



## VALUE CHAIN ANALYSIS (VCA) OF BEANS SUB-SECTOR IN UGANDA

WEDNESDAY 20<sup>TH</sup> APRIL, 2016

IMPERIAL GOLF VIEW HOTEL ENTEBBE, UGANDA

AGRICULTURE POLICY SYMPOSIUM REPORT

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### **Introduction**

The symposium was convened by the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) in collaboration with the Uganda National Council for Science and Technology (UNCST) with support from the Development Research Uptake in Sub-Saharan Africa (DRUSSA) Programme. The specific objective of the symposium was to strengthen the capacity of MAAIF in evidence based policy formulation, implementation and evaluation. This symposium utilized a relatively rigorous study of the value chain analysis of beans sub-sector in Uganda.

### **Opening remarks from the Chair**

The Acting Commissioner for Agricultural Policy and Planning, Mr. Richard Ndikuryayo, welcomed members to the DRUSSA symposium under MAAIF and thanked the DRUSSA team under Uganda National Council for Science and Technology (UNCST) for recognizing the use of research in evidence based decision making.

### **Remarks on DRUSSA programme**

Mr. Ismail Barugahara, the Assistant Executive Secretary at UNCST observed that the DRUSSA programme seeks to promote research uptake in policy-making. DRUSSA programme implements three interrelated activities to promote research uptake within the public sector in Uganda. These are policy symposia, executive educational courses and policy fellowships that are tenable in the participating ministries.

He noted that evidence based policy-making can only be achieved through increased public awareness of the latest research knowledge, enhanced skills and a supportive environment. He observed that in an attempt to understand value addition to beans, the policy fellow will explain the stages and various actors and underlying policy issues in the bean value chain. He

urged the participants to internalize the presentation so as to enrich the analysis of the beans value chain.

### **Presentation from Professor Noble Banadda**

Professor Noble Banadda, the DRUSSA Policy Fellow seconded to MAAIF, presented a paper entitled: ***Value Chain Analysis (VCA) of the Beans sub-Sector in Uganda***. He observed that beans are a staple food to the majority in the East African region with Uganda as the leading producer second to Tanzania. The most traded commodity in East Africa is rice because of its post-harvest characteristics. Rice requires minimal post-harvest processing making it available in the East African region throughout the year despite its low production in tones. He further noted that maize is very important because it has become a non-traditional export commodity.

Uganda is the 6<sup>th</sup> leading producer of beans in the World and yet Uganda imports canned beans from Brazil and USA. There is no single factory for bean processing in Uganda. The problem is that we do not add value to these beans. The caning of beans is not economically viable as the good quality cans are very expensive. He explained that Makerere University tried canning beans using cans imported from Kenya but got reports from importers in Belgium that the cans were bulging due to excess gas from beans. This prompted the Makerere University to test the cans and found perforations in the cans they were using.

Meat is the highly processed food stuff in Uganda. Beef is going to be the most expensive food item in the East African region as well as beans. For Uganda to achieve much from the beans, more than US\$80 million must be invested in the sector of bean processing.

He further observed that the bean farmers were not benefiting much from the production of beans due to their perishability. The middle men were making a lot of money instead. He finally noted the challenges of bean production that must be addressed include:

- Unpredictable weather
- Pests and diseases especially the bruchid beetle (*Callosobruchus maculatus*)
- Limited access to technology
- Soil degradation
- Land scarcity
- Weeds

### **Reaction and inputs from stakeholders**

Mr. Alex Rwakuba from the MAAIF observed that besides the use of routine data, the ministry has for a long time been formulating policies without empirical evidence. It is important to have such a wonderful research programme that promotes use of research for policy. He thanked Professor Banadda for the good presentation and requested for a summary of the research in form of a policy brief to facilitate its adoption for policy making purposes.

He also agreed that there was no agro-processing of beans in Uganda and clarified that MAAIF's mandate is primary processing other than the technical part. The role of technical processing is for Ministry of Trade Industry and Co-operatives.

Mr. Peter Abong thanked the Professor Banadda for the presentation. He observed that beans are the most important commodity for household consumption in Uganda as 80 percent is consumed and only 20 percent is sold on the market. There are 26 varieties of beans in Uganda and farmers tend to prefer the best tasting among the varieties. The varieties grown depend on the tastes and preferences of the farmers despite the market demand.

Mr. Gabriel Luyima requested to look at the report in detail especially about the bean varieties. He noted that they were trying to develop a bean product at Namulonge Research Station that are suitable for both Uganda and Kenya climatic conditions.

Mr. Ismail Barugahara noted that there is little research concerning bean production, consumption and little has been documented. He reiterated the need for a summary report that provides policy recommendations for development of the bean value chain. The summary should guide MAAIF policy interventions for instance on whether to incentivize the producers or distributors of beans in view of the research findings that the middle men were getting higher returns from beans trade than the farmers.

Mrs. Mary Teddy Opio requested for an examination of the local market first before going into agro-processing of beans. She emphasized that the price of beans is inelastic and requested for much emphasis along this area.

### **Reactions from the policy fellow**

Primary processing is being done but it's not standardized. There is no standard size for the bag of beans. What is lacking is secondary and tertiary processing. Primary processing is mainly affected by moisture content while secondary processing is affected by the packaging material. He finally noted that though expensive, cans are the only best alternative for bean processing.

### **Presentation from Dr. Chris Ayebazibwe**

Dr. Chris Ayebazibwe, a former DRUSSA Policy Fellow at MAAIF, presented a paper entitled: ***The context of value addition on Dairy and maize enterprises***. He noted that agriculture contributes 22.5% to the Gross Domestic Product of Uganda.

He further illustrated that value addition is complex and broad. The entry point for value addition is the private sector. It is high time that farming is treated as a professional business.

Markets are a major force for value addition. Most products are rejected on competitive markets due to being sub-standard, risky or not lucrative. He concluded that a deliberate policy

to produce for market must be formulated and noted that implementation of policies is still a challenge.

### **Reaction and inputs from stakeholders**

Mr. Ismail Barugahara contributed by noting that value addition does not only stop at production, it extends into the distribution, commodity marketing and use. Value addition often comes as unintended outcome of the agricultural production which should not be the case as it should be deliberately planned for and nurtured throughout the agricultural development process. The products must conform to the national and international standards from the farm to the folk. He thanked Dr. Ayebazibwe for his presentation.

### **Closing remarks**

Mr. Richard Ndikuryayo thanked the participants for attending and actively participating in the symposium. He noted that MAAIF appreciates that commodities discussed are already prioritized and government is investing heavily in beans value chain. The Agricultural Sector Plan is guiding MAAIF on the required interventions. He observed that the value chain highlighted some of the commodities that would be prioritized (French beans). He reiterated the value of the report in formulating priorities and policy guidelines. He applauded the seriousness of the researchers and thanked the Uganda National Council for Science and Technology (UNCST) for involving the MAAIF in implementing DRUSSA project.

## List of participants

NAME	DEPARTMENT
Noble Banadda	Makerere University
Nicholas Kiggundu	Makerere University
Maj. M. Rwego	Operation Wealth Creation
Ndiku Richard	MAAIF
Alex Lwakuba	MAAIF
Luyima Gabriel	NaCRI
Ismail Barugahara	UNCST
Nakyeyune Catylene	MAAIF
Nasolo Winnie	MAAIF
Byantwade J.S	MAAIF
Peter Abong	MAAIF
Ayebazibwe Christosom	DRUSSA Fellow
Ben Kiwanuka	NARO
Andrew Nalumanga	MAAIF
Kizimula Hosea	MAAIF
Ogwang Yajeri	MAAIF
Ahabwe Davis	MAAIF
Muhumuza Fremos	MAAIF
Mulinde Roger	MAAIF
Ssali Brian	MAAIF
Mujawimana Dorothy	MAAIF
Birabwa Sharon	MAAIF
Richard Sebuga	MAAIF
Kateeho Fred	UNCST
Turyagamba Nickson	MAAIF
Asio Mary Teddy	MAAIF
Kivunike Godfrey	MAAIF
Kataama Steven	MAAIF
Nanyondo Hellen	MAAIF
Collins Mwesigwa	UNCST
Walugembe Sheila	MAAIF
Mugarura Clare	MAAIF
Ssekimwenyi Kyagaba	MAAIF
Amos Dungu	MAAIF
Umutesi Wendy	MAAIF
Kyazze Ronnie	MAAIF
Birantana John	MAAIF
Ssebyala Rashid	MAAIF
Masija Deus	AGPCPTH Uganda
Patrick Mugambwa	MAAIF
Obbo James	MAAIF