suspension of employment of responsible officer at

	request of MoFPED.
12. Failure to provide full and complete reports within timeframes.	a. Central Government mentors and advises the district on compliance with requirement to provide full and complete reports. b. Written warning. MoFPED reduces or suspends further releases. Arrest and prosecute. Termination or suspension of employment of responsible officer at request of MoFPED.
13. District encounters problems in implementation, monitoring evaluation, management or supervision.	Central Government mentors and advises on resolving implementation monitoring evaluation, management or supervision problems. Central Government provides necessary technical assistance.
14. Lack of action by district to improve implementation, monitoring evaluation, management or supervision on basis of advice provided or to accept technical assistance.	Written warning. MoFPED reduces or suspends further releases until district takes action to implement advice or accept technical assistance. Termination or suspension of employment of responsible officer at request of MoFPED.
15. Low value for money (Negligible outputs or achievements relative to actual spending.	Central Government mentors and advises on improving value for money. Central Government provides necessary technical assistance.
16. Lack of action by district to improve value for money on basis of advice provided or to accept technical assistance.	Written warning. MoFPED reduces or suspends further releases until district takes action to implement advice or accept technical assistance. Termination or suspension of employment of responsible officer at request of MoFPED.
17. Low accountability of funds.	Written warning. MoFPED reduces or suspends further releases until district takes action to implement advice or accept technical assistance. Central Government to report to IGG and other accountability institutions. Central Government to report to local council, MPs. Central Government to publicise by notices in newspapers, radio or other means the low accountability.

	Termination or suspension of employment of responsible officer at request of MoFPED.
18. Low utilisation of funds	Central Government mentors and advises on improving utilisation of funds. Central Government provides necessary technical assistance.
19. Lack of action by district to improve low utilisation of funds after Central Government has mentored and advised on improvements.	Written warning. MoFPED reduces or suspends further releases until district takes action to implement advice or accept technical assistance.
20. Failure or refusal to cooperate with reasonable Central Government monitoring and evaluation activities	Central Government mentors and advises the district on cooperation with reasonable Central Government monitoring and evaluation activities Written warning. MoFPED reduces or suspends further releases until district takes action to cooperate with reasonable Central Government monitoring and evaluation activities. Termination or suspension of employment of responsible officer at request of MoFPED.
21. Misuse, misapplication, diversion or unlawful use of funds	Central Government reports matter to police. Arrest and prosecution. Termination or suspension of employment of responsible officer at request of MoFPED. District to refund all funds the subject of misuse, misapplication, diversion or unlawful use.
22. Failure to comply with any planning, implementation, construction or other central guidelines.	Central Government reports matter to police . Arrest and prosecution. Termination or suspension of employment of responsible officer at request of MoFPED.
24 False or misleading claims or statements in respect of matters relevant to the conditional grant	Central Government reports matter to police. Arrest and prosecution. Termination or suspension of employment of responsible officer at request of MoFPED.

# SECTOR SCHEDULE

## Ministry of Agriculture, Animal Industry And Fisheries

### 1. Sector Policy

The constitutional and legal framework for the management of agricultural services in Uganda as prescribed in the 1995 Constitution schedule 6 article 189 and the Local Governments Act 1997 Section 97 and 98 vest the following responsibilities for Central Government under the Agricultural Sector –

- National Standards
- Agricultural Policy
- Making national plans for the provision of services and co-ordinating plans made by Local Governments
- National Research Policy
- Control and Management of Epidemics and Disasters
- Monitor and Co-ordinate Government Initiatives and Policies as they apply to the Local Governments
- Co-ordinate and Advise Persons and Organisations in Relation to Projects Involving Directly Relations with Local Governments
- Assist in the Provision of Technical Assistance to Local Governments
- Inspection, Monitoring and Technical Advice, Support Supervision and Training

The National Sector Policy (NSP) which exists in the agriculture sector covers the following –

- Plan for Modernisation of Agriculture (PMA)
- National Agricultural Advisory Service Policy. This will be under the existing arrangements as contained in the NAADS main document and other NAADS instruments
- National Agricultural Research System Policy in which the government envisions "A market responsive, client oriented and demand driven national agricultural research system comprising public and private institutions working in tandem for the sustainable economic growth of Uganda ". The defined mission under the research system is "To generate and disseminate appropriate, safe and cost effective technologies, while enhancing the natural resource base". In pursuit of the vision and mission, the principles to govern the institutional framework for the NARS include –
  - o Decentralisation involving significant farmer influence over the programmes and activities of research and technology development for research.
  - o Plurality in the provision of services in which public funding for research employs a broader set of competitively selected research providers, including private sector participation.

MAAIF Development Strategy focuses are –

- i) Institutional development for the agricultural sector and local government;
- ii) Capacity building for irrigation, drainage, water harvesting, and soil & water conservation;
- iii) Agricultural planning and policy;

- iv) Capacity building for the production of improved seeds, planting materials & animal breeding stock;
- v) Livestock epidemic disease and pest control;
- vi) Regulatory services for livestock and fisheries;
- vii) Plant pest and disease control, regulation and certification;
- viii) Processing and marketing of crops, livestock and fish;
- ix) Agricultural advisory services.

## **2.0 Roles of MAAIF and Local Governments**

### **2.1 MAAIF Functions**

The key central function of MAAIF, following various institutional and macro-economic reforms undertaken in the country (including public service reform, privatization, divestiture, liberalization, decentralization, the enactment of the 1995 Constitution, the Local Governments Act, 1997, the institution of the Poverty Eradication Action Plan (PEAP) the adoption of the Plan for the Modernisation of Agriculture (PMA) and the functional analysis of the Ministry completed during 2002), are;

- the formulation and review of national policies, plans, legislation, standards and programmes relating to the sector;
- controlling and managing crop and animal epidemics and diseases that affect production;
- controlling the use of agricultural chemicals and enforcing phytosanitary and seed quality standards;
- regulating fisheries activities and livestock marketing;
- developing the fisheries sub-sector;
- promoting the sustainable use of natural resources for agricultural production;
- making technical inputs and providing supervision in the areas of agricultural advisory services and entomology;
- providing specialist advice, training and building capacity in the fields of agricultural extension, and vector and vermin control, as may be required by the local governments;
- designing, developing and maintaining a national information base on the agricultural sector;
- monitoring private providers of veterinary and other agricultural services to ensure compliance with national standards;
- co-ordinating, facilitating, monitoring and supervising, national agricultural development projects and programmes, the performance of local governments, the operations of the Ministry's semi-autonomous agencies; and sector output,
- promoting the interests of local governments, the private sector, farmers and other sector stakeholders;
- mobilising financial and technical assistance for the development of agriculture; and
- accounting to Parliament for the performance of the sector;

### **2.2 District Decentralised Functions**

- Crop, animal and fisheries husbandry extension services;
- Entomological services and vermin control;

- Human resources management and development;
- Recurrent and development budget;
- District statistical services;
- District project identification;
- District planning;
- Local government development planning;
- Markets, and piers, jetties and landing places;
- Slaughter houses, cold storage facilities and premises for the inspection or processing of milk, meat or hides and skins;
- Pounds for stray animals and clinics for the treatment of sick animals;
- Dipping tanks;
- Sanitary services for the removal and disposal of night soil and carcasses of dead animals;
- Regulatory services for keeping of dogs, animals and poultry and provision for seizure and destruction of ownerless, and unlicensed, diseased or dangerous dogs and the seizure of and disposal of stray animals and poultry;
- The provision of agricultural ancillary field services;
- The control of soil erosion and protection of wetlands;
- The control of vermin in consultation with relevant central Government Ministries;
- The control of local fishing;
- The provision of measures to prevent and contain food shortages, the provision of seed and the storage of foodstuffs;
- The enforcement of proper methods for the making, improving, operation and maintenance of wells, dams and other water suppliers;
- The control of markets and landing sites and the organisation and encouragement of local trade;
- Maintenance of community infrastructure;

### **2.3 District Delegated Functions**

- Controlling epidemic diseases, pests and parasites affecting crops, animals and fish: this includes reporting, investigations, diagnosis, surveillance, vaccination, and treatment;
- Enforcing agricultural laws and regulations (including those pertaining to livestock and fisheries sub-sectors: controlling inter-district movement of animals and animal products, enforcing quarantine restrictions and animal welfare issues);
- Carrying out inspection and certification of agricultural inputs such as agro-biological and animals feeds;
- Ensuring veterinary public health: control of Zoonoses, ensuring hygiene of livestock products;
- Registration and licensing of traders in agricultural chemicals, seeds, livestock and fishing;
- Carrying out quality assurance (technical) audit under NAADS.

### 3.0 Specific Sub-sector Roles and Responsibilities

#### Box 1: Fisheries Resources Sub-Sector

<b>MAAIF</b>	<b>Local Governments</b>
<p><b>Promotional</b></p> <ul style="list-style-type: none"> <li>- Create awareness of sector value and potential;</li> <li>- Create awareness of sector needs and vulnerability;</li> <li>- Encourage investment by private sector &amp; local government</li> <li>- Promote product development and export with private sector;</li> <li>- Promote best practice FAO Code (CCRF) and a precautionary approach</li> </ul> <p><b>Supportive</b></p> <ul style="list-style-type: none"> <li>- Provide technical back-up for local government staff;</li> <li>- Provide information for all stakeholder groups;</li> <li>- Build capacity at local government level;</li> <li>- Monitor the local governments and the communities;</li> <li>- Create funding strategies for sector development;</li> <li>- Ensure sustainable use through good policy and good law;</li> <li>- New options for production and livelihood improvement;</li> <li>- Mentoring of Local Councils;</li> <li>- Training of district staff.</li> </ul> <p><b>Guidance and provide advice on -</b></p> <ul style="list-style-type: none"> <li>- Implementation of policy and law;</li> <li>- Adaptation of law and policy at local level;</li> <li>- Development needs and options, private sector investment, mechanisms for co-management, management and policing of shared resources.</li> </ul> <p><b>Regulation</b></p> <ul style="list-style-type: none"> <li>- Establish an appropriate and equitable legal basis for sustainable management;</li> <li>- Monitor, control and surveillance of fisheries oversight as part of recurrent operational support to enforce fisheries laws/regulations;</li> </ul>	<ul style="list-style-type: none"> <li>- Planning for fisheries community development and poverty reduction;</li> <li>- Seeking funding for fisheries community led development projects;</li> <li>- Ensuring compliance with national laws and policies on water bodies; e.g. no tendering fisheries licenses;</li> <li>- Adapting such laws and policies to local needs;</li> <li>- Establishing fora for effective management of resources shared by more than one District and solve conflicts between resource users;</li> <li>- Promoting co-management and responsibility sharing; e.g. BMUs;</li> <li>- Supporting the regulation of major international water bodies in partnership with central authorities where appropriate;</li> <li>- Building capacity and provide support and guidance to fisheries communities in livelihoods enhancement strategies;</li> <li>- Representing the views of communities at national level through the central fisheries body and through the local government;</li> <li>- Collecting the revenues necessary to ensure sustainable Local Government, and to reinvest in fisheries development;</li> <li>- Enacting appropriate bye-laws and ordinances for the sub-sector;</li> <li>- Control local fishing and fish landing places;</li> <li>- Ensure sustainable fisheries resources and their rational utilization e.g. reduction of fish</li> </ul>

<ul style="list-style-type: none"><li>- Ensure implementation of national law and international agreements on shared large water bodies, using direct action when required;</li><li>- Support and monitor evolution of appropriate and compliant laws at District and community levels;</li><li>- Enforce and monitor national standards of post-harvest fish quality, safety and aquaculture practices, including certification;</li><li>- Control of invasive aquatic weeds;</li><li>- Register BMUs.</li></ul>	<p>landing sites to manageable level;</p> <ul style="list-style-type: none"><li>- protection of aquatic environment;</li><li>- Collaboration with MAAIF in enforcement and monitoring of national standards, especially on post-harvest fish quality, safety and aquaculture practice.</li></ul>
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## Box 2: Livestock Sub-Sector

MAAIF	Local Governments
<p><b>Initiate, formulate and review policies, Laws, Regulations and standards regarding health production, processing and marketing of Livestock and Livestock products.</b></p> <ul style="list-style-type: none"> <li>- Identify constraints facing livestock sector;</li> <li>- Carry out consultations with all stakeholders;</li> <li>- Review existing policies;</li> <li>- Collecting and analyzing data from stakeholders;</li> <li>- Draft policies;</li> <li>- Stakeholders Consultation;</li> <li>- Submit drafts to TPM and Cabinet for approval and submit to Parliament;</li> <li>- Disseminate the approved policies;</li> <li>- Monitor of implementation.</li> </ul>	<ul style="list-style-type: none"> <li>- Collect, collate and analyse statistical data on livestock, livestock products, apiary and sericulture;</li> <li>- Participate in consultations on policy formulation;</li> <li>- Make comments on policy drafts;</li> <li>- Disseminate the policies, laws, regulations and standards and sensitize stakeholders;</li> <li>- Implement the policies</li> </ul>
<p><b>Enforce laws, regulations and standards regarding health production, processing and marketing of livestock and livestock products in conjunction with UNBS.</b></p> <ul style="list-style-type: none"> <li>- Design, construction and operationalise quarantine facilities such as: stock routes, Animal check points, Animal holding grounds and Animal Quarantine Centre;</li> <li>- Design, print and issue animal movement permits and health certificates booklets;</li> <li>- Issue inter territorial and international animal movement permits and health certificates;</li> <li>- Monitor movements of livestock and livestock products; productive insects and their products;</li> <li>- Set standards in livestock and productive insects health, production and marketing;</li> <li>- Setting standards for Animal Transportation Vehicles, slaughter and market facilities to meet sanitary standards operative procedures;</li> <li>- Licensing and registering traders in livestock and livestock, productive</li> </ul>	<p>Ensure veterinary Public Health by controlling of zoonoses and ensuring of hygiene of livestock products at local government level through;</p> <ul style="list-style-type: none"> <li>- Meat inspection;</li> <li>- On-spot milk testing;</li> <li>- Proper disposal of unsafe animal, animal products and wastes;</li> </ul> <p>Ensure proper hygiene and sanitation of premises for handling and processing livestock, livestock products and products from productive insects.</p> <p>Carry out quality control of livestock products.</p> <p>Carry out quality control of livestock and entomological inputs such as veterinary drugs, vaccines,</p>

<p>insects.</p> <p><b>Control of epidemic diseases, pests and parasites affecting livestock and productive insects.</b></p> <ul style="list-style-type: none"> <li>- Ensure availability and quality of essential Veterinary Drugs and vaccines in conjunction with NDA;</li> <li>- Set standards for designing of tick, tsetse fly and other ectoparasite control facilities like dips, spray races, crushes and tsetse traps;</li> <li>- National campaign for vaccination of epidemic diseases;</li> <li>- Avail diagnostic facilities and chemicals;</li> <li>- National surveillance of epidemics like FMD, Rabies, CBPP and Rinderpest and emerging epidemics;</li> <li>- Production of Report on Epidemiological parameters;</li> <li>- Drawing up National strategic plans for Livestock, disease control and management;</li> <li>- Risk Assessment and disaster preparedness;</li> <li>- Quality control of service providers through the UVB and UVA</li> </ul>	<p>beehives, honey harvesting equipment, other biologicals and animal feeds.</p> <p>Inspect, and recommend premises of traders of traders of livestock and livestock products for licensing.</p> <p>Site and supervise construction and operation of slaughter facilities and livestock markets.</p> <p>Issue district and intra-district movement permits.</p> <p>Issues local No Objection letter prior to Livestock movements between districts.</p> <p>Enforce laws and regulations pertaining to livestock and livestock products –</p> <ul style="list-style-type: none"> <li>- Animal Disease Act;</li> <li>- Animal Prevention of Cruelty Act;</li> <li>- Hides and Skin Act;</li> <li>- Cattle Trader Act;</li> <li>- Rabies Act.</li> </ul> <p>Enforce quarantine restrictions and animal welfare issues.</p> <p>Carry out inspection of e.g. ante-mortem and meat inspection and certification e.g. Issue of health certificate.</p> <p>Carry out vaccinations of livestock against epidemic diseases like FMD, CBPP, Rinderpest and rabies.</p>
	<p>Vaccinations of non epidemics.</p> <p>Carry out diagnosis and treatment of diseases, i.e. provision of Clinical Services in conjunction with the private sector.</p> <p>Provide Extension and veterinary services.</p>

	<p>Carry out surveillance investigation and reporting of epidemic diseases. Supervise tick control programmes: construction of dips, spray races and crushes.</p> <p>Monitor and control the use of drugs, acaricides other biologicals and chemicals.</p> <p>Tick control.</p> <p>Advice to use of Acaricides.</p> <p>Monitoring of dipping.</p> <p>Construction of dips in conjunction with the private sector.</p> <p>Collect and dispatch dip samples for testing/ test dip wash.</p>
<p><b>Provide technical advice, support supervision and training to local government.</b></p> <ul style="list-style-type: none"> <li>- Design, produce and disseminate information, education and communication materials pertaining to livestock sector, to the staff of local governments;</li> <li>- Organise capacity building seminars and workshops;</li> <li>- Mobilize finances and logistics for the development of livestock;</li> <li>- Monitor and evaluate to ensure that providers of livestock services comply with national policies, regulations and standards and that National Livestock Programmes are implemented.</li> </ul>	<p>Disseminate information to stakeholders.</p> <p>Implement national projects and programmes relating to livestock and livestock products.</p> <p>Provide agricultural advisory services: mobilising and training of farmers, carrying out technological demonstrations.</p> <p>Produce annual and quarterly reports.</p>

### Box 3: Agricultural Advisory Services – NAADS Programme

<b>MAAIF</b>	<b>Local Governments (Production Department Structure)</b>
<ul style="list-style-type: none"><li>- Provide extension/advisory policy guidance;</li><li>- Support supervision on extension/advisory services to other stakeholders;</li><li>- Accounting to Parliament on matters of NAADS;</li><li>- NAADS Board and Secretariat;</li><li>- Advising and giving guidance on NAADS policy and strategy at national level;</li><li>- Supervising and supporting NAADS secretariat;</li><li>- Setting targets and approving work plans and budgets for NAADS;</li><li>- Provide technical guidance and operational oversight;</li><li>- Facilitate outreach;</li><li>- Contract and supervise private professional firms to provide specialised services according to the needs prioritised by farmers;</li><li>- Engage in regional and national research trials, technology dissemination, social impact studies and policy oriented research.</li></ul>	<ul style="list-style-type: none"><li>- Technical auditing of service providers to ensure quality assurance;</li><li>- Provide technical support in the advisory service procurement process;</li><li>- Provide support to technology development;</li><li>- Monitor advisory service provision.</li></ul>

#### Box 4: Agricultural Advisory Services – non-NAADS Areas

<p><b>MAAIF</b></p> <ul style="list-style-type: none"> <li>- Provide planning guidelines;</li> <li>- Provide medium term ceilings;</li> <li>- Analyse work plans and budgets;</li> <li>- Processing of Releases of funds to local governments;</li> <li>- Monitoring and provision of technical assistance in planning and advisory service delivery.</li> </ul>	<p><b>Local Governments</b></p> <ul style="list-style-type: none"> <li>- Training;</li> <li>- Farmers visits;</li> <li>- Demonstrations</li> <li>- Field days;</li> <li>- Sensitisation meetings;</li> <li>- Information dissemination;</li> <li>- Farmers exchange visits;</li> <li>- Provide technical support to sector planning process;</li> <li>- Preparation of work plans and budgets;</li> <li>- Introduction of NAADS principles.</li> </ul>
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#### Box: 5 Agricultural Planning

<p><b>MAAIF</b></p> <ul style="list-style-type: none"> <li>- Formulation and co-ordination of development strategies, plans, programmes and projects;</li> <li>- Monitoring and evaluation of implementation of policies, plans, programmes and projects;</li> <li>- Identification and preparation of agricultural sector investment programmes;</li> <li>- Development of a framework and collection, maintenance analysis and provision of comprehensive agricultural data and information;</li> <li>- Development of appropriate policies for the sustainable development of the agricultural sector in accordance with the PMA objectives;</li> <li>- Development of policies and guidelines for the promotion of agricultural business and protection of the country's agricultural trade interests in collaboration with Ministry responsible for Trade;</li> <li>- Harmonization of actions of national agricultural sector policies and strategies with Regional and International Strategies while promoting and protecting the Country's Agricultural Trade Interests.</li> </ul>	<p><b>Local Governments</b></p> <ul style="list-style-type: none"> <li>- Identify medium term agricultural sector objectives, prioritise and output targets;</li> <li>- Prepare agricultural sector annual work plans and budgets in collaboration with the District Production Officer;</li> <li>- Monitor and evaluate implementation of sector policies programmes and projects;</li> <li>- Provide technical support to participatory sector planning process;</li> <li>- Collect, collate, analyse and process statistical data on crops, livestock and fisheries in collaboration with the district statistician and technical staff in the sub-sectors;</li> <li>- Produce regular reports on early warning and food security nutrition status, in collaboration with the District Production Officer.</li> </ul>
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## Box 6: Crop Protection Sub-Sector

MAAIF	Local Governments
<ul style="list-style-type: none"> <li>- Formulation and review of policies on regulation and Certification of seeds, phytosanitary, agricultural chemicals diagnostics and control of epidemics;</li> <li>- Formulation of strategies and action plan on regulation and certificate of seeds, phytosanitary, agro-chemicals, diagnostics of control of epidemics;</li> <li>- Formulation and review of legislation and regulations for the management of seeds, phytosanitary and agro-chemicals;</li> <li>- Inspections for compliance;</li> <li>- Set standards for effective regulatory services on seeds, phytosanitary, agro-chemicals;</li> <li>- Diagnostics, control epidemic, pandemic are epidemic pests and diseases for compliance;</li> <li>- Enforcement of regulations on seeds, phytosanitary and agro-chemicals, soil that has entered the country illegally;</li> <li>- Training Local Government and other stake holders on the regulations on seeds, phytosanitary, agro-chemicals and pest management agricultural chemicals and seeds are identified, suitable; and</li> <li>- Collaboration with national and international organisations on technology generation, setting of standards on regulations, seeds, phytosanitary and agro-chemicals and disease and pest management;</li> <li>- Provision of technical back-up, support and guidance to field extension staff, NGOs and Local Governments in the control of quality of agro-chemicals, seeds, phytosanitary and the control of pests and diseases;</li> <li>- Capacity building of department staff and other subject matter specialist in Locals Governments.</li> </ul>	<ul style="list-style-type: none"> <li>- Ensure that all those involve in selling of agricultural chemicals and seeds are registered as dealers (Inspections for compliance);</li> <li>- Ensure that all plants/plant products imported and all exported are accompanied by import permits and phytosanitary certificates (verification of documents);</li> <li>- Ensure that fumigators and commercial applicators are registered (Inspections for compliance);</li> <li>- Prompt report of prohibited plants, plant parts, products and soils that has entered the country illegally (verification for compliance);</li> <li>- Enforce any plant quarantine declared by MAAIF;</li> <li>- Ensure that all premises holding commercial stocks of agricultural chemicals and seeds are identified, suitable and registered (Inspections for compliance);</li> <li>- Ensure all chemicals retailed for sale to farmers comply with the set standards: Registered, potent properly labeled etc.;</li> <li>- Ensure that all seeds retailed for sale to farmers comply with the set standards: registered, viable, properly packaged and labeled. (Inspections for compliance);</li> <li>- Train farmers on the safe use and handling of agricultural chemicals;</li> <li>- Any pesticide misuse is promptly reported;</li> <li>- On routine basis, participate in collection of samples of the agricultural chemicals and seeds on the market for analysis to</li> </ul>

<ul style="list-style-type: none"> <li>- Registration and certificate of seeds, plant and plant products and agro-chemicals.</li> <li>- Operation of post entry and internal quarantine;</li> <li>- Establishment of database on Regulation and certification of seeds, phytosanitary and agro-chemicals, diagnostics and epidemiology;</li> <li>- Surveillance, diagnosis and forecasting of crop pests and disease;</li> <li>- Control outbreaks of migratory epidemics, pests and diseases;</li> <li>- Development of Integrated pest Management Programmes;</li> <li>- Co-ordination of the management of non-migratory crop pests and diseases;</li> <li>- Compilation of compendia on weeds, pests and diseases;</li> <li>- Monitoring and Evaluation of technical performance of the Regulatory Service pertaining to seed, phytosanitary and agro-chemicals.</li> </ul>	<p>monitor quality of agricultural chemicals and seeds and compliance with the requirements of the Laws;</p> <ul style="list-style-type: none"> <li>- Forward to MAAIF applications for the registration of Dealer, Fumigators, Commercial Applicators and Premises in respect of agricultural chemicals and seeds;</li> <li>- Assists in the compilation of the compendia on pesticides, pest and disease in Uganda;</li> <li>- Participates in the training of Farmers, Dealers, Commercial Applicators, and Fumigators in the safe handling and use of pesticides; and proper handling of seeds;</li> <li>- Participate in the control of crop pests and disease epidemics (Surveillance, monitoring and diagnosis);</li> <li>- Participate in the identification of crops pests, diseases and recommend control;</li> <li>- Participate in the evaluation trials for agricultural chemicals and seeds;</li> <li>- Promptly report to MAAIF emergency cases pertaining to the regulatory activities;</li> <li>- On routine basis, compile monthly, quartile and annual reports, copied to MAAIF;</li> <li>- Formulation and enforcement of bylaws to ensure quality and safety of agricultural products.</li> </ul>
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### Box 7: Crop Farm Development

<p><b>MAAIF</b></p> <p>Formulation and review of policies on the following;</p> <ul style="list-style-type: none"> <li>- Soil fertility improvement;</li> <li>- Irrigation;</li> <li>- Agricultural mechanization;</li> <li>- Farm land use;</li> <li>- Soil and water conservation;</li> </ul>	<p><b>Local Governments</b></p> <ul style="list-style-type: none"> <li>- Implement government strategies, projects, programmes and plans for promoting sustainable utilization and management of land, soil and water resources;</li> <li>- Collecting and submission of raw</li> </ul>
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<ul style="list-style-type: none"> <li>- Farming systems;</li> <li>- Initiation and development of strategies, programmes and plans for promoting sustainable utilization of land, soil and water resources.</li> </ul> <p>Setting standards and regulation.</p> <p>Compiling and analyzing national data on land use, farming systems, soils and irrigation potential.</p> <p>Initiation and development of strategies, programmes and plans for sustainable utilization of Agriculture engineering technologies.</p> <p>Provision of technical support, training and guidance to the stakeholders on sustainable utilization of agricultural technologies, farm land use and farming systems development.</p> <p>Establishing linkages with research institutions, NGOs, manufacturers and other stakeholders on the provision and utilization of agricultural tools.</p> <p>Supporting provision of improved mechanisms for integrated land and water management.</p>	<p>data, and guiding the use of analysed data on land use, farming systems, soil and irrigation potentials;</p> <ul style="list-style-type: none"> <li>- Implementing the strategies, programmes and plans, for sustainable utilization of agricultural engineering technologies;</li> <li>- Dissemination of technologies, guiding and training farmers and stakeholders on sustainable utilization of agricultural engineering technologies, farmland use and farming systems development. (e.g. animal traction);</li> <li>- Participating in on-farm research, identifying farming problems and evaluation of research; working together with NGOs, manufacturers and other stakeholders on provision and proper use of agricultural tools among farmers;</li> <li>- Disseminating and ensuring adoptions of mechanisms for integrated land and water management among farmers;</li> <li>- Surveying and planning of farms according to land capabilities and relevant enterprises;</li> <li>- Farmer training on soil, water conservation and water harvesting;</li> <li>- Identification of potential sites for irrigation and drainage.</li> </ul>
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**Box 8: Crop Production and Marketing**

<p><b>MAAIF</b></p> <ul style="list-style-type: none"> <li>- Formulation and Coordination of Policies, Strategies and Plans Regarding Crop Production, Processing and Marketing;</li> <li>- Initiation and formulation of food policies on the crop sector and food;</li> <li>- Initiation, development and coordination of programmes</li> </ul>	<p><b>Local Governments</b></p> <ul style="list-style-type: none"> <li>- Participate in consultations on policy and programmes;</li> <li>- Implement the policies and programmes;</li> <li>- Technical auditing of service providers to ensure quality assurance;</li> <li>- Provide technical support in the</li> </ul>
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<p>strategies and plans for increasing the production and availability of nutritious and healthy food;</p> <ul style="list-style-type: none"> <li>- Monitor implementation of policies, strategies and plans;</li> <li>- Setting and Providing Guidance on Standards, Laws and Regulations Regarding Crop Production Processing and Marketing;</li> <li>- Set standards for crop production i.e. seed rates, post harvest handling etc;</li> <li>- Provision of technical back-up, guidance and training in crop production, storage, processing, nutrition, consumption, utilisation and marketing;</li> <li>- Provision of guidelines and information on timing of agricultural activities;</li> <li>- Promotion of New Technologies and Opportunities in the Sector;</li> <li>- Provision of technical information on new crop varieties and technologies;</li> <li>- Support, promote and guide small scale food industries and households on technologies for food processing, including post harvest handling;</li> <li>- Promotion of utilisation of adequate and nutritious food.</li> </ul>	<p>advisory service procurement process;</p> <ul style="list-style-type: none"> <li>- Monitor advisory service provision;</li> <li>- Support farmer training on seed multiplication and technology development;</li> <li>- Train service providers in aspects of crop seed multiplication;</li> <li>- Collect data on performance of various seed types and technologies;</li> <li>- Monitor seed multiplication and technology application.</li> </ul>
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## **4.0 Agriculture Sector Conditional Grant and Transfer Policy**

### **4.1 Recurrent and Development Transfers Budget and Sub-budget lines**

The following budget and sub-budget lines are required -

1) Development – Budget line

Sub-budget lines–

- Agriculture Extension Development Budget - supporting provision of motorcycles/vehicles and orientation training for extension staff in non-NAADS areas and training and mentoring of Local Governments.
- National Agricultural Advisory Development Services (including districts)
- Non-sectoral Conditional Grant (NSCG) being implemented by PMA Secretariat
- Other donor projects

2) Recurrent – Budget Line

Sub-budget lines–

- Agricultural Extension - supporting extension in non-NAADS areas – recurrent wage
- Agricultural Extension - supporting extension in non-NAADS areas – recurrent non-wage
- Other donor projects

### **4.2 Implications for local government Staffing and Structure**

#### **Decentralised Functions**

There are no implications envisaged as the staffing for these functions are expected to be in line with the new local government structures as approved by the Ministry of Public Service.

#### **Delegated Functions**

As part of the review of the local government structures, MAAIF has made recommendations to the Ministry of Public Service (MoPS) for the establishment of the following posts in the organisational structure for the Production and Marketing Departments of local governments to enable local governments carry out the services that may be delegated by the Ministry. As far as reasonably practicable, local governments shall budget to achieve these structures in order to be able to implement national sectoral policy.

#### ***District Veterinary***

Principal Veterinary Officer/District Veterinary Officer	1
Senior Veterinary Officer/Disease Control	1
Senior Veterinary Officer/Regulations Enforcement	1
Senior Vermin Control Officer	1
Senior Laboratory Technician	1

#### ***Crops***

Principal Agriculture Officer/District Agricultural Officer	1
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Senior Agricultural Officer/Diseases and Pests	1
Senior Agriculture Officer /Regulations Enforcement	1
Senior Agriculture Engineer/Mechanisation and Water for Production	1

**Fisheries**

Principal Fisheries Officer/District Fisheries Officer	1
Senior Fisheries Officer/Inspection and Quality Assurance	1
Senior Fisheries Officer/Aquaculture	1
Assistant Fisheries Officer – Customised according to district needs	

**Planning**

Senior Agricultural Economist	1
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**Entomology**

Principal Entomologist	
Senior Entomologist – customised based on district needs	
Entomological Assistant – Customised based on districts Needs	1

**County**

As a minimum, the following staffing is proposed at county level;

Veterinary Officer	-	1
Agricultural Officer	-	1
Assistant Fisheries Officer (customised according to the landing sites)		

The districts will rationalise the number of staff depending on the size and volume of activities in the sub-counties.

**Sub-Sectors/Sections to which Grant Funds will be Transferred**

Sectoral funds will be transferred to the following sub-sectors/sections in the Production Departments of local governments in order to implement national sectoral policy;

Administration

Agriculture Development Centre (DFIs) - currently being handed over to local governments

Planning

Crops

Veterinary

Fisheries

Vermin Control

Entomology

## **5.0 SECTOR STANDARDS**

### **5.1 Standards, Rationale and Specifications**

In order to ensure that activities of the agriculture national sector policy are carried out in a nationally uniform manner, the regulations listed below and related orders and ordinances which are currently operating in the sector will be applied in the implementation of the national sector policy and the standards shall be derived from them.

- The national standards for advisory services delivery currently being developed under NAADS.
- Uganda Tea Growers Corporation Act – 1974
- The Plant Protection Act, CAP 244- 1962
- The Control of Agric . Chemicals Statute No. 8 of 1989
- Agricultural Seed and Plant Statute – 1994
- Uganda Trypanosomiasis Control Statute – 1992
- Animal Breeding Act – 2001
- Animal Feeds Policy – 2002
- National Veterinary Drugs Policy – 2002
- Fish Act, CAP 228 – 1964
- The Fish Quality Assurance Notice 2000
- The Fish/Aquaculture Rules – 2002
- National Agricultural Advisory Services Act – 2001.
- National Agricultural Research Organisation Statute – 1992
- Animal Disease Act – 1964
- Uganda Coffee Development Statute – 1991
- Cotton Development Organisation Statute – 1993
- Dairy Development Act – 1998
- Delivery of Veterinary Services Policy – 2002

## **6.0 PERFORMANCE INDICATORS**

In order to ensure national standardisation of performance indicators within the agriculture sector, the performance indicators (in so far as they are relevant to the activities appearing in the DDP in order to implement national sectoral policy) to be used for all planning and reporting purposes are;

### **6.1 *Agricultural Advisory Services***

- Percentage of farmers who received advice from extension agents/advisory services by sex, category (crops/livestock/fisheries) in the last 12 months.
- Percentage of households who have adopted new technologies for selected enterprises in the past 12 months.
- Percentage of households who report that the quality of extension services is better now than 5 years ago.
- Percentage increases in the levels of semi-commercial and commercial farming.
- Number of farmer fora formed by district.
- Access by farmers to market information

## **6.2 Seeds/Planting and Stocking Materials**

- Access to improved seeds/planting and stocking materials.
- Capacity development in the private sector for multiplication of seeds/planting and stocking materials.
- Number of input stockists.

## **6.3 Marketing, Agro-processing and Post-Harvest Management**

- Proportion of output marketed.
- Availability of market information on inputs and output.
- Accessibility of market information by farmers.
- Number of operational small scale processing units/agro-processing firms.
- Percentage of households who received advise on post harvest handling in the last 12 months.
- Percentage of households implementing post harvest management practices in the last 12 months.
- Increases in levels of gainful employment in non-farm agro-related activities.

## **6.4 Fisheries Services**

- Amount of fish catches/site/month.
- Number of fishermen and boats landed/site/month.
- Number and type of people caught in illegal fishing and prosecuted.
- Number of patrol missions mounted per month.
- Number of fishermen applying recommended fishing gear/methods.
- Number of licensed fishing vessels.
- Revenue collected from licenses.
- Quarterly and annual reports produced.
- Guidelines/agreements on management of shared water bodies.
- Number of landing sites inspected.
- Quantity of fish purchased by processing establishments.
- Number of local fish inspection certificates issued.
- Number of fish seed suppliers verified and registered/contracted.
- Number of small water bodies and fish ponds stocked.
- Number of fish by species stocked in small water bodies and fish ponds.
- Number of landing sites freed from water hyacinth.

## **6.5 Livestock Services**

- Annual/quarterly reports made.
- Percentage level of awareness of laws, regulations and standards.
- No. of inspections made.
- Percentage coverage of inspections.
- Percentage reduction in condemnations of livestock and livestock products.
- No. of registered and licensed traders of livestock and livestock products.
- Reduction in incidence of notifiable diseases e.g. FMD, CBPP, Rinderpest and Rabies.
- Percentage reduction in prevalence of tick borne diseases.
- No. of training seminars, workshops and demonstrations done per year.

- Increased percentage of informed stakeholders.
- Incidence of pests and diseases outbreaks.
- Disease/pest control infrastructure/facilities in place.
- Number of identified instances of legislation breach

## **6.6 Crop Services**

- Annual/quarterly reports made.
- Percentage level of awareness of laws, regulations and standards.
- No. of inspections made.
- Percentage coverage of inspections.
- Percentage reduction in condemnations of crop and crop products.
- No. of registered and licensed traders of crop and crop products.
- Reduction in incidence of epidemic pests and diseases e.g. coffee wilt and army worm.
- No. of training seminars, workshops and demonstrations done per year.
- Increased percentage of informed stakeholders.
- Incidence of pests and diseases outbreaks.
- Disease/pest control infrastructure/facilities in place.
- Number of identified instances of legislation breach.

## **6.7 Food Security**

### *Food availability*

- Quantity of food produced at a given point in time.
- Quantity of food procured from elsewhere

### *Food accessibility*

- No. of households producing food.
- Availability and location of food markets.
- Number of households deriving income from wages or other sources.
- Seasonal food prices

## **6.8 Planning**

- Status of review of past expenditure performance against the budget and actual results against targets.
- Clarity of objectives set for the sector and level of prioritisation of sector outputs, programmes and activities within available resources.
- Status of preparation of final sector annual work plan and budget.
- Availability of up to date agricultural statistics on the sector.
- Availability of up to date food security status reports.