

## ESTABLISHING UGANDA'S PLATFORM OF CHAMPIONS FOR REGIONAL TRADE IN THE EAC

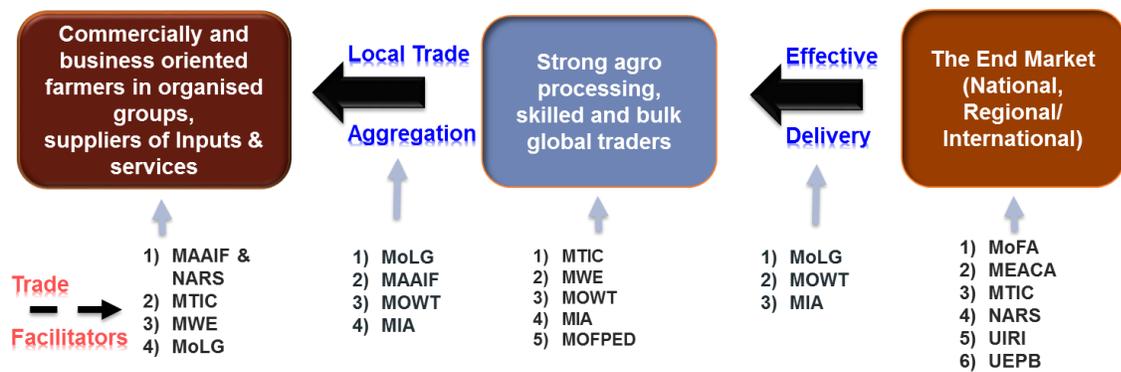
On 26th October 2016, critical Champions for regional/cross-border Trade in Uganda convened and had discussions with key Managers of IFAD Financed projects in the EAC, to understand opportunities presented by the EAC common market. This was the second Champions meeting following the launching of a similar one in Rwanda the previous week. The forum was organized by Kilimo Trust (KT) under the IFAD Funded Regional East African Community Trade in Staples (REACTS) Program. This event culminated into the formation of a platform of champions for regional trade in EAC. The establishment of this platform contributes to Output 3 of REACTS Program “*New and/or Enhanced business linkages integrating the smallholders to cross-border markets and consumers*”.

In attendance were champions from Ministry of Trade, Industry and Cooperatives; Uganda Export Promotion Board; Economic Policy Research Center; Uganda Revenue Authority, and the Uganda National Cross Border Traders Association among others. The IFAD Financed projects included, Vegetable Oil Development Project (VODP2 - Uganda), Upper Tana Natural Resource Management Project (UTaNRMP - Kenya), Smallholder Dairy Commercialization Programme (SDCP - Kenya), Post-Harvest and Agribusiness Support Project (PASP - Rwanda), and Marketing Infrastructure, Value Addition & Rural Finance (MIVARF - Tanzania). A key champion in attendance was the Ministry of Agriculture, Livestock and Fisheries in Kenya, represented by Ms. Anastacia Kio (Head Trade Promotion).

The meeting was opened by Mr. Reymond Agaba (Commissioner for Domestic Trade), who represented Uganda's Minister for Trade, Industry and Cooperatives, Hon. Amelia Kyambadde. Reading the Minister's speech, Mr. Agaba emphasized the need to increase regional trade as a way of accelerating incomes for Ugandans in the Agriculture Sector. He urged partners to strengthen the capacity of farmers and traders, to ably tap into the huge opportunity presented by the EAC common market. The Minister committed to support the actors in all ways possible, and commended the REACTS Program for this initiative.

In his presentation, Prof. Nuhu Hatibu, the CEO of Kilimo Trust emphasized the need for a multi-sectoral approach to investment in agriculture, for maximum gains. “In order to increase the wealth of a large number of people in the Agricultural value chains, the players involved must go beyond the usual “members”. We must appreciate that agriculture is more than just farming, and that agribusiness is more than just agriculture.” He used the conceptual illustration of Kilimo Trust's Consortium Approach to Value Chain Development (KTCA2VCD) to show how different Ministries and Institutions have a crucial role to play in building an entire value chain to deliver profitably to an identified end market.

Below is an illustration of how the different Ministries in Uganda, for example, would support the key players enabling trade all the way to the end market.



### *Multi-sectoral approach to supporting the entire value chain for a common end*

The REACTS Program, which is implemented by Kilimo Trust (KT) is identifying champions for regional trade in different organizations responsible for trade in the EAC countries, and is working with them to develop and pilot strategies for working with agricultural development programs, governments and others to expand and improve regional cross-border trade in food commodities/products. This component of the REACTS Program enables the champions to influence changes in strategies, programs they design/implement and procedures for bigger and more sustainable impact resulting from increased trade.

Ms. Fiona Lukwago, the Team Leader for the REACTS Program, presented opportunities for the countries' increased participation in the EAC common market, especially regarding her export of beans and maize, where Uganda has a good comparative advantage to produce for export. The same was presented for Rwanda, regarding beans and potatoes.

### **The Next Steps**

After a very productive discussion, the champions suggested and agreed to the following:

1. That this discussion be held with all other champions such as Ministry of Local Government, Ministry of Foreign Affairs, Ministry of East African Community Affairs, Ministry of Internal Affairs (Police) among others. Other Development partners who design programs should also be included so that they design programs in a holistic manner to enable increased cross-border trade.
2. Programs should deliberately include plans and budgets to enhance actions required of them to contribute to increasing regional trade.
3. Government should include in its programs, a budget for more market research for commodities in which they have a comparative advantage, in the target markets. Or example India holds a huge potential for beans.
4. Governments (Ministries of Defence, Internal Affairs and Education) should pilot the provision of an organized own/base market for local produce to boost increased efficient production and investment in productivity. These Ministries can begin to reduce imports of maize and beans, while contracting organized farmers to locally supply the same.

5. As a matter of urgency, information on requirements, procedures, and what is already possible for cross-border trade should be disseminated to traders and other users.
6. There is need to build strong trade partnerships with potential importers of our local produce. Ministry of Foreign affairs could spearhead this through reciprocal trade deals.
7. To promote profitability of farming and nutrition security across the region, trade based food security instead of “local production dependent” food security should be pursued.
8. Move farmers away from focusing on price to focusing on profit for increased regional competitiveness.

The immediate action agreed upon was for all the Champions to take lead in influencing their departments, line ministries and existing programs to integrate EAC regional trade. Kilimo Trust pledged to work with partners who needed any assistance in integrating trade enablement in their programs, to ensure accelerated wealth creation.