



Pro-Poor
Livestock
Policy
Initiative

GUIDELINES
version 1

Pro-poor review and analysis of livestock related policies

Guidelines and an application to Uganda

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PREFACE

This is the 2nd of a series of User Guides prepared by the Pro-Poor Livestock Policy Initiative (PPLPI) to assist policy makers and development practitioners to formulate and implement livestock policies that have a positive impact on the wellbeing of the poor.

Livestock is vital to the economies of many developing countries. Animals are a source of food, more specifically protein for human diets, income, employment and possibly foreign exchange. For low-income producers, livestock can serve as a store of wealth, provide draught power and organic fertilizer for crop production and a means of transport. Consumption of livestock and livestock products in developing countries, though starting from a low base, is growing rapidly.

The first part of this Report presents some guidelines for the 'Pro-poor review and analysis of livestock related policies'. The guidelines are primarily meant to help policy and technical officers both in government departments and national / international organisations to assess whether the country policy framework shaping livestock sector development is expected to contribute to poverty alleviation and, if not, where and how adjustments should be made. The second part of the Report presents an application of the livestock policy guidelines to Uganda.

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Keywords

Guidelines, livestock policy, policy framework, policy making, Uganda.

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EXECUTIVE SUMMARY

The Pro-Poor Livestock Policy Initiative of FAO aims to facilitate and promote the formulation and implementation of livestock-related policies that have a positive impact on the world's poor, and thereby derive lessons for enhancing the capacity of FAO and its member nations to design and carry out effective pro-poor livestock policies.

To achieve this aim, the Initiative conducts research and analysis, and has engaged in policy processes in South and Southeast Asia, East and West Africa, and the Andean region. The overwhelming evidence is that livestock sector policies are mostly technical and designed in isolation from the broader policy framework. Typically, governments and national/international organisations collate livestock technical and socio-economic data, perform some analyses, and propose new policies. What lacks in this approach is a review of the prevailing policy framework, which already affects the development of the livestock sector. That is however fundamental: on the one hand, in several countries policies already exist and need only to be amended, or more effective implementation strategies devised; on the other hand, the equitable development of the livestock sector does not depend on one specific policy, but on a coherent set of policies allowing the poor to make good use of their assets, including farm animals.

The first part of this report presents the Pro-Poor Livestock Policy Guidelines developed by PPLPI to help reviewing the prevailing livestock policy measures in developing countries. The objective of the guidelines is to assess whether the country presents a coherent set of pro-poor livestock policies and, in case it does not, where adjustments should be made and gaps filled. The guidelines provide hints on how to: (a) select, collate and organise strategies and policies affecting livestock sector development and identify inconsistencies and gaps in the current policy framework; (b) review and assess the national and agricultural/livestock sector development strategies, which illustrate the country envisioned development pathway and set the bounds in which livestock sector policies operate; (c) review and assess the main livestock-related policy documents, which determine how public resources are allocated and whether they have a positive impact on the livelihoods of the livestock dependent poor.

The second part of the report applies the PPLPI Pro-Poor Livestock Policy Guidelines to review and assess the Uganda livestock policy framework, and presents an action plan towards equitable policies for livestock in the country.

Uganda presents a comprehensive livestock policy framework. On top there are the Poverty Eradication Action Plan (PEAP), the Plan for Modernisation of Agriculture (PMA) and the Livestock Sector Development Strategy (LDS). Whereas the PEAP and the PMA aim at reducing poverty level through livestock development, the policy actions they recommend do not originate from a comprehensive socio-economic and technical review of the livestock sector. The focus of the LDS is, quite the opposite, largely on increasing livestock production and productivity, with marginal consideration on how the poor livestock holders could be active actors in this development pathway. As a first priority, therefore, Uganda policy makers may consider updating the Livestock Sector Development Strategy, combining technical with socio-economic data –such as those provided by the 2005/2006 National Household Survey– so as to promote a growth of the livestock sector which is explicitly pro-poor. The PEAP and the PMA should be then reviewed accordingly.

Agricultural and livestock sector policies, which are expected to translate the PEAP, the PMA and the LDS into practice, originate in most cases from the PEAP and the PMA, with no policy document referring to the LDS. The prevailing livestock-related policies address most development constraints to livestock sector development. They comprise (a) policies 'reducing vulnerability', including policies dealing with the prevention and management of natural disasters, access to land, access to water and access to feed; (b) policies 'creating conditions for growth', including policies for access to agricultural extension and animal health services, credit, and input and output markets; (3) policies 'sustaining growth', including policies regulating the livestock component of trade policies, agricultural research, environment management and food safety/quality.

Uganda lacks a risk-coping and management policy, which is however anticipated to be soon formulated and implemented. The water, land and feeds policies are not effectively pro-poor as they do not propose policy instruments that take into adequate account the needs and constraints of the livestock-dependent poor. They should be reviewed accordingly. Agricultural extension, rural credit and agricultural research policies are structured well, the only weakness to address being the lack of sound linkages between research and extension policies. The many animal health policies define well the role of national, local governments and the private sector in the provision of animal health services, but disregard to detail any implementation strategy, this possibly leading to scattered public actions and unplanned impacts, if any, on the livestock-dependent poor. Policy makers in the livestock department should invest resources into defining comprehensive strategies to effectively implement animal health policies. The trade, environment and nutrition policies, though setting policy objectives that might benefit the poor, implicitly target the already well-off. They should be reviewed to include medium to long term implementation strategies aimed at gradually making the poor able to produce high quality livestock products in a sustainable way, and thereby to stand in dynamic and increasingly demanding markets.

Finally, the government of Uganda plans to draft and implement a number of livestock product specific policies, such as a dairy policy and a pig industry policy, addressing all developmental constraints along product value/supply chains. These prospected policies will most likely overlap with and duplicate existing policies, this at best leading to a misuse of public resources and, at worst, to marginal and even negative impacts on the livelihoods of the livestock-dependent poor. The government should consider detailing product-specific development strategies to facilitate the consistent implementation of existing policies, rather than endorsing new policy documents. The recent impressive growth of the flower industry in Uganda shows well this point.

The suggested revision of the policy framework so that livestock can better contribute to poverty alleviation is only the first step towards an equitable growth of the livestock sector. Policy implementation, which the many institutional and organisational challenges it does imply, comes next.

PART I

PRO-POOR GUIDELINES TO REVIEW AND ASSESS LIVESTOCK RELATED POLICIES

1.1 INTRODUCTION

The Pro-Poor Livestock Policy Initiative (PPLPI) of FAO aims to facilitate and support the formulation and implementation of livestock-related policies and institutional changes that have a positive impact on the world's poor.

Promoting the pro-poor development of the livestock sector requires designing public actions that take into consideration the characteristics and needs of all stakeholders involved in the livestock supply / value chain, as well as the prevailing policy environment shaping the development of the sector. This is necessary to design / adjust policies to well serve the interests of the livestock dependent poor. In several circumstances, however, governments design and implement livestock policies without taking into adequate account existing policies, and often in isolation from or with loose connections with the broader policy framework. That might lead to large misuse of public resources, which may be allocated to ineffective, and even harmful, public actions. Whereas individual livestock policies matter, in fact, it is the overall governance system –including all policies and the way they jointly provide (dis)incentives to all actors in the public and private sector– that ultimately determines whether the development of the livestock sub-sector will benefit the poor.

This document presents guidelines to collate, catalogue and quickly review livestock-related policy documents. The guidelines are primarily meant to help policy and technical officers both in government departments and national / international organisations to assess whether the country policy framework shaping livestock sector development will contribute to poverty alleviation and, if not, where and how adjustments should be made. The second part of this document includes an application of the livestock policy guidelines to Uganda.

1.2 BACKGROUND ISSUES

Some background considerations are necessary before examining livestock policies, including whether a need exists for a detailed livestock sector development strategy; whether growth of the livestock sector growth can contribute to poverty alleviation; whether the government is committed to invest resources for the development of the livestock sector.

- The livestock sector no doubt presents some peculiar characteristics that call for specific public actions, such as animal diseases, animal welfare and pollution from animals. This does not imply that a livestock sector development strategy should be necessarily in place.
 - In some countries the livestock sector contributes little to national GDP and agricultural value added. In these circumstances, a livestock sector development strategy will most likely not exist.
 - In other countries the livestock sector may be a significant contributor to the economy or there could be regions / areas where livestock is possibly the only viable productive activity. In these cases, a livestock development sector strategy is certainly valuable.
 - Governments in some countries, regardless of the current contribution of livestock to the national economy, may decide that investing resources in the livestock sector

is an effective (pro-poor) growth strategy, and have therefore designed a livestock sector development strategy.

- Livestock sector development might or might not benefit the poor. That depends on several factors, including:
 - The agro-ecological conditions.
 - The distribution of livestock among the population, including the rural poor.
 - The roles that livestock play in the household economy: animals not only provide food for home consumption and market, but may also contribute to social status, are source of manure, draft power and hauling service, a buffer to risk and a form of savings.
 - National/international market potentials for expanding livestock production.
- Livestock-related policies should be analysed with an understanding of the actual commitment of the government towards promoting the development of the agricultural sector, to which livestock may be a large contributor. This requires looking at current policy outcomes, such as:
 - The national budgets of the last five to ten years, with a focus on trends in absolute and relative public resources earmarked for agriculture, and for livestock within agriculture.
 - Tax rates on agricultural (livestock) and non-agricultural production.
 - Export and import tariffs on agriculture vis-à-vis other sectors, and of livestock products vis-à-vis other agricultural commodities, for a number of years.¹
- When analysing a policy document, one should have a clear understanding of what it should contain.
 - Policy is a course or principle of action adopted or proposed by a government to achieve some long-term purpose in a broad subject field. It consists of two main elements: a policy objective, which is a defined socio-economic goal, and one or more policy instruments, including public actions (e.g. regulations, laws, projects, etc.) towards achieving this policy objective.
 - Policy documents are expected to identify a broad policy objective; they rarely, if ever, indicate an easily measurable policy goal/output. They should also identify and recommend a number of policy instruments, though not in detail, and therefore define the thrusts and limits of government actions.
 - Policy documents sometimes remain on the shelves and are not or only partially implemented. Such documents still provide an indication of what the government planned, though some may have been designed in response to demands from donors, international partners and political lobbies only.
 - Policies are sometimes implemented in the absence of policy documents. In this case one should attempt to infer the dominant policy thrusts from existing public actions.

1.3 COLLATING AND GROUPING LIVESTOCK-RELATED POLICY DOCUMENTS

A first step towards reviewing national policies affecting the livestock-dependent poor is to collate those policy documents that may have an impact on the livestock sector.

¹ The value of the producer subsidy equivalent (PSE), which is a measure of the annual monetary value of gross transfers from taxpayers and consumers to support agricultural producers, might be available for some countries.

Livestock sector development is affected by a variety of public actions, including macroeconomic (e.g. fiscal; monetary) and institutional (e.g. decentralisation; civil sector reform) policies, agricultural sector policies (e.g. credit; rural infrastructure) and, eventually, by livestock sector policies (e.g. animal health; restocking). Two types of policy documents are recommended for collation: (a) broad development and agricultural sector policies and strategies on the one hand, and (b) specific agricultural and livestock sector policy documents on the other.

- The broad development and agricultural sector development strategies illustrate the country envisioned development pathway, and set the bounds in which livestock sector specific policies operate. These documents include the Poverty Reduction Strategy Papers (PRSPs) for several Heavily Indebted Poor Countries (HIPCs) and similar policy documents for other low- and middle-income economies, as well as broad agricultural sector development strategies and programmes.
- Specific policy documents addressing detailed developmental issues along the agricultural, and in particular the livestock value chain, from input supply, through production and processing, to local consumption and exports. Some of these (e.g. rural credit policies) cut across the agricultural sector as a whole, while others (e.g. animal health policies) affect the livestock sector more specifically.

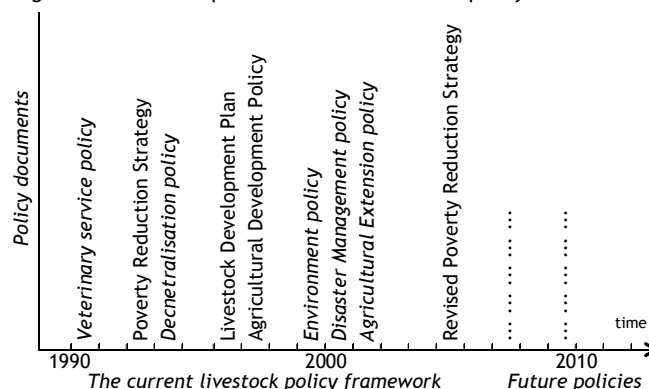
Other public actions that affect livestock sector development, such as monetary and decentralisation policies, are not considered on two grounds. Firstly to try and avoid having to gather countless policy documents, most of which policy makers in the agricultural sector would be unable to influence. Secondly, several of those policies are anyway taken, or should be taken, into account by most agricultural or livestock sector policy documents (e.g. decentralisation policy in agricultural extension policies).

The collected policy documents should then be classified and grouped before analysis. Grouping is necessary as each single policy is effective only if it complements and is consistent with all other policies, and if all contribute to a common, overarching goal. Two complementary classification criteria are suggested to organise the policy documents: (a) a 'time-sequence' criterion and (b) a 'pro-poor' criterion.

- The time-sequence criterion involves laying out both the broad and the more specific policy documents along a temporal axis (that extends far enough back in time to accommodate all or most of the prevailing policies).

This criterion draws attention to the sequential process of livestock policy making and will help to identify potential temporal inconsistencies. Fig. 1.1 displays, as suggested by the time sequence criterion, some livestock-related policy documents for a sample country.

Figure 1.1 A time-sequence of livestock-related policy documents



- The pro-poor criterion assumes that increasing productivity of and/or the returns to the livestock assets of the poor is an effective way to lead the livestock sector along a path of pro-poor growth. It requires that policy documents be assembled in three groups:

- Policies ‘reducing vulnerability’, including policy documents referring to: (a) prevention and management of natural disasters; (b) access to land; (c) access to water; (d) access to feed. Secure access to these basic inputs is a necessary condition for smallholders to start making productive use of their livestock assets.
- Policies ‘creating conditions for growth’, including policy documents referring to: (a) access to agricultural extension and animal health services; (b) access to credit; (c) access to improved inputs and output markets. Access to production-enhancing inputs and markets is a necessary condition for smallholders to start profiting from their livestock assets. Rural employment policies for the poorest should be also appreciated, including public actions favouring the use of labour-intensive technologies creating employment along the livestock production / value chain.
- Policies ‘sustaining growth’, including policy documents referring to: (a) food safety and quality, and the livestock component of trade policies; (b) agricultural research; (c) environmental sustainability. The sustainable production of livestock products and by-products that satisfy certain sanitary and phytosanitary (SPS) standards is essential if smallholders are to compete in, rather than to be forced out of markets.

These policy clusters are to some extent continuous and, depending the country, might end up including a different number of policy documents². The pro-poor criterion helps to develop a comprehensive overview of the livestock sector and will facilitate the identification of policy gaps that prevent the poor from making good use of their scarce assets. Fig. 1.2 summarises the way policies should be grouped according to this criterion.

Fig. 1.2 Grouping livestock related policy documents



² The ‘pro-poor’ criterion draws on the Policy Agenda for Pro-Poor Agricultural Growth proposed by Dorward *et al.*, 2004.

1.4 POLICY INCONSISTENCIES AND POLICY GAPS

The collated policy documents can be first examined collectively, to help identify broad policy gaps and inconsistencies; and then examined individually. This two-pronged approach enables deficiencies to be identified, and strengths to be recognised, both in the overall policy framework and within the policies themselves.

- The first check is whether the collected policy documents are time-consistent. In an ideal world, the government first designs a national development strategy, then an agricultural development plan and eventually it details livestock sector related policies. This is seldom, if ever, the case and policies are continuously designed and amended, thus yielding frequent inconsistencies; further, the forces behind review and change in the higher-level strategies (PRSPs etc.) are powerful, well-resourced and therefore fast-acting, whereas the drivers behind livestock sector policies are often weak, which can thus remain unchanged for extended periods. Displaying policies according to a time-sequence criterion helps identify particularly outdated policies, potential contradictions among policies as well as helping develop guidelines to adjust them. For example, a policy for the delivery of veterinary services should be designed after any decentralisation policy has been finalised; if this has not been the case, such as in figure 1.1, then the former should be revised, and the decentralisation policy itself would provide guidelines for the revision.
- The second check is to assess whether all (public) aspects of the livestock production-consumption chain are covered by the various policy documents, which in theory should reflect the priorities indicated in the agricultural development strategy. Grouping documents according to the ‘pro-poor’ criterion, under those three development domains mentioned earlier: ‘reducing vulnerability’, ‘creating conditions for growth’ and ‘sustaining growth’, helps to identify policy gaps, both between and within domains. For instance, grouping policies might reveal that the issue of access to water for livestock production is overlooked by the current policy framework. The ensuing question is whether it makes socio-economic sense to invest resources to design and implement policies covering the identified gaps. Note that, in those circumstances where policies are implemented without being based on any policy document, one should attempt to infer the main policy thrusts from current public actions.

Once the policies in place have been reviewed collectively, and temporal inconsistencies and broad policy gaps identified, the individual policy documents can be examined. This first requires examining the national and agricultural/livestock development strategies, and then specific agricultural and livestock policy documents.

1.5 EXAMINING NATIONAL DEVELOPMENT STRATEGIES

The national development strategy (e.g PRSP or equivalent) should be assessed against three major criteria. (a) The first is that the document presents a vision of the development pathway of the country and defines its long-term socio-economic goals, to which all specific policy documents are expected to contribute. (b) The second is that the agricultural (and ideally the livestock) sector be appropriately represented in that document, as the allocation of public funds is determined by the priorities indicated in the national development strategy. (c) The third is that that document implicitly or explicitly defines the role of the state in the economy, thereby determining the set of policy instruments available to livestock policy makers.

- The national development strategy should include poverty reduction among its major development objectives. It should present an assessment of poverty levels and trends in the country, possibly differentiating among people engaged in different sectors and from different geographical regions.
- The strategy should explicitly recognise the agricultural sector for its poverty reduction potential, possibly vis-à-vis growth in other productive sectors. The development strategy needs not necessarily mention the livestock sector explicitly, as long as the agricultural sector as a whole (including crops, livestock, forestry, fishing and hunting) is given prominence in the document. Further, unless there is a detailed review of the livestock sector, the inclusion of specific aspects of the livestock production-consumption cycle in the national policy documents could bring more harm than good, as policy makers in livestock departments might end up investing resources either in ineffective or detrimental public actions³.
- The development strategy should define the principles of government's actions in policy implementation. Almost all countries are moving towards a market-driven rural development framework, and the public sector should supply both public goods (including efficient rules and regulations) and those transitional / institutional policies necessary for the poor to make a smooth transition towards becoming actively engaged in liberalized markets.

1.6 EXAMINING AGRICULTURAL / LIVESTOCK DEVELOPMENT STRATEGIES

The overall national development strategy prioritises public resource use primarily among social and infrastructural spending and productive sectors, including agriculture. The agricultural development strategy (or, if such a document exists, the livestock sector development strategy) defines the way public resources are invested in the sector. Agricultural or livestock development strategies should then be analysed to determine whether resources will be allocated in a way that benefits the livestock-dependent poor. To this end, three main elements should be explored: (a) whether the document presents a review of the structure of the livestock sector, including its relationships with poverty; (b) whether the document envisages a pro-poor development pattern for the sector; and (c) what policy guidelines the document proposes to achieve that pro-poor development pattern.

- The agricultural or livestock development strategy should present a review of the livestock sector, including an analysis of its links to poverty. This should include a description of the sector and an assessment of its contribution both to the national economy and to livelihoods.
 - At the national level, the document should present estimates of trends in livestock populations, production and productivity (e.g. off-take rates, average weights of animals slaughtered), trends in national consumption of livestock and livestock-products and details of imports and exports. It should also present an assessment of the contribution of the sector to national and agricultural value added and, ideally, to employment.
 - At the national level, the document should present estimates of the number and proportion of the livestock keepers, with a specific focus on the number and

³ See PPLPI-Alive 'Development of a methodological guide to the appropriate inclusion of the livestock sector in PRSPs' (PPLPI-Alive, 2007).

- proportion of the livestock dependent poor, as well as their distribution among different geographical regions and production systems.
- At the household level, the document should appreciate the heterogeneity of livestock holders (production systems), such as mixed crop-livestock farmers, pastoralists and ranchers, and assess the contribution of their livestock (and of different species within livestock) to household food and income, with a particular focus on the livestock-dependent poor.
 - The document should, finally, review the existing typologies of livestock value chains, from inputs, through production and processing, to final markets.
- A second element to be examined is whether the agricultural or livestock sector development strategy provides a description of a development pattern for the sub-sector, and if so, whether that is pro-poor.
 - The document should envisage how the livestock sector will contribute to the national economy and to agriculture, over a 10 - 15 year period, including dominant species, patterns of production, and livestock distribution among regions and rural households. Despite a vision for the development of the livestock sector being essential to build a 'coalition for change', policy documents are often passive and rarely forward-looking: they tend to mitigate existing constraints to livestock production (which indeed need policy attention), rather than proposing innovative and pro-poor patterns of livestock sector growth.
 - Most agricultural or livestock sector development strategies present a vague vision for the development of the agricultural sector, but often provide details about envisaged growth rates of the various sub-sectors within agriculture, including livestock, and at times on the distribution of the growth rate among livestock species and along the livestock supply chain.⁴ These indications can be used to infer the prospected vision for livestock sector development, as one might compare the current and envisaged level of production and consumption of animal food as well as their distribution among small, medium and large producers and low, medium and high income consumers.
 - If the agricultural or livestock sector development strategy intends to promote the pro-poor development of the livestock sector, the envisaged growth would be fast and equitable or skewed towards the small producers / poor consumers and possibly faster in the livestock species that the poor tend to produce / consume.
 - The agricultural or livestock sector development strategy should define some broad policy guidelines and strategies towards implementing the envisaged livestock sector development pattern. These guidelines are crucial as they determine the way the specific livestock sector policies will be elaborated.
 - For the poor not to be excluded a priori by livestock sector development, the agricultural or livestock sector development strategy requires livestock-related policies that: (a) acknowledge the heterogeneity of the livestock-dependent households; (b) appreciate the multiple constraints rural households face in making profitable use of their (scarce) assets; and (c) recognize that policies should be differentiated according to their different target groups or potential beneficiaries.
 - The agricultural or livestock sector development strategy should embrace each of the three development domains listed previously, including policies that 'reduce vulnerability', policies that 'create conditions for growth', and public actions in

⁴ Any reference to presumed comparative advantages of agriculture vis-à-vis other sectors, of livestock within agriculture and of this or that livestock species within livestock, should be treated with caution. Comparative advantages are dynamic and depend on a variety of factors, including government interventions.

support of 'sustaining growth'. These three policy domains all need to be addressed in order to create an 'enabling environment' for the rural poor.

1.7 EXAMINING LIVESTOCK-RELATED POLICY DOCUMENTS

The national development strategy and the agricultural or livestock sector development strategy are crucial documents as they prioritise the allocation of public resources among and within the different sectors and sub-sectors, and possibly provide guidelines on how these resources are allocated. It is then up to policy makers in agricultural and livestock departments to design in detail the specific policies that will ultimately be implemented and have an impact on the livestock-dependent poor.

Livestock sector related policy documents are extremely varied; some are very brief, others are very detailed; some cover very major and others only minor aspects of the cycle of livestock production and consumption. As a rule of thumb, it is convenient to have a small number of fairly comprehensive policy documents, such as one broad, all-encompassing animal health policy; rather than many minor ones, such as a policy for the delivery of veterinary services, a policy for the control of trypanosomiasis and one for the distribution of animal drugs, *etc.* One advantage of having a small number of fairly comprehensive policy documents is that it reduces the risk of policy inconsistencies – the areas of intervention of very specific policies are often difficult to determine and policies are (should be) by their very nature flexible and continuously adjusted as society evolves.

Each livestock policy document should be assessed against five main issues: (a) whether there is a need for that specific policy; (b) whether the policy domain is well specified; (c) whether the policy ultimately aims to contribute to poverty alleviation (policy objectives); (d) whether the suggested public actions are effectively pro-poor (policy instruments); (e) whether the relationships with complementary policies are consistently detailed.

- The first question a policy document should address relates to the need for that specific policy. This should include a review of the status quo, both with reference to the issue at hand (e.g. animal health) and the existing policy framework (e.g. animal health policies). There should be good reasons to design a new policy or to overhaul an existing one: evidence shows that there is an abundance of good policies in many countries and the problems are largely in the way they are implemented. The most obvious situations where the need does arise to design a new policy is when there is no existing policy addressing some specific issues, or where there have been fundamental realignments in the national development strategy and / or the agricultural or livestock sector development strategy.
- A second element to look at is whether the policy domain is well specified; the area ruled by that and by only that policy. In some circumstances the policy domain might be a sub-set of another policy. For instance, a policy for the delivery of veterinary services should deal with all diseases, injuries and treatments of farm animals; a policy for the eradication of African swine fever is a sub-set of that policy and will address only issues related to that particular disease. If a policy document does not define its domain, most likely there will be overlapping objectives, duplications of activities, and often conflicts rather than complementarities in the use of public resources.
 - The domain of some policies is difficult to identify. Policy documents generally refer to only one layer of the livestock production-consumption cycle (e.g. input supply), but in recent years there is a tendency for government to design and implement supply chain policies attempting to promote specific livestock products

along the production-consumption cycle. Whereas these policies have in some circumstances been able to sustain the development of given products, their very existence denotes some ineffectiveness in the existing policy framework. Supply chain policies, in fact, either substitute parts of existing policies or, in the best cases, build coordination among and fill gaps in existing policies. One more issue is that they tend to supersede markets, as it is ultimately the government that provides incentives on where to invest private resources; in some cases this is good, but in others the government should simply provide an 'enabling environment' rather than support specific products.

- The third question to ask is whether the policy document is consistent with the overall goal of poverty reduction, and in particular whether the identified policy objective(s) can effectively contribute to a pro-poor pattern of growth.
 - The policy document will probably state that its ultimate objective is to support poverty alleviation, and, indeed, rarely is a policy not meant to increase efficiency or equity, and thereby to sustain economic growth and poverty reduction in a country. It is necessary, however, to look beyond such generic statements, and to find actual details as to how these objectives will be met. Caution is needed when reference is exclusively made to the national development strategy, with the agricultural or livestock sector development strategy bypassed altogether.
 - The policy document should make reference (whether explicitly or implicitly) to relevant sub-objectives in the agricultural or livestock sector development strategy. There are three ways through which livestock sector related policies can contribute to agricultural development while immediately benefiting the poor: (a) increases in the (productive) assets that the poor hold (e.g. livestock restocking, credit policies); (b) enhanced returns to the (livestock) assets that the poor hold (e.g. improved access output to markets; rural employment); (c) increases in the productivity of the assets that the poor own (e.g. veterinary services policy; breeding policy). These three objectives have blurred boundaries but, given that a policy objective is rarely a priori pro-poor or anti-poor, evaluating a given policy against them, could aid the appreciation of how that policy could contribute to poverty reduction, and where, therefore, to prioritise the allocation of public resources.
- The fourth question relates to whether the policy document appreciates the heterogeneity of rural households, including those that keep livestock, and proposes different implementing strategies, or policy instruments, for the different typologies of livestock-dependent poor.
 - Whereas the policy objectives are rarely pro-poor or anti-poor, the policy instruments can be more easily discriminated on the basis of their pro-poorness, the question to answer being, if and when the demands of the livestock-dependent poor will be satisfied through the application of the chosen instrument.
 - Policies that aim to improve the livelihoods of the livestock-dependent poor, therefore, have to account for their peculiar characteristics (e.g. risk-aversion; lack of collaterals; etc.) and heterogeneity and propose differential policy instruments / strategies of implementation to serve their interests: one size does not fit all. This is a delicate issue given the growing tendency to limit the role of the state to the supply of public goods – including rules and regulations that support market functions. However a functioning market is not necessarily equitable, and there is a distinction between a free market and the process towards a free market serving the poor: it makes a great deal of difference, for instance, whether public animal health services are privatised before, during, or after a micro-credit policy is

implemented, or before, during, or after the establishment of community-based animal health workers.

- The policy document should indicate some policy instruments to achieve the identified policy objective(s). This implies recommending the actions the government will take, including responsible agencies, timing and an estimation of costs (and allocated budget). The document should also indicate the expected role of (and incentives given to) the private sector, including livestock dependent poor people, to contribute to the achievement of the identified objective(s). As an example, a new policy for the delivery of veterinary services, which aims to increase the productivity of livestock in the country, might recommend that the Ministry of Agriculture establishes that the wage of public veterinarians be partly correlated to some output indicators in remote rural areas, where the majority of the poor live.
- The hows of the suggested public actions will be detailed in the policy implementation strategies. It is relevant that the policy document provides some practical indications beyond generic pledges ('the government will promote, encourage and favour'), and thereby not delegate policy decisions to technical departments, which are not responsible to provide policy thrusts, and are also more susceptible to pressures from interest groups and lobbies.
- documents is essential to create an environment that enables smallholders to make profitable use of their (livestock) assets.
 - The agricultural or livestock sector development strategy should ensure broad consistency among livestock sector specific policies, but consistency is just as relevant at the level of individual policies, which provide guidelines for implementation. For instance, an effective land policy, which allows livestock keepers to access land to feed their animals, will be of limited value if an inadequate water policy prevents animals from accessing waterholes; a successful animal health policy will contribute little to household cash income if a badly designed marketing policy does not allow smallholders to sell their surplus products at a profit.
 - The 'time-sequence' and 'pro-poor' criteria provide some guidelines to explore complementarities among livestock-specific policies. First, the sequencing of policies dictates that more recent policies can refer back to older ones. In any case, all policy documents should present a view of the issue at hand that goes beyond pure technicalities and appreciates the broader socio-economic environment in which they will be implemented. Second, policies 'reducing vulnerability' should complement each other, as should 'policies creating conditions for growth' and those 'sustaining growth'. At least some cross-references could therefore be expected in the policy documents: for instance, the policy for the delivery of veterinary services should take into account the prevailing rural credit policy; trade policies should recognize those public efforts made to have smallholders complying with international SPS standards.
 - At a more detailed level, consistency should be also evident among the implementing institutions/mechanisms of the various policies. This requires an examination both of the responsible implementing authorities and of the envisaged institutional mechanisms. For instance, how do the Ministry of Land and Water and that of Finance cooperate in implementing a rural credit policy? Does the policy establishing rotating savings and credit associations (ROSCAs) consider the existence of community-based land management associations?
 - There are no defined procedures to identify (in)consistencies among different implementing institutions/mechanisms but, as a general rule, the institutional

mechanisms envisaged for implementing each policy should follow those designed at a higher level (e.g. veterinary policy should be designed to be consistent with the agricultural extension policy, not the other way round) and, as far as possible, duplications of activities and/or institutions should be avoided.

1.8 SUMMARY AND CONCLUSIONS

This document presents some guidelines to appraise the prevailing livestock policy framework in developing countries, and to assess whether it will lead the livestock sector on a pro-poor development pathway. It is based on the evidence that livestock sector policies are frequently designed in isolation from, or only loosely connected with, the prevailing and broader policy framework and the assumption that, whereas individual policies matter, it is the overall policy environment that ultimately determines whether the livestock sector development pathway will benefit the poor.

- The suggested guidelines require to collate the broad development and agricultural sector policies and strategies as well as more specific agricultural and livestock sector policy documents. Displaying the collated policies along a temporal axis and according to the three domains 'policies reducing vulnerability', 'policies creating conditions for growth' and 'policies sustaining growth' allows to immediately identify time inconsistencies among policies and policy gaps, providing thus a first indication of whether some policies have to be adjusted and some others designed ex-novo.
- The national development strategy should place poverty alleviation among the key policy objectives and value growth in agriculture as crucial for poverty reduction. Would that not be the case, few will be the chances that the poverty alleviation potential of the livestock sector will be tapped into. At the same time, the national development strategy should assign the government an active role in supporting pro-poor growth where the rural poor can be prime actors, both in the design and implementation of policies, rather than merely passive long-term beneficiaries.
- The agricultural or livestock development strategy should present a review of the structure of the supply and demand of the livestock sector and a vision about its pattern of development, which is explicitly pro-poor. Policy implementation guidelines should require that all specific policies appreciate the heterogeneity of the rural poor, aim to increase the productivity of and returns to their livestock assets, and consider them as the main engine for rural growth and development. For this to happen, the agricultural or livestock sector development strategy should recommend a coherent set of public actions targeting the livestock-dependent poor, including policies in support of 'reducing vulnerability', 'creating conditions for growth' and 'sustaining growth'.
- Each individual livestock-specific policy should circumscribe its area of intervention and be consistent with the overall objective of poverty alleviation. It should acknowledge the heterogeneity of the rural poor, identify a number of policy objectives and instruments targeting the livestock-dependent poor, and be complementary with other, related policies. When most policies satisfy these criteria, then their implementation will possibly lead to an 'enabling environment' allowing the livestock-dependent poor to make a profitable use of their livestock assets.

The ultimate objective of reviewing a national livestock sector policy framework is not to assess whether policies are technically sound and well-designed, but whether that

country presents a coherent set of pro-poor livestock policies and, in case it does not, where adjustments should be made, and gaps filled. A good overall policy framework is a necessary step towards a pro-poor growth of the livestock sector, but on its own is but insufficient. Without the political will, the appropriate institutions and the required resources, capacity and budget the desired results cannot be attained. A policy analysis such as this needs therefore to be complemented by both technical and institutional analyses supporting policy implementation.

Fig. 1.3 summarises the guidelines and provides a quick checklist to facilitate the review and analysis of livestock related policies.

Fig.1.3 Checklist to review and analyse livestock related policies

1. COLLATING AND GROUPING POLICY DOCUMENTS

1.1 Collate policy documents

1.2 Display policy documents on a temporal axis

1.3 Display policy documents according to the pro-poor criterion as follows:



2. ASSESSMENT OF POLICY CONSISTENCY AND GAPS

2.1 Identify which policies are implemented and which are dead letters

- 2.2 Highlight time inconsistencies among policies
- 2.3 Highlight policy gaps, that is area apparently not covered by any public action

3. ASSESSMENT OF NATIONAL DEVELOPMENT STRATEGY

- 3.1 Poverty alleviation is among major policy objectives
- 3.2 Document contains a review of poverty in the country
- 3.2 Growth in productivity of agriculture is considered essential for poverty alleviation
- 3.3 Reference to livestock is good but not necessary, particularly valuable when based on sound analysis
- 3.4 Principles of government's actions are defined, including the recognition that liberalized markets are not necessarily equitable

4. ASSESSMENT OF AGRICULTURAL (LIVESTOCK) DEVELOPMENT STRATEGY

- 4.1 Livestock sector is analysed, including its links to poverty
- 4.2 A development pattern for the livestock sector is identified
- 4.3 Heterogeneity of household-dependent households is acknowledged
- 4.4 Differential policies for different groups are envisaged
- 4.5 Government's actions embrace policies 'reducing vulnerability', creating conditions for growth' and 'sustaining growth'

5. ASSESSMENT OF LIVESTOCK RELATED POLICY DOCUMENTS

- 5.1 Policy document details its rationale
- 5.2 Policy document specifies its domain, that is its area of intervention
- 5.3 Policy document is consistent with agricultural and national development strategies
- 5.4 Policy document identifies some objectives that can serve the interests of the poor
- 5.5 Policy document appreciates the heterogeneity of the livestock dependent poor and the importance of tailored public actions
- 5.5 Policy document proposes some policy instruments to achieve the identified objective through identifying some specific public actions.
- 5.7 Policy document complements other livestock-related policies

6. CONCLUSIONS AND POLICY RECOMMENDATIONS

PART II

PRO-POOR LIVESTOCK POLICY GUIDELINES: UGANDA CASE STUDY

2.1 INTRODUCTION

This second part of the report applies the pro-poor livestock policy guidelines developed by PPLPI to review and analyse the Uganda livestock policy framework. The objective is to assess whether Uganda presents a coherent set of pro-poor livestock policies and, in case it does not, where adjustments should be made and gaps filled.

The next section assesses the poverty alleviation potential of the livestock sector in Uganda and the political will of the government to invest public resources for agricultural and livestock development. Section three looks at the overall coherence of the current livestock sector policy framework, with the aim to detect policy inconsistencies and gaps. Section four to nine review the national, agricultural and livestock sector development strategies, as well as a number of livestock-related policies, to examine if and how they can contribute to a pro-poor development of the livestock sector. Section ten summarises the main findings and presents a plan of action towards equitable policies for livestock in Uganda.

2.2 THE LIVESTOCK-POVERTY NEXUS AND POLITICAL WILL

2.2.1 Livestock sector development as a source of poverty alleviation in Uganda

An analysis of livestock policies makes sense only if growth in the livestock sector might effectively contribute to accelerated poverty alleviation. Uganda is a low-income rural economy –per capita GDP is US\$ 320; agriculture accounts for 30 percent of GDP; about 38 percent of the population is poor (UBOS, 2002; MFPED, 2006)– where investments in the livestock sector may sustain broad-based growth and poverty reduction.

- The livestock sector accounts for about 4 percent of GDP and 13 percent of agricultural value added (MFPED, 2006).
- A large part of rural households keep some farm animals: about 40 percent of rural dwellers raise chicken, about one-third raise goats and 10 percent raise pigs (UBOS, 2002).
- Livestock production is almost entirely in the hands of smallholder farmers, who own about 90 percent of all cattle and almost 100 percent of goats, sheep and poultry in the country. They provide the bulk of domestic milk and slaughter animals (NARO, 2001).
- Ownership of land and livestock is a major distinguishing feature between the rich and the poor households and the holding of physical assets, including livestock, is positively associated with income growth (Deininger and Okidi, 2003; Ellis and Bahigwa, 2003).
- Most of the livestock population is concentrated in the cattle corridor running Southwest to Northeast across the country, and districts in the corridor are among the poorest in Uganda (LDS, 2004).
- The annual milk and meat consumption deficit is estimated at about 99-200 million litres and 80,000 tons, this suggesting the existence of an unmet market demand for livestock products (GOU, 2006).
- Livestock productivity is low compared to potential yields (LDS, 2004).

2.2.2 Government's 'revealed preferences' for agricultural development

The pro-poor potentials of the livestock sector will be tapped into only if government invests public resources in sector development. Even though policy makers regularly pledge they will design and implement pro-poor (livestock) policies, the latter repeatedly remain dead letter. It is therefore advisable, prior to scrutinize livestock policies, to assess government's actual commitment to livestock development. Away from statements and declarations, the 'preferences' of the government can be 'revealed' by its actual behaviour. An indicator of Uganda government's 'revealed preferences' towards agriculture and livestock development is the proportion of the total budget earmarked for agricultural development over the last decade.

Uganda government's expenditure framework includes the national budget, detailing outflows according to sectors, as well as the Poverty Action Fund (PAF), including public expenditures for primary education, primary health care, water and sanitation, agriculture and rural roads.⁵ The share of PAF in the overall budget increased from 17 percent in 1997/1998 to nearly 40 percent in 2006/2007, tantamount to about 975 billion Uganda shillings (about US\$ 578 million). The largest share of the PAF budget is earmarked for health and education, and about 5 percent is allocated to agriculture (MFPED, 2006). It is however difficult to quantify the effective financial commitment to agricultural development, as a number of other PAF budget lines affect agriculture, including health and education, rural road development and maintenance, restocking and resettlement, strategic exports and local government development.

Some other indicators suggest that the government of Uganda is committed to promote agricultural growth: agriculture is the most protected sector from external competition⁶ –the average border tariff rate for agricultural goods is 11.2 percent vis-à-vis 8.8 and 8.9 percent for manufacturing and mining/quarrying– and, despite Uganda largely relying on regressive indirect taxes for its revenue, unprocessed agricultural products, including animal feed, are exempted from indirect taxation (GOU, 2001).

2.3 INCONSISTENCIES AND GAPS IN THE LIVESTOCK POLICY FRAMEWORK

Given that in Uganda the development of the livestock sector can contribute to poverty alleviation and that the government appears committed to invest resources in agriculture, it makes sense examining whether the set of existing policies, which detail how public resources will be allocated among sectors and sub-sectors, can effectively contribute to take the livestock sector on a pro-poor growth path and, in case they do not, where and how adjustments should be made.

The first step towards examining the prevailing livestock policy framework is to collate the national and agricultural/livestock development strategies as well as agricultural and livestock-related policies. The PPLPI livestock policy guidelines suggest then to review the collated policies according to a time-sequence criterion and to three policy domains, namely policies 'reducing vulnerability', policies 'creating conditions for growth' and policies 'sustaining growth'. This should help to highlight potential temporal inconsistencies in the livestock policy process as well as policy gaps.

⁵ The PAF budget lines are at least 95 percent protected from in-year cuts, which are often necessary to accommodate budget resource shortfalls, and PAF expenditures by ministries and local governments are subject to stricter reporting and monitoring than other spending.

⁶ This is not to say that border tariffs are necessarily good.

2.3.1 A timeframe of the livestock policy process

Figure 2.1 and 2.2 show the prevailing and envisaged policies driving livestock sector development in Uganda.

Fig. 2.1 Uganda: endorsed livestock-related policies, 1990-2006

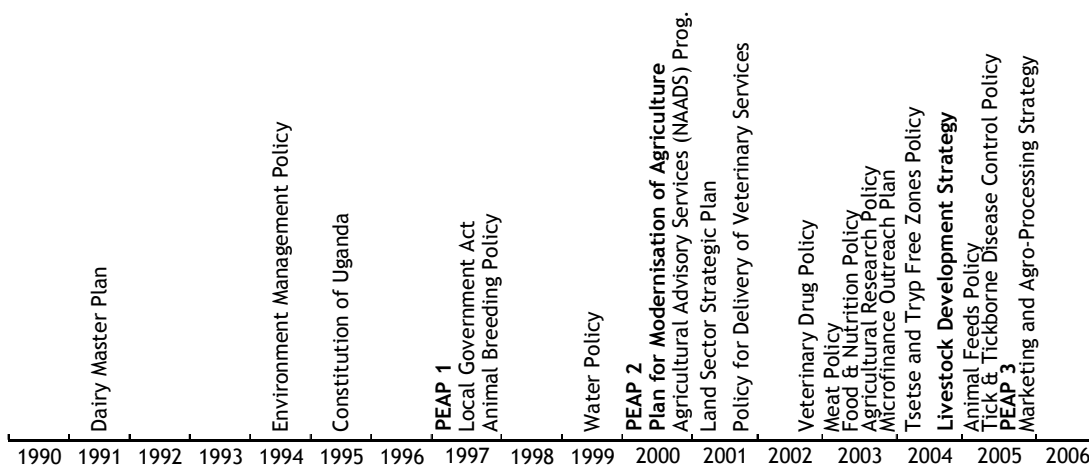
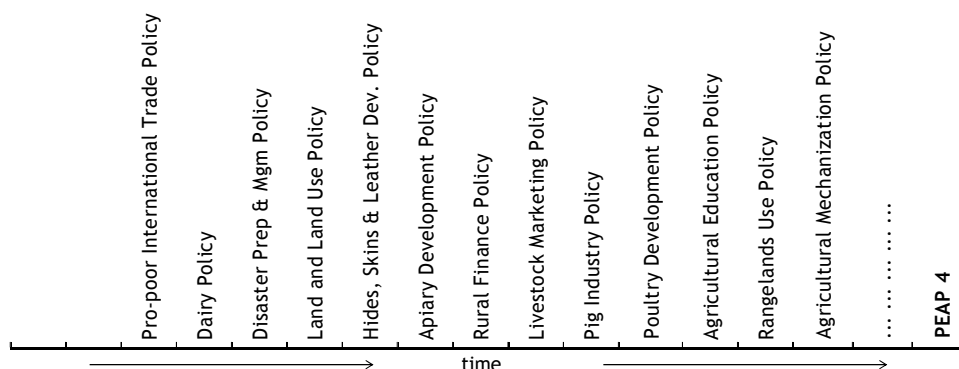


Fig. 2.2 Uganda: anticipated livestock-related policies



Following the 1995 Constitution and the endorsement of the first Poverty Eradication Action Plan (PEAP) in 1997, Uganda has gone through a largely time-consistent livestock policy process. Most livestock-related policies have been drafted within the development framework provided by the 1997 PEAP and 2000 Plan of Modernisation of Agriculture (PMA), as well as according to a sound temporal logic: the 2000 Agricultural Advisory Services Programme, for instance, precedes the 2001 Policy for the Delivery of Veterinary Services, which in turn paves the way to the 2004 Policy on Creation of Tsetse and Trypanosomiasis Free-Zones and the 2005 Tick and Tick-borne Disease Control Policy. Fig. 2.1 and 2.2 also highlight that:

- Whereas the Poverty Eradication Action Plan (PEAP) has been regularly reviewed since 1997 – the latest version dates April 2005 – the Plan for Modernisation of Agriculture (PMA) has remained unchanged since 2000. A question, therefore, is whether the 2000 PMA is still consistent with the priorities indicated by the 2005 PEAP.
- The 2004 Uganda Livestock Development Strategy (LDS) follows the endorsement of a number of livestock-related policies. This might be contradictory, being policies,

programmes and laws operational instruments of long-term development strategies, at least in most circumstances.

- The 1991 Dairy Master Plan and the 1994 Environment Management Policy are presumably obsolete, as both ratified before the 1995 Constitution, the 1997 PEAP and the 2000 PMA. The same possibly applies to the 1997 Animal Breeding Policy.
- The government of Uganda plans to design several other livestock related policies (fig.2.2), this suggesting that the current policy framework is perceived as unable to sustain a 'sufficient' growth in the livestock sector.

2.3.2 Livestock sector policy gaps

Fig. 2.3 groups livestock-related policies according to the three policy domains suggested by the PPLPI guidelines: (1) policies 'reducing vulnerability', including policies dealing with the prevention and management of natural disasters, access to land, access to water and access to feed; (2) policies 'creating conditions for growth', including policies for access to agricultural extension and animal health services, credit, and input and output markets; (3) policies 'sustaining growth', including policies regulating the livestock component of trade policies, agricultural research, environment management and food safety / quality. On top of these, there are the PEAP, the PMA and the LDS.

Fig. 2.3 Policies affecting livestock sector development in Uganda

POVERTY ERADICATION ACTION PLAN (PEAP, 1997, 2001 and 2005)

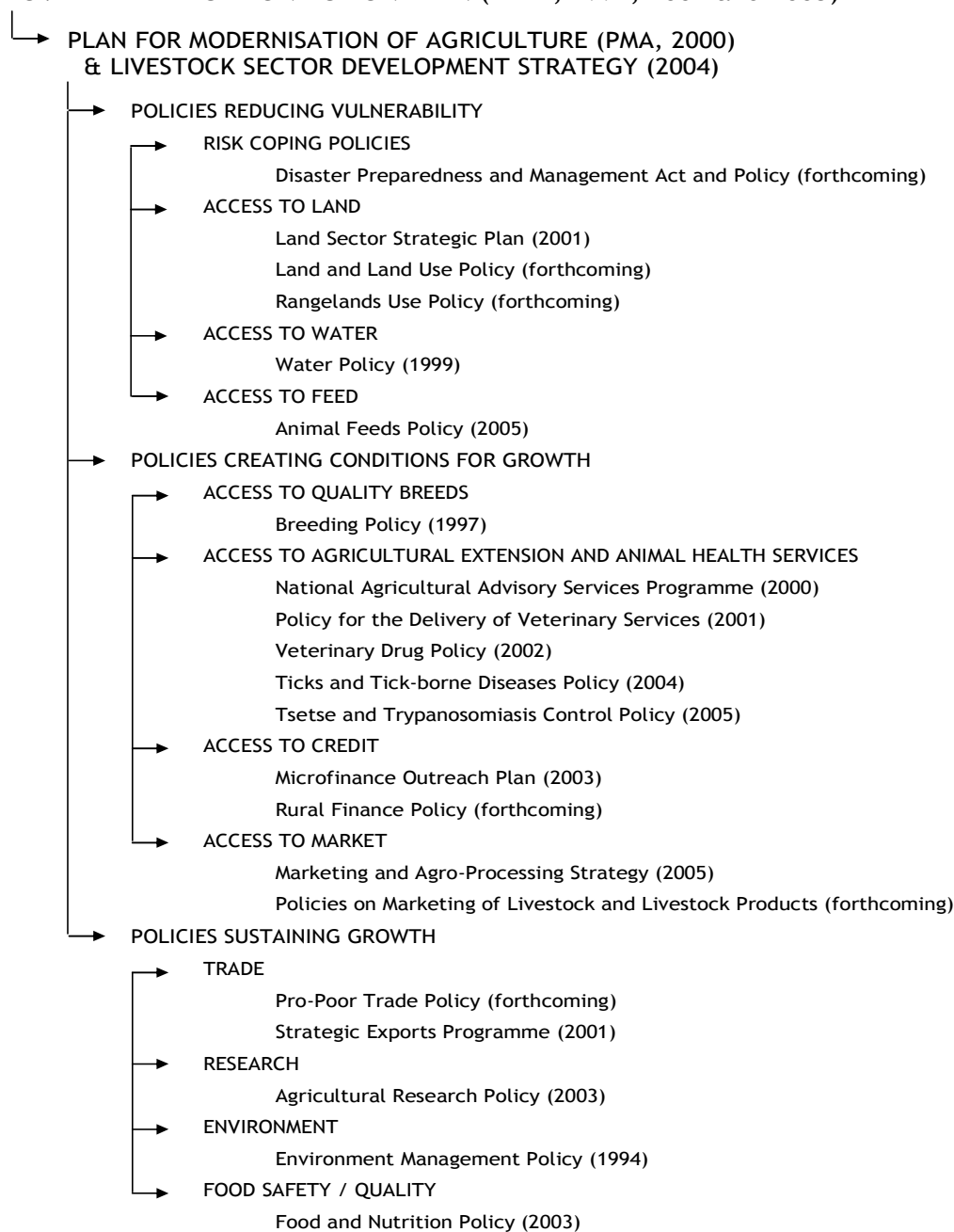


Fig. 2.3 shows that Uganda presents a comprehensive set of policies addressing most of livestock sector developmental constraints. Consider also that the figure does not take into account the secondary and subsidiary impacts of policies: for instance, the ability of farmers to access animal health services depends also on their availing credit. In spite of this, fig. 2.3 provides some useful policy insights:

- As of today, no systematic public intervention exists to support the livestock-dependent poor in case of natural or man-made disasters. The government is expected to draft, sooner or later, a ‘Disaster Preparedness and Management Act and Policy’.

- Uganda lacks a Land Policy, a Rural Credit Policy and an Agricultural Marketing Policy. Policy thrusts can be however derived from the Land Act and the Land Sector Strategic Plan, the Microfinance Outreach Plan, and the Marketing and Agro-Processing Strategy. A Land and Land Use Policy, a Rangelands Use Policy, a Rural Finance Policy and a Livestock Marketing Policy are anticipated to be formulated and implemented.
- Uganda is one of the most liberalised countries in sub-Saharan Africa and its trade policies originate from the country's international commitments (e.g. membership to COMESA and WTO). In 2001, however, the government endorsed a Strategic Exports Programme and a Pro-Poor Trade Policy has been drafted.
- Some policy documents are hard to introduce in fig. 2.3, namely the 1991 Dairy Master Plan, the 2003 Meat Policy and the envisaged Dairy Policy, Pig Industry Policy, Poultry Development Policy, and Hides, Skins and Leather Development Policy (see fig. 2.1 and 2.2). These policies cover issues along the supply chain –from production to processing and marketing– which are also addressed by a number of existing policies, such as for instance, the National Feeds Policy and the Marketing and Agro-Processing Strategy. A question is how those supply chain policies fit into the existing livestock policy framework.

2.3.3 Key policy questions

The simple collation and grouping of the national, agricultural and livestock sector development strategies as well as of the main livestock-related policy documents raise some policy questions:

- What is the rationale behind constantly reviewing the Poverty Eradication Action Plan (1997, 2001 and 2005) if the Plan for Modernisation of Agriculture and most agricultural and livestock-related policies, which drive the allocation of public resources in the agricultural sector, remain untouched?
- The 1991 Master Plan and the 1994 Environment Management Policy have been endorsed prior to the 1997 PEAP, the 1997 Local Government Act and the 2000 PMA. Are they consistent with the current overarching policy framework?
- Should most or some of the livestock related policies be reviewed and adjusted following the endorsement of the 2004 Livestock Development Strategy?
- Should the government formulate and implement a risk coping and management policy?
- How the National Meat Policy and the anticipated supply chain policies, de facto one for each livestock product, fit into the prevailing livestock policy framework, which already addresses most of livestock sector developmental constraints?

2.4 THE POVERTY ERADICATION ACTION PLAN

The fact that Uganda presents a rather comprehensive livestock policy framework is good, but does not imply that growth in the livestock sector will benefit the poor. That first depends on how the national and agricultural / livestock sector development strategies have been formulated and, secondly, on how livestock sector specific policies go with them.

The national development strategy illustrates the country envisioned development pathway, and set the bounds in which livestock sector specific policies operate. According to the PPLPI pro-poor livestock policy guidelines, it should: (1) consider poverty alleviation among its main developmental objectives; (2) appreciate agriculture, and possibly livestock, as key for poverty reduction; (3) define the role of the state, and of

private actors, in the process of development so as to facilitate institutional consistencies among the various livestock-related policies.

2.4.1 PEAP, poverty and agriculture

The Poverty Eradication Action Plan (PEAP), first passed in 1997 and then revised in 2001 and 2005, provides ‘an overarching framework to guide public action to eradicate poverty, defined as low incomes; limited human development; and powerlessness’ (PEAP, p.1). The quantifiable objective is to reduce poverty from 38 percent in 2003 to 28 percent in 2013/14.

The PEAP presents a detailed analysis of poverty and inequality in Uganda, including trends, regional and sector distribution, and gender dimensions. The analysis highlights that the majority of the poor are self-employed in agriculture and that growth in the sector is crucial for poverty alleviation. In particular: ‘government strategy will ... focus on increasing agricultural production and incomes, especially for the rural poor households’ (PEAP, p.52).

2.4.2 PEAP, poverty and livestock

The 2005 PEAP stresses the importance of livestock development for accelerated poverty alleviation: ‘livestock play an increasingly important role in the rural economy: government will develop a strategic approach focusing on the impact of livestock on the livelihoods of the poor as a whole’ (PEAP, p. xviii). In particular, the PEAP recognizes that:

- The majority of rural households are dependent on livestock for part of their livelihoods, and ownership of livestock is associated with increased well-being. Investments in small stocks, such as poultry and goats, promise to make the poor households better-off.
- The livestock sector policy objectives should go beyond increasing production level, as farm animals are kept for a multiplicity of purposes (e.g. income, savings, insurance).
- Pastoralists’ needs differ from those of crop-livestock farmers.
- Livestock and wildlife can coexist and, in any case, pastoralists’ use of grazing land should be taken into account when establishing and publicly managing protected areas.
- Livestock can pollute.

The PEAP then identifies a number of priorities for livestock sector development, including: a restocking programme in the northern districts; technology transfer to the poorer households (e.g. improved breeds such as Boer goats); affordability of veterinary services; access to water for production purposes. Being livestock products and by-products included in the government Strategic Exports Programme (SEP), the PEAP also recommends that animal disease control be particularly effective; (international) safety and quality standards be enforced; and innovative processing and marketing approaches (e.g. branding) be developed to increase export earnings. These all priorities are eventually summarised in two ‘priority actions for livestock’ (PEAP, p.56):

- ‘Government will develop a strategy for the livestock sector, covering disease control, and addressing the needs of pastoralists.’
- ‘Government will undertake necessary actions to control the spread of livestock diseases.’

2.4.3 The role of the state in livestock development

The PEAP defines the role of the public sector in promoting livestock sector development as follows: ‘public expenditure should be restricted to the supply of goods and services

which have the nature of ‘public goods’ and which cannot be supplied in an optimal manner by the private sector through the market’ (PEAP, pp.190-191). These public goods include (PEAP, p.194):

- ‘agricultural research;
- agricultural advisory services;
- disease control;
- support to agricultural marketing and cooperatives;
- [...];
- rural financial services;
- rural electrification;
- community roads;
- urban and community infrastructure development’.

2.4.4 Livestock policy issues in the PEAP

- The 2005 PEAP, though appreciating the role of livestock as a potential source of poverty alleviation, does not include any section presenting/referring figures on and analytical/policy studies of the livestock sector, which is sparsely mentioned in the document. A crucial issue, therefore, is whether the identified livestock sector policy objectives are effectively pro-poor, or whether a comprehensive analysis of the sector would suggest prioritise other developmental issues.
- There is some inconsistency between the PEAP and the annexed policy matrix, which guides the allocation of public funds. The document states that the government will formulate a livestock sector development strategy whereas the policy matrix indicates that a livestock sector policy will be drafted; the PEAP stresses the relevance of animal health for livestock development whereas the policy matrix prioritises animal food safety and quality issues; the PEAP recommends that the policy objective should not exclusively be ‘increased livestock production’ whereas the policy matrix identifies ‘increased agricultural production’ as the key indicator for monitoring the effectiveness of government intervention.
- The PEAP states that the government’s role will be limited to the supply of public goods and services, including those rules and regulations necessary for markets to function. Though theoretically sound, the proposed approach brings three practical concerns for livestock policy makers. First is that the definition and establishment of a regulatory framework managing market failures affecting smallholders is still grossly incomplete, both in theory and practice (e.g. how to create a rural financial market serving the livestock-dependent poor?); second is that the distinction between public and private goods in animal health and livestock services is often blurred; third, a sound sequencing is necessary in the process from state-supported to market-based animal health services, as an abrupt reduction in public expenditure might harm the poor: it makes a great deal of difference, for instance, whether public animal health services are privatised before, during or after a micro-credit policy is implemented, or before, during or after the establishment of community based animal health workers.

2.5 THE AGRICULTURAL / LIVESTOCK SECTOR DEVELOPMENT STRATEGIES

It is good that the PEAP has poverty reduction as its ultimate goal and that it appreciates the role of agriculture / livestock development for poverty alleviation. However, ‘the PEAP provides [just] a framework within which sectors develop detailed plans’ (PEAP,

p.1). Two plans affect livestock sector development: the 2000 Plan for Modernisation of Agriculture (PMA) and the 2004 Livestock Development Strategy (LDS).

2.5.1 PMA, poverty and agriculture

The PMA aims at ‘eradicating poverty by transforming subsistence agriculture to commercial agriculture’ (PMA, p.vi); the target beneficiaries are ‘subsistence farmers who are engaged in crop, livestock, fish and forestry farming’⁷ (PMA, p.1).

The PMA describes in detail the Uganda agricultural sector, distinguishing three categories of farmers –commercial, semi-commercial and subsistence farmers– and identifying the major developmental constraints of poor farmers as follows (PMA, pp.12-15):

- ‘lack of sufficient food;
- lack of land and soil infertility;
- lack of proximal water sources;
- unavailability of inputs;
- pest and disease;
- lack of skills and knowledge;
- lack of capital and access to credit;
- market problems;
- poor roads and transport networks;
- lack of storage and processing;
- insecurity;
- loss of oxen’.

The PMA identifies then seven ‘priority areas of actions’ –including policies ‘reducing vulnerability’, ‘policies creating conditions for growth’ and ‘policies sustaining growth’– to promote a pro-poor development of the agricultural sector (PMA, pp.46-78):

- ‘agricultural research and technology development;
- national agricultural advisory services;
- agricultural education;
- improving access to rural finance;
- agro-processing and marketing;
- sustainable natural resource utilisation and management;
- physical infrastructure’.

For each ‘priority area of action’ the PMA depicts the status quo and sketches some strategies for improvement. The outlined strategies, for which also an indicative budget is presented, in most cases take into account the identified constraints and needs of subsistence farmers, as the emphasis on farmers’ organisations, cooperatives, microfinance institutions, and agricultural education stand to show. The role of government in implementing the outlined strategies is consistent with that envisaged in the PEAP: the public sector is expected to ‘provide those services that are ‘public good’ in nature’ (PMA, p.x), to ‘set conducive policies, rules and regulations, and to improve social and economic infrastructure’ (PMA, p.45), and to support capacity building and empowerment of the civil society and the private sector. Specific tasks for the central and local governments are also identified (PMA, pp.40-41).

⁷ The 2000 PMA appears thus consistent with the 2005 PEAP, most likely as the basic principles underlying the PEAP have remained unchanged since its first 1997 version.

2.5.2 PMA, poverty and livestock

The PMA neither contains a specific section devoted to livestock nor to any other agricultural sub-sector. Livestock, however, are repeatedly mentioned throughout the document, both as an important source of livelihoods in rural areas and as a sector where to channel public resources.

- The PMA defines agriculture as including crops, livestock, fishery and forestry.
- The PMA notes that ‘the existing cropping systems include the use of legumes and, in most areas, the integration of crop and livestock systems’ (PMA, p.20), and that in the Northeast pastoral region and in parts of the Western region ‘livestock production constitutes the dominant activity supplemented by production of a few food crops’ (PMA, p.22).
- The PMA recognizes that livestock have a higher potential for income generation than traditional staples: ‘only one third of the food crop produced is marketed compared to two thirds of livestock produced’ (PMA, p.17).
- The PMA mentions a number of constraints to livestock sector development, including animal diseases (PMA, p.13); transaction costs to markets (PMA, p.14); poor standards of meat and dairy products (PMA, p.42); water scarcity (PMA, p.54); poor management capacity (PMA, p.63).
- Some of the proposed strategies explicitly recommend to invest resources in the livestock sector, including ‘agricultural research and technology development’ (PMA, p.48), ‘sustainable natural resource utilisation and management’ (PMA, p.54 and p.77), ‘agricultural education’ (PMA, p.63) and ‘agro-processing and marketing’ (PMA, p.74).

The PMA, however, such as the PEAP, does not present any analysis of the livestock sector. Yet, a thorough review of the sector would be necessary to draft a comprehensive evidence-based strategy to efficiently and equitably invest public resources for livestock sector development.

2.5.3 The Livestock Sector Development Strategy (LDS)

The 2004 Uganda Livestock Sector Development Strategy (LDS) aims ‘to increase the contribution of the livestock industry to the national income, food security and peoples’ welfare’ (LDS, p.15). It presents a fairly comprehensive description of the livestock sector, including livestock populations and their distribution, typologies of breeds, and production and consumption trends; it describes the different livestock production systems (pastoral, agro-pastoral, mixed crop-livestock and commercial production systems) and supply chains; it identifies a number of constraints to livestock sector development, including (LDS, pp.12-13):

- animal diseases;
- low genetic potential of indigenous breeds;
- inadequate feed resource and water access;
- poor marketing infrastructure;
- weak enforcement of policies;
- limited livestock research;
- inadequate livestock advisory services;
- lack of capital;
- lack of reliable data.

Following on that, it outlines development strategies for beef, dairy, small ruminants, pigs, poultry, and hides, skins and leather. Each strategy comprises four sections: (1) situation analysis; (2) constraints facing the industry; (3) opportunities for the industry; (4) recommended policy actions. The three subsequent sections of the LDS include a

‘strategy for provision of water for livestock’, a ‘pasture and fodder development strategy’ and a ‘livestock marketing strategy’. A last chapter on ‘implementation of the strategy’ presents a table that ‘is an illustration of the roles that each of the public and private sector are likely to play in implementation of the strategy’ (LDS, p.47). The planning and regulatory functions given to national and local governments are coherent with those prospected in the PEAP and the PMA.

2.5.4 Livestock policy issues in the PMA and the LDS

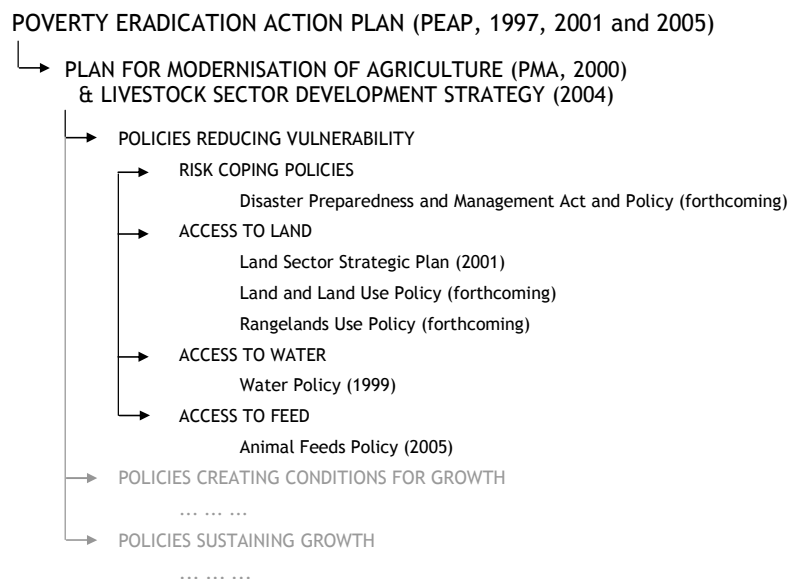
- The PMA is consistent with the PEAP: it explicitly aims at promoting poverty alleviation; appreciates the role of livestock growth as a source for poverty reduction; identifies an equivalent set of development constraints affecting smallholders; and limits the role of the state to the supply of public goods. However, (1) the PMA apparently focuses only on settled crop-livestock farmers whereas the 2005 PEAP states that different strategies are necessary to sustain the livelihoods of farmers and pastoralists. This might lead to either partial or biased livestock-related policies. (2) The 2005 PEAP identifies some priority actions for livestock sector development, while the PMA remains vague as to how allocate public resources in the livestock sector. This inconsistency is possibly due to the fact that the PMA originates from the 1997 PEAP, which largely disregarded the livestock sector.
- The PMA does not present a comprehensive review of the livestock sector.
- The LDS is largely unrelated to both the PEAP and PMA as it neglects to consider the socio-economic aspects of livestock production altogether. First, whereas it describes in detail the different livestock production systems, it does not provide any information about number and proportion of livestock holders in the different production systems; on poverty levels; on the contribution of livestock to the wellbeing of rural dwellers. Second, increased production is the sole stated objective of all sub-sector development strategies (e.g. ‘increase annual beef production from 102,000 mt in 2001 to 220,000 mt annually by 2010’ (LDS, p.49)), but it not clear whether, for instance, small, medium or large farms will constitute the backbone of the sector in the next coming years; whether priority will be given to the promotion of small stocks or cattle; whether urban or rural industrialisation will be pursued. Some indications can be obtained by looking at the appendix of the LDS, which contains preliminary budgets for the outlined sub-sector development strategies. These show that about 51 percent of the earmarked resources will be allocated to the beef sector, 30 percent to the dairy sector and 18 percent to small ruminant development, with less than one percent allocated to pig, hides and skins, and poultry development. This is partly inconsistent with the PEAP, which underlines how a focus on small stocks holds promise to significantly contribute to poverty alleviation.
- The development strategies outlined in the LDS build on a supply chain approach, a strategy being drafted for each different livestock product (beef, dairy, poultry, etc.). This approach appears inconsistent with the PMA, which identifies developmental constraints and policy options for the livestock sector as a whole and does not call for formulating supply chain policies.
- The LDS states that the public sector will only supply public goods, but it then recommends public actions that are in apparent contradiction with that principle. For instance, parts of the LDS budget are allocated to establish a milk powder plant, to supply hatcheries with parent stock, and to import exotic tropical beef bulls. Whether these are public or private activities can be debated, but certainly are neither part of the functions of the public sector envisaged in the document, nor are consistent with the role that, according to the PMA, the government, and in particular the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), is expected to play to promote livestock sector development (see PMA, p.41).

2.6 LAND, WATER AND FEED POLICIES

The PEAP the PMA, whose goal is poverty eradication, and the LDS, whose goal is increased livestock production and productivity, do not provide a detailed and coherent plan of actions for a pro-poor development of the livestock sector but indicate a number of priority areas of intervention –including ‘policies reducing vulnerability’ (e.g. land utilisation and water for production), ‘policies creating conditions for growth’ (e.g. agricultural advisory services) and ‘policies sustaining growth’ (e.g. agricultural research)– which are key for smallholders to make good use of their livestock assets.

This section reviews Uganda policies ‘reducing vulnerability’ –including policies dealing with the prevention and management of natural disasters, access to land, access to water and access to feed– in order to assess whether they have been designed in a way to benefit the livestock-dependent poor, and thereby promoting an efficient and equitable growth of the livestock sector. Secure access to these basic inputs, in fact, is the first necessary condition, though not sufficient, for smallholders to start producing efficiently.

Fig. 2.4 Policies reducing vulnerability



Uganda lacks a public risk-management policy, though the government plans to soon endorse a National Disaster Preparedness and Management Act and Policy. It also lacks a Land Policy, although land policy thrusts can be inferred from the 1998 Land Law and the 2001 Land Sector Strategic Plan. The 1999 Water Policy and the 2005 Animal Feeds Policy outline the major policy objectives and instruments in water use and management, and feed industry development.

When analysing livestock related policies, the PPLPI guidelines suggest examining:

- whether there is a need for that specific policy;
- whether the policy domain is well specified;
- whether the policy objective is to contribute to the overarching goal of poverty alleviation;
- whether the suggested policy instruments are effectively pro-poor;

- whether policies do complement each other.

2.6.1 Rationales for land, water and feed policies

- Two rationales underpin the 1998 Land Law and the 2001 Land Sector Strategic Plan. First is the evidence that the Uganda land tenure system is in part inefficient (e.g. low rate of land utilization and pervasive tenure insecurity); second, in 1995 Uganda ratified the new Constitution which, for the first time, recognized customary land rights. A law was necessary to make the Constitution operational.
- Prior to the 1999 Water Policy, Uganda did not have any water policy providing a framework for water sector development, but for some laws and regulations (e.g. the 1995 Water Statute) which defined rights and duties of water users. The legislation, however, was unable to support an efficient use of water resources: irrigable agricultural areas were not irrigated; water supply in dry areas, where most livestock are raised, was erratic; dams and valley tanks had insufficient inflow and often dried out; natural and man-made reservoirs satisfied only about 30 percent of the water demand for livestock production.
- There was no comprehensive feed policy in Uganda prior to the endorsement of the 2005 Animal Feeds Policy. The Policy is based on the evidence that animals are generally undernourished or malnourished, as feed availability is unevenly distributed during the year; the legume content of pastures is low; feed digestibility and protein content are below requirements; animal feeds are extremely expensive and out of the reach of most smallholders.

2.6.2 Definition of policy domains

- The 2001 Land Strategic Plan generally deals with ‘the management and use of Uganda’s land resources’ (LSP, p.i); the 1998 Land Law is an act ‘to provide for the tenure, ownership and management of land; to amend and consolidate the law relating to tenure, ownership and management of land; and to provide for other related matters’ (LA, p.5).
- The Water Policy deals with water resource use and management, with a focus on domestic water supply and water for agricultural and industrial production.
- The Animal Feeds Policy deals with animal feed production and availability, feed quality, and capacity building in the industry.

2.6.3 Pro-poor policy objectives

- The 2001 Land Strategic Plan aims to ‘create an inclusive and pro-poor policy and legal framework for the land sector’ (LSP, p.19), including ‘to improve the livelihoods of poor people through a more equitable distribution of land access and ownership, and greater tenure security for vulnerable groups’ (LSP, p. 20). It also aims to implement the 1998 Land Act, which was passed soon after the first 1997 PEAP and before the endorsement of the PMA. The Act means to increase security of land access in Uganda and, not only recognizes freehold, *mailo*⁸ and leasehold tenure systems but, for the first time in Uganda’s history, gives legal value to customary tenure. Customary tenure accounts for about 85 percent of the land area in the country and is particularly widespread in the rangelands, which support about 90 percent of the national cattle population, mainly kept by poor pastoral and agro-pastoral communities.
- The 1999 Water Policy, despite being endorsed after the 1997 PEAP, does not explicitly aim at reducing poverty. The envisaged livestock-related policy objectives are

⁸ *Mailo* is a form of freehold for land originally allocated to tribal chiefs and kings in the protectorate era. It is largely present in Uganda Central region.

however pro-poor and include: increasing the capacity of farmers to access and use water for livestock production; sustaining appropriate water harvesting technologies for livestock development; supporting the development of adequate and reliable livestock water supply. The Water Policy also aims ‘to settle the nomadic pastoral communities’ (WP, p.36), which are deemed to spread livestock diseases and contribute to overgrazing and natural resource depletion.

- The 2005 Animal Feeds Policy has been formulated within the broader PEAP and PMA policy framework and its goal is ‘to improve the livelihoods of the people by increasing livestock production and productivity through improved animal nutrition’ (AFP, p.14).

2.6.4 Pro-poor policy instruments

- The strategies proposed by the Land Strategic Plan to achieve an equitable and efficient distribution of land access are generic, and hence neither pro-poor nor anti poor. They include the formulation and implementation of a comprehensive national land policy and district land policies; a review of national and district land laws; triggering land sale and rental markets; improved efficiency of land tribunals; the establishment of a Land Information System. A pilot phase will test for new approaches to implement the above strategies, which then, if successful, will be scaled up to the country level in a second phase. The LSP will also contribute to the enforcement of the Land Act, which does not appear to be a particularly pro-poor policy instrument. First, the degree of documentation the Act requires to get and transfer a land title is alarming, despite the poor are widely known to be unable to handle bulky documentation. Furthermore, the Act provides the opportunity to convert a certificate of customary ownership to freehold but the reverse is not allowed; this suggests that customary tenure is considered as a second best option and that, ultimately, the government aims at individualising the land tenure system. Second, in spite of the elaborated administration and dispute settlement mechanism set up under the Act, the role of traditional authorities is relegated to periphery as formal authorities are not bound to accept their recommendations, this bearing the risk to disempower the poor, whose ‘voice’ is primarily conveyed through local informal institutions.
- Chapter 6 of the Water Policy, ‘Water for Agricultural Production’, proposes strategies to establish an equitable water market for livestock production, with farmers/pastoralists demanding water and the private and public sector supplying it for a fee: ‘in planning and development of water supply for [...] livestock, the basic criterion is that of demand driven negotiation approach with priority on small-holder technologies’ (WP, p.25). On the supply side, policy instruments include the ‘preparation of guidelines for improved design of dams and valley tanks’ [...] ‘rehabilitation and or development of dams and valley tanks in dry pastoral areas’ (WP, p.28); and investments in small and medium scale irrigation infrastructure. On the demand side, they include capacity building to enhance technical knowledge and participation in water resource use; ‘investments subsidies [...] given to vulnerable groups, [...], poor farmers, [...], especially in the drought prone areas’ (WP, p.24). ‘All communal users of [...] livestock water supply system financed by the government must form a Users Association [...]. The Association shall collect funds from the users for preventive maintenance and repairs’ (WP, p.26).
- The Animal Feeds Policy identifies a number of instruments to increase feed production and quality, including to ‘strengthen research in animal nutrition’, ‘facilitate availability and accessibility of credit especially to the small feed manufacturers and input suppliers’, ‘setting up a legal framework to control and regulate animal feeds production, importation and marketing’, ‘encouraging the private sector to set up storage facilities’ etc. All recommended policy instruments

are supply-side public actions, which mainly focus on processing and marginally take into consideration the needs and constraints of the different typologies of livestock keepers, both as feed producers and consumers. The only demand-side policy instrument, namely encouraging ‘the formation of farmers and manufacturers associations to ease extension delivery’, is responsibility of local governments, which are generically expected to ‘facilitate’, ‘encourage’, mobilise’ and ‘support’ the animal feeds industry.

2.6.5 Policy complementarities

Policy reducing vulnerability have been largely drafted in isolation one from the other. On the one hand, they all somewhat take into consideration the broad objective of poverty reduction (see the Land Strategic Plan and the Animal Feeds Policy); on the other hand, however, they do not complement and strengthen each other. For instance, the issue of access to land is not mentioned neither by the Water Policy nor by the Feeds Policy, and vice versa. There is also a contradiction between the 1999 Water Policy, which plans to invest public resources in rehabilitating valley dams and tanks, and the 2005 PEAP, which states that the economic returns of rehabilitating publicly owned tanks and valley dams may not be adequate to justify the investment.

2.6.6 Key policy issues

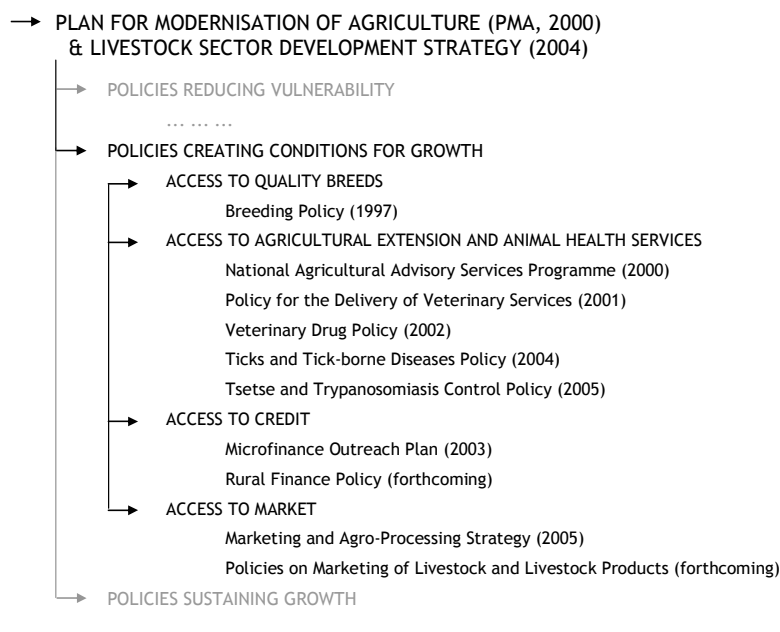
‘Policies reducing vulnerability’ do not include a risk-coping and management policy. For the rest, they are rather comprehensive and ultimately aim at establishing equitable markets allowing rural dwellers to access land, water and feeds. This is in line with the vision of both the PEAP and the PMA. However, whereas the envisaged policy objectives might certainly benefit the poor, the proposed policy instruments neglect to take into adequate account the needs and constraints of the subsistence farmers, including the livestock-dependent poor. The Land Strategic Plan and the Feeds Policy remain also extremely vague regarding potential policy instruments, thereby leaving the task to develop strategies of implementation to government officers in technical departments. These, however, might be unable to identify and devise those institutional mechanisms necessary for policies to be efficiently and equitably implemented, including an effective partnership between the public and private sector.

2.7 ANIMAL HEALTH, CREDIT AND MARKETING POLICIES

Secure access to land, water and animal feeds is necessary but not sufficient for the livestock-dependent poor to produce beyond survival level and make a profit out of their farm animals. Non-existent or malfunctioning markets, in fact, prevent smallholders from accessing key factor inputs, such as credit, veterinary services, high-quality breeds as well as output markets, which are necessary for them to produce some surplus to be sold at a profit. Policies ‘creating conditions for growth’ aim to provide subsistence farmers and livestock keepers with access to those production-enhancing inputs.

Fig. 2.5 Policies creating conditions for growth

POVERTY ERADICATION ACTION PLAN (PEAP, 1997, 2001 and 2005)



Uganda presents a comprehensive set of livestock policies ‘creating conditions for growth’. With the exception of the Animal Breeding Policy, these policies have been endorsed after the 1997 PEAP and the 2000 PMA and, thereby, are expected to contribute to poverty alleviation.

2.7.1 Rationales for factor inputs, credit and marketing policies

- The 1997 Animal Breeding Policy neither is grounded on an analysis of the current breeds of livestock nor does it review prevailing policies, if any, affecting breed selection and adoption. It is based on a generic statement that inadequate availability of improved breeds limits Uganda’s livestock productivity and exports earnings.
- The Agricultural Advisory Services Programme (NAADS), the Policy for the Delivery of Veterinary Service and the Veterinary Drug Policy are based on the evidence, on the one hand, that poor farmer-extension-research linkages constrain livestock productivity and, on the other, that following economic liberalisation and privatisation in the early 1990s and the endorsement of the 1997 Local Government Code, a need emerged to reconsider the role of the private and public sector in the provision of agricultural and animal health services.
- Trypanosomiasis and tick-borne diseases constrain livestock production and productivity more than any other animal disease in Uganda. The government has therefore outlined a Policy on Creation of Tsetse and Trypanosomiasis Free-Zones (2004) and a Policy on the Control of Ticks and Tickborne Diseases (2005). Both policies provide good technical and policy rationales for new public actions mitigating the negative socio-economic impacts of trypanosomiasis and tickborne diseases.
- The Microfinance Outreach Plan is based on the evidence that, despite a number of credit schemes (e.g. the Entadikwa Credit Scheme; the Cooperative Credit Scheme) and financial laws being in place (e.g. the 2001 Microfinance Deposit Taking Institutions Act; the Finance Institutions Act, 2002), the rural poor remain largely credit-constrained and unable to invest in portfolios of activities with high returns.
- The 2005 Marketing and Agro-Processing Strategy builds on the evidence that transaction costs do not allow small producers to compete in livestock markets on

equity grounds. It does not review the current policy framework affecting agricultural processing and marketing in the country, which apparently comprises scattered policies and laws.

2.7.2 Definition of policy domains

- The Animal Breeding Policy deals with all issues related to the selection and adoption of improved animal breeds.
- The NAADS programme focuses on ‘Advisory and Information Services to Farmers’ and ‘Technology Development and Linkages with Markets’ (NAADS, p.vii).
- The Policy for the Delivery of Veterinary Services encompasses a plethora of policy domains, including ‘control of animal notifiable and emerging disease’, ‘control of zoonoses’, ‘provision of veterinary diagnostic facilities’, ‘clinical services’, ‘policy formulation’ –namely to ‘formulate and review all livestock development policies’ (PDVS, p.12)– ‘provision of livestock marketing infrastructure’, ‘trade in live animals and animal products’, ‘food processing’, and ‘food hygiene’. In addition, it deals with the ‘provision of veterinary drugs, biologicals, vaccines and other veterinary supplies’, ‘tick control’ and ‘tsetse control’, which are also governed by the Veterinary Drug Policy, the Policy on Creation of Tsetse and Trypanosomiasis Free-Zones and the Policy on the Control of Ticks and Tickborne Diseases.
- The 2003 Microfinance Outreach Plan deals with the demand, supply and regulatory framework of micro-finance services.
- The Marketing and Agro-Processing Strategy identifies four domains of its pertinence, including ‘collective action’ (i.e. farmers’ organizations, co-operatives, and out-grower schemes), ‘physical infrastructure’, ‘policies and legal framework’ and ‘market information’.

2.7.3 Pro-poor policy objectives

- The 1997 Animal Breeding Policy aims to ‘encourage and attain a sustainable increase in the productivity of farm animals to ensure national food security and socio-economic development’, including to ‘achieve self-sufficiency in animal products’ and ‘improve the incomes of farmers engaged in animal agriculture’ (ABP, p.2). These are certainly pro-poor objectives, though the focus is not explicitly on the subsistence farmers, as the PMA would recommend.
- The NAADS programme has been developed within the overall PEAP and PMA framework and aims to ‘develop a demand-driven, client oriented and farmer-led agricultural service delivery system particularly targeting the poor and the women’, including to ‘empower subsistence farmers to access private extension services and market information’ (NAADS, p.vi).
- The Policy for the Delivery of Veterinary Services has been developed ‘within the framework of the PMA and sound environment management’ (PDVS, p.4) and its overall objective is ‘to improve the delivery of veterinary services with an overall goal to increase production and productivity of livestock on smallholder farms in Uganda’ (PDVS, p.9).
- The 2002 Veterinary Drug Policy has been formulated ‘within the context of the 1995 Constitution, the Local Government Act of 1997 and in line with the broad National Policies of Liberalisation and Privatisation’ (VDP, p.7). The Policy, rather than explicitly targeting the poor subsistence farmers, generically aims to ‘provide an enabling environment for the manufacture, procurement, and proper use of good quality veterinary drugs’ (VDP p.7) ... ‘in order to ensure that the required essential animal drugs are available and accessible’ (VDP, p.9).

- The Policy on Creation of Tsetse and Trypanosomiasis Free-Zones and the Policy on the Control of Ticks and Tickborne Diseases are technical policies with no explicit linkages with the overall objective of poverty alleviation. The former aims at ‘the elimination of trypanosomiasis as a public and animal health problem’ (PCTF, p.16); the latter ‘to develop an integrated, sustainable and cost effective tick and tick-borne disease control regime’ (PCTD, p.8).
- The Microfinance Outreach Plan, which is cast in the broader PEAP and PMA framework, defines microfinance as ‘the provision of financial services to the poor communities who lack access to traditional formal financial institutions’ (www.mfoutreach.org). Its policy objectives are ‘to build capacity and professionalise microfinance operations, expand outreach of microfinance services to underserved areas, increase microfinance products variety, promote business culture among MFI clients, and contribute to poverty eradication efforts of the Government’ (www.mfoutreach.org).
- The Marketing and Agro-Processing Strategy reflects PMA priorities and its aim is ‘for small scale farmers to be better able to benefit from efficient markets and local-level value addition’ (MAPS, p.3), so that farm households’ agricultural income can increase by 5 percent per year between 2004 and 2010.

2.7.4 Pro-poor policy instruments

- The Animal Breeding Policy identifies the following policy instruments: the establishment of a national livestock register; definition of breeding zones and identification of the most appropriate breeds for different production systems and agro-ecological zones; restocking; regulation of use, trade and conservation of animal genetic materials; research. The proposed instruments, save for the 5 lines devoted to livestock restocking, limit the role of the public sector to collect and disseminate information, whereas ‘individual farmers [...] have prime responsibility for production, multiplication, improvement, marketing and importation of livestock and related genetic material; [...] conservation of valuable animal breeds; participation in animal breeding research’ (ABP, p.20). Whether and how the application of the proposed instruments will benefit the poor is unclear, given their risk-aversion and slow rate of adoption of innovations. However, the ‘Ministry responsible for Animal Industry shall provide adequate initial funding over a period of at least five years to support key start-up activities [which are not identified] that will generate the necessary impetus for animal genetic improvement to take off on a self-sustaining basis’ (ABP, p.22).
- The NAADS programme identifies five policy instruments to develop an equitable market for extension services, the main being: ‘advisory and information services’, ‘technology development and linkages to markets’ and ‘private sector institutional development’. The overall approach promises to be pro-poor as advisory services include not only the provision of technical knowledge, but also institutional support to establishing farmers’ groups, both at village and sub-county level, which are responsible for efficiently demanding extension services. At the same time, ‘farmers will be availed funds to contract researchers to work with them on technology development and adaptation and also to links to markets’, and ‘financing of the various activities will be scaled among farmer types, with expenditure for subsistence farmers being largely supported from public resources, while the commercial or market-oriented farmers will be supported through cost-sharing mechanisms’ (NAADS, p. vii). As to the supply side, the government aims to contribute to the formation of service providers, who will be also trained in participatory methodologies, gender issues and poverty analysis, and provided with economic incentives to form groups and associations offering extension services on a competitive basis.

- The Policy for the Delivery of Veterinary Services does not identify policy instruments to improve the effectiveness of animal health services in general, and to the benefits of the poor in particular. It proposes an ‘optimal’ distribution of animal health services between national and local governments, on the one hand, and the private sector on the other. It then anticipates that the public sector will sustain private actors, but the way this support will be provided and the public/private cooperation established remain vague: e.g. ‘the Central Government and Local Governments shall encourage the private sector to establish and operate diagnostic laboratories’ (PDVS, p.19); ‘the Central Government, local governments and private sector shall promote research and use of ethno-veterinary medicine and practices’ (PDVS, p.27). Table 2.1 summaries the envisaged policy shifts in the fourteen policy domains identified by the Policy for the Delivery of Veterinary Services.

Table 2.1 Public and private sector roles in the delivery of veterinary services as per the National Policy for the Delivery of Veterinary Services

	Policy area	Current status		Recommendations	
		Funding	Delivery	Funding	Delivery
1.	Policy formulation analysis	Central gov.	Central gov.	Central gov.	Central gov. Local gov. Private sector
2.	Control of animal epidemic and emerging disease	Central gov.	Central gov.	Central gov.	Local gov. Private sector on contract
3.	Control of zoonoses	Central gov.	Central gov.	Central gov.	Central gov. Local gov. Local gov jointly with Central gov.
4.	Provision of diagnostic facilities	Central gov.	Central gov.	Central gov. Local gov. Private sector	Private sector
5.	Provision of clinical services	Central gov. Private sector	Central gov. Private sector	Private sector	Private sector
6.	Tick control	Central gov.	Central gov.	Local gov. Private sector	Local gov. Private sector
7.	Tsetse control	Central gov.	Central gov.	Central gov. Local gov. Private sector	Central gov. Local gov. Private sector
8.	Provision of veterinary drugs, vaccines, etc.	Central gov. Private sector	Central gov. Private sector	Local gov. Private sector Central gov. Local gov. Private sector for Rinderpest, CBPP, Rabies & FMD	Private sector
9.	Animal insemination and embryo transfer	Central gov.	Central gov.	Private sector	Private sector
10.	Provision of animal quarantine and primary livestock infrastructure	Central gov.	Central gov.	Central gov. Local gov.	Central gov. Local gov. through contract (?)
11.	Promote guide / support trade in some animals and animal by-product	Central gov.	Central gov.	Central gov.	Private sector

12.	Food hygiene	Central gov.	Central gov.	Central gov. Local gov.	Local gov. Private sector
13.	Animal welfare	Central gov.	Central gov.	Central gov.	Local gov. Private sector
14.	Training of service providers	Central gov.	Central gov.	Central gov. Local gov. Private sector	Central gov. Local gov. Private sector

Source: PDVS

- The Veterinary Drug Policy and the Policy for the Control of Ticks and Tickborne Diseases, not differently from the Policy for the Delivery of Veterinary Services, list a number of generic tasks which are responsibility of MAAIF. For instance, the Veterinary Drug Policy reads that MAAIF will ‘guide the private sector to ensure that it efficiently and effectively makes available safe and efficacious veterinary drugs in accordance with the national requirements’ (VDP, p.9), and will ‘set up guidelines for training in the correct and safe use of veterinary drugs’ (VDP, pp.13-14). The Tick and Tickborne Disease Control Policy states that MAAIF ‘shall approve the design of new [tick control] facilities’ (PCTD, p.10) and ‘establish a demand driven tick-borne disease vaccine delivery system to livestock farmers’ (PCTD, p.11). The proposed strategies are neither pro-poor nor anti-poor, and are not sufficiently detailed to guide technical personnel in the relevant departments when they have to propose laws and programmes to implement the policies.
- The Policy on Creation of Tsetse and Trypanosomiasis Free-Zones proposes a number of pro-poor policy instruments, including to ‘institute a coordinated, effective, efficient, stakeholder-led and gender responsive institutional framework for guiding, implementing, financing, monitoring and evaluating all aspects associated with creation of tsetse free-zones leading to elimination of sleeping sickness and *nagana*⁹’; ‘adopt a community based area-wide integrated pest management strategy for creation of sustainable tsetse free zones using interventions that are cost-effective, environment friendly and gender responsive’; ‘empower, guide and support equitable participation of communities, civil society and private sector’ (PCTF, p.18); ‘establish practical interventions to target vulnerable groups in creation of tsetse and trypanosomiasis free zones’ (PCTF, p. 20).
- The Uganda legislation on microfinance is highly advanced, and the Micro-Finance Outreach Plan aims to make those adjustments necessary to create an equitable microfinance market in rural areas too. The proposed strategies include: ‘capacity building and product development for microfinance institutions’, ‘promotion of capable private sector service providers’, and ‘ensuring an enabling policy and regulatory environment’ (MOP, p.7). These strategies –which will be operationalised through coordination by the Microfinance Forum, chaired by the Ministry of Finance and comprising practitioners, donor agencies, government agencies and private sector service suppliers and associations– largely target the supply side of the micro-finance market. The Policy, however, also provides for the public recruitment of Financial Extension Workers at sub-county level to be ‘responsible for liaising between community groups, community based organisations and microfinance institutions’ (MOP, p.11); and plans to establish a Remote Rural Outreach Fund to ‘avail operational grants to microfinance institutions willing to expand beyond the conducive markets either directly or through linkages to local community based organisations’ (MOP, p.19).
- The Marketing and Agro-processing Strategy provides that the private sector should be responsible for marketing and processing agricultural products, whereas the

⁹ African Animal Trypanosomiasis.

government should create the necessary ‘enabling environment’. This will be achieved through building the capacity of producers’ organisations to engage effectively in market transactions; increasing investment in rural infrastructure; creating an enabling legal and regulatory framework for agricultural processing and marketing; developing a sustainable national market information system (prices and quantities). The proposed strategies, however, neglect to consider the constraints and needs of the different rural dwellers and the existence of multiple livestock markets (e.g. primary, secondary and tertiary markets). It is therefore not clear whether and how they will provide benefits to the livestock-dependent poor.

2.7.5 Policy complementarities

Despite the overall objective of all policies ‘creating conditions for growth’ is poverty alleviation, these have been largely designed in isolation one from the other. It is for instance unexpected that none of the animal health policies builds on the NAADS programme, which is among the top policy priorities of MAAIF. Animal health policies are also disconnected among themselves, with multiple overlaps between the Policy for the Delivery of Veterinary Services, on the one hand, and the Policies on Creation of Tsetse and Trypanosomiasis Free-Zones and on the Control of Ticks and Tickborne Diseases, on the other. Only the Marketing and Agro-Processing Strategy explicitly builds on NAADS and other programmes for its implementation.

2.7.6 Key policy issues

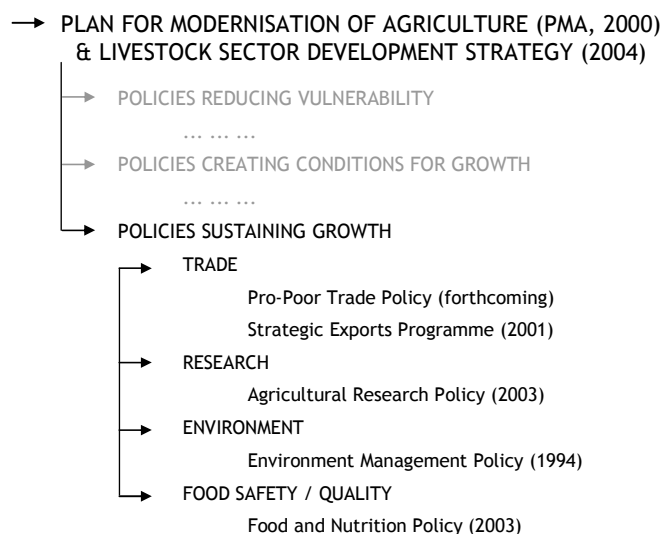
‘Policies creation conditions for growth’ include public actions supporting access to agricultural extension and animal health services, credit policies, and marketing policies. These policies are consistent with the overarching PEAP and PMA objective of poverty alleviation and the roles they envisage for the public and the private sector to promote livestock sector development. However, if the National Agricultural Advisory Services Programmes and the Microfinance Outreach Plan suggest a variety of policy instruments that might effectively contribute to poverty alleviation, the various animal health policies, with the exception of the Policy on Creation of Tsetse and Trypanosomiasis Free-Zones, only differentiate between the role of the public and private sectors in the provision of livestock services, without identifying any strategy to improve the effectiveness of public service provision, to provide incentives for the private sector to supply animal health services on a competitive basis, and to establish effective and equitable public-private partnership in the provision of animal health services.

2.8 TRADE, RESEARCH, FOOD SAFETY AND ENVIRONMENTAL POLICIES

Once a set of policies are in place that secure adequate access to basic and production-enhancing inputs, policies ‘sustaining livestock growth’ can be designed to allow the livestock-dependent poor to produce high quality and competitive livestock products. These encompass trade, agricultural research, environmental protection, and food safety/quality (nutrition) policies

Fig. 2.6 Policies sustaining livestock sector growth

POVERTY ERADICATION ACTION PLAN (PEAP, 1997, 2001 and 2005)



2.8.1 Rationales for trade, research, environment and nutrition policies

- Livestock trade is minimal in Uganda, and the country is one of the most liberalised in sub-Saharan Africa. The government, however, has recognized that for free trade to be pro-poor some complementary policies are to be in place. A Pro-poor Trade Policy is under development; the Uganda Programme for Trade Opportunities and Policy (UPTOP) has been launched to ensure that private and public sector representatives, civil society and the academia participate actively in the formulation, implementation, and evaluation of national trade policies; a Strategic Exports Programme has been implemented.
- The 2003 Agricultural Research Policy is based on the evidence that, despite agricultural research being crucial for 'commercializing agriculture', there is 'no consolidated agricultural research policy, and legislation governing agricultural research is fragmented' (ARP, p. 4).
- The 1994 Environment Management Policy reads that 'the absence of comprehensive and coordinated environmental policies and inadequate environmental legislation have ... contributed to the depletion of the country's natural resources and the degradation of the environment. While some policies and legislation on natural resource management exist, for the most part they are outdated, segmented and rarely implemented or enforced' (EMP, p.1).
- The 2003 Food and Nutrition Policy has been outlined on the recognition of the strict correlation between malnutrition and poverty and in response to a number of legal commitments originating in the 1995 Constitution and some other treaties and conventions which Uganda signed, such as the Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights.

2.8.2 Definition of policy domains

- The Strategic Exports Programme recognizes that Uganda, despite being signatory of many trade agreements (WTO, ACP/EU, EC-Everything but Arms, AGOA, COMESA, ECA-FTA), has been unable to fully take advantage of these substantial market opportunities. It proposes that the country taps into these opportunities, with a focus on coffee, cotton, fish, tea, livestock, horticulture, Irish potatoes and information and communications technology (ICT).

- The Agricultural Research Policy deals with the functioning and roles of the National Agricultural Research System (NARS) ‘made up by the entities that undertake and/or deliver agricultural research services’ (ARP, p.2), including public research institutes, the private sector and public-private partnerships.
- The ‘environment’ is the policy domain of the Environment Management Policy. That includes both cross-sectoral issues –such as environmental information, biological diversity and environmental accounting– and sector-specific issues –such as crop production, livestock and rangelands management and fishery conservation.
- The Food and Nutrition Policy presents a variety of cross-sectoral policy domains, the principal being ‘food supply and accessibility’, ‘food processing and preservation’, ‘food storage, marketing and distribution’, ‘nutrition’, ‘food standards and quality control’ and ‘research’.

2.8.3 Pro-poor policy objectives

- The Strategic Exports Programme, which has been developed with marginal consideration to both the PEAP and the PMA, aims to double the value of exports between 2000 and 2006. The export value of livestock products should quadruple, from Ug\$6.16 million to Ug\$ 26.2 million, with a focus on beef, dairy and leather and skins. A priori, the envisaged policy objective is neither pro-poor nor anti-poor.
- The Agricultural Research Policy reads ‘that poverty eradication is the driving force behind agricultural research, as envisaged in PEAP and PMA’ (ARP, p.13). It ‘aims at focusing the National Agricultural Research System on providing research services that address in a sustainable manner the needs and opportunities of the poor in a market-driven environment’ (ARP, p.v), thereby ‘increasing income opportunities and livelihoods of poor farmers, women and other economically disadvantaged groups in society’ (ARP, p.6).
- The 1994 Environment Management Policy has been drafted prior to both the PEAP and the PMA and, therefore, does not explicitly aim at contributing to poverty alleviation. Such as for all environmental policies, however, the stated policy goal is neither pro-poor nor anti-poor and is expected to benefit the entire population: ‘a sustainable social and economic development which maintains or enhances environmental quality and resource productivity on a long-term basis that meets the needs of the present generations without compromising the ability of future generations to meet their own needs’ (EMP, p.3).
- The Food and Nutrition Policy has been formulated in the context of both the PEAP and the PMA. It aims to ‘ensure food security and adequate nutrition for all the people in Uganda, for their health as well their social and economic well-being’ (FNP,p.4).

2.8.4 Pro-poor policy instruments

- The Strategic Exports Programme identifies a number of policy instruments to improve the trade position of Uganda. These include providing farmers with high quality stock materials; implementing fast track amendments and enactments of relevant laws and regulations; promoting the production of high value-added, quality products through processing and ‘good management’ of international trade negotiations. These instruments explicitly target large producers: ‘the Programme will more quickly assist the commercial livestock sector. It will eventually benefit traditional livestock owners when they realise the income to be earned from producing higher quality livestock for exports’ (King, p.9).
- The Agricultural Research Policy proposes some institutional changes to promote pro-poor research activities. On the one hand, the National Agricultural Research Organisation (NARO) has been established to coordinate the research activities of six

National Agricultural Research Institutes (NARI) –a Livestock Resources Research Institute will be also established– nine Zonal Agricultural Research and Development Institutes, as well as of Colleges, Universities and the private sector. On the other hand, the policy aims to empower farmers by involving them in identifying and prioritising their research needs and in procuring livestock research services. This will be achieved through strengthening farmers’ groups and fora at local level; enhancing capacity of local governments to demand and contract research services; and the appointment of farmers on the Boards and Committees of public research institutions. Given limited public resources, the strategy also appropriately differentiates between public and private research, and separates financing from research implementation and delivery. An agricultural research ‘Basket Fund’ has been also established to provide grants on a competitive basis to both the public and private sector. For instance, NARO has recently launched Competitive Grant Schemes to conduct research on ‘Enhancement of cattle productivity in the North-western zone through health and nutrition management’ (www.naro.org).

- The Environment Management Policy recommends adopting a variety of policy instruments. On the one hand, the Policy intends to ‘integrate environmental concerns in all development policies, planning and activities at national, district and local levels, with full participation of the people’ (EMP, p.3). To this aim a legal framework will be designed ‘for formulating, reviewing, and updating sectoral laws and district by-laws related to the management of environment’ (EMP, p.41), including ‘a mechanism for popular participation of the people in the development of national and local policies, laws and plans on environmental management’ (EMP, p.42). Though policy implementation is the responsibility of relevant ministries, a National Environment Management Authority (NEMA) is established for monitoring, planning and coordination of environmental matters, and environment liaison units within each ministry will be responsible for integrating environmental concerns into their sectoral plans (www.nemaug.org). On the other hand, however, the policy document proposes 175 cross-sector and sector strategies which go beyond integrating environmental issues in the policy framework. As to livestock, the recommended strategies comprise to ‘develop a comprehensive policy on livestock and range management to include pasture, [...], water supply, stocking, tsetse fly, tick and disease control; where feasible, use tax incentives for ranchers to respect appropriate stocking rate; improve marketing outlets in order to control stocking rates; strengthen livestock extension efforts to encourage efficient management of rangeland resources by all rangeland users and manager’, etc. (EMP p.36).
- The Food and Nutrition Policy recommends ‘multi-sectoral and coordinated interventions that focus on food security, improved nutrition and increased incomes’ (FNP, p.vi), which will be coordinated by a newly established Food and Nutrition Council, comprising representatives from 7 Ministries and from quasi-private and private organisations. Of the 83 strategies proposed to implement the Food and Nutrition Policy, however, only a few are effectively related to nutrition, food standards and safety issues, such as ‘reviewing, formulating and enforcing food standards and codes of practice, to ensure that food meant for human and animal consumption is safe and nutritious’, and ‘establishing an effective food quality control system throughout the food chain’. Most of the strategies refer to issues beyond the domain of the Food Policy, such as ‘strengthening the land planning services at the national, district and farm level to promote optimum land use’, ‘mobilising human and other resources for strengthening advisory services’, ‘improving the basic infrastructure and utilities for purposes of promoting agro-based industries in different part of the countries’, etc.

2.8.5 Policy complementarities

Policies ‘sustaining growth’ are effective only if they complement ‘policies reducing vulnerability’ and ‘policies creating conditions for growth’. However, the Strategic Exports Programme, the Environment Management Policy and the Food and Nutrition Policy neither contain clear reference to the objective of poverty alleviation nor direct / indirect reference to other policies meant to promote livestock sector growth. The Agricultural Research Policy, for instance, has been designed with no consideration for the agricultural advisory services programme (NAADS). Given the cross-sectoral issues involved in environment and food safety/quality management, one would have also expected the Environment Management Policy and the Food and Nutrition Policy to refer to a number of other policy documents. Not only that is not the case, but those policies also outline a number of sector-specific strategies which attempt to address all potential development constraints along the livestock supply chain, thereby overlapping with other policy documents.

2.8.6 Key policy issues

‘Policies sustaining growth’ have been generally not conceived to support the overarching objective of poverty alleviation. The only exception is the Agricultural Research Policy, which not only explicitly aims to benefit the livestock-dependent poor but it does also propose some institutional innovations, both in the demand and supply side of the market for research activities, which might effectively lead to some pro-poor research outcomes. Linkages with NAADS should be however strengthened. On the other hand, a question is whether the Strategic Exports Programme will ever benefit the poor, as it is explicitly focus on commercial producers and the benefits to the poor are expected to come through unspecified trickle down effects. Finally, the Environment Management Policy and Food and Nutrition Policy will possibly be never fully implemented, given that several of the policy instruments they propose go beyond any reasonable possibility of being operationalised by the Environment Management Authority and the Food and Nutrition Council.

2.9 LIVESTOCK SUPPLY / VALUE CHAIN POLICIES

Fig. 2.1 and 2.2 show that the Uganda livestock policy framework comprises not only ‘policies reducing vulnerability’, ‘policies creating conditions for growth’ and ‘policies sustaining growth’, but also some supply chain policies aimed at supporting the development of specific livestock products. These include the 1991 Dairy Master Plan, the 2003 National Meat Policy as well as the envisioned Dairy Policy, Pig Industry Policy, Poultry Development Policy, and Hides, Skins and Leather Policy. An issue is how these policies fit into the current livestock policy framework, which already addresses most of developmental constraints of the livestock sector. What follows briefly review the 2003 Meat Policy.

- Rationale for the Meat Policy – The Policy is based on the evidence that three constraints prevent the development of the meat industry, namely ‘low production and productivity’, ‘low meat consumption’ and ‘low income to the stakeholders’ (MP, p.3).
- Policy domain – The Meat Policy covers all development issues along the meat supply chain, from input supply to production, from processing to marketing.
- Pro-poor policy objective – The Meat Policy has been developed within the broader PEAP and PMA development framework and aims to sustain a ‘vibrant meat industry

contributing significantly to improved welfare of citizens and the national economy' (MP, p.6).

- Pro-poor policy instruments – The strategies for implementing the meat policy are grouped under three policy sub-objectives: (1) promoting sustainable production of quality meat, through 'encouraging sustainable utilization of feed resources', 'ensuring provision of water for livestock production', 'supporting restocking programs', 'providing guidance on the use of appropriate breeds', 'setting up systems and infrastructure for the effective prevention and control of epidemic disease' (MP, pp.9-10); (2) Supporting processing, value addition and enforcement of standards in the meat industry, through 'supporting the establishment of appropriate facilities at all slaughter places (slabs, slaughter houses and abattoirs)', 'promoting the establishment of meat processing plants', 'supporting the processors to observe the principles of good manufacturing practice' (MP, pp.10-11); (3) Improving marketing of meat and meat products, through 'guiding and supporting local governments on the construction and establishment of appropriate primary, secondary and tertiary livestock markets', 'promoting market information gathering, analysis and dissemination', 'formulating, reviewing and enforcing legislations, regulations and guidelines pertaining to marketing of livestock, meat and meat products' (MP, pp.11-12). The proposed strategies appear more good intentions than effective policy instruments and certainly do not help to prioritise resource use towards the livestock-dependent poor.
- Policy complementarities – The National Meat Policy, despite addressing issues dealt with by other livestock-related policies, does not build linkages with any of the existing policy documents. However, it prospects the formation of a Meat Industry Development Body –along the lines of the Dairy Development Authority– which has to 'guide the developments of the meat industry' (MP, p.13), in collaboration with other public and private institutions, including various ministries, local governments, producers and consumers associations.

The question why a Meat Policy has been drafted, and a Dairy Policy, a Pig Industry Policy, a Poultry Development Policy, and a Hides, Skins and Leather Policy will be formulated remains unanswered. The Meat Policy does simply re-state policy objectives and re-propose instruments detailed by other livestock-related policies. Rather than a Meat Policy, therefore, a Meat Development Strategy could have been formulated, in order to facilitate co-ordination and coherence in the implementation of existing policies and promote a more rapid and pro-poor development of the meat industry.

The thriving Uganda flower industry is a case in point. The industry started to develop in the 1990s and in 2005 already exported about 7,520 metric tonnes of flowers and cuttings, employed about 6,000 people, and earned an annual export revenue of about US\$ 35 million (www.ufe.com). This impressive growth was not supported by any specific policy but by some key institutional changes. These included the establishment in 1991 of the Uganda Investment Authority (UIA) to advertise investment opportunities to foreign investors and help them to invest in the country; the establishment in 1995 of the Agribusiness Development Centre (ADC) to assist growers to expand output and marketing of non-traditional agricultural crops; the establishment of the Uganda Flower Exporters Association in 1995 to bring together all the flower growers and exporters in order to enhance their bargaining power; the establishment in 1996 of the Uganda Export Promotion Board (UEPB) responsible for the promotion of Uganda's exports to international markets by providing efficient and timely information to interested parties. Finally, a National Floriculture Industry Strategy Plan has been recently passed calling for doubling flower cultivation from the current 180 Ha to 360 Ha, and by then employing 10,000 people and contributing significantly to poverty alleviation in the country.

The impressive growth of the flower industry in Uganda, with all downsides it may entail, shows that new policies are not indispensable for product development and that in some circumstances institutional changes which make existing policies more effective can be sufficient. This might be the case for a number of livestock products. The government should therefore consider whether the formulation of new supply-chain policies is a more effective strategy towards equitable livestock sector development vis-à-vis the promotion of institutional changes which facilitate the implementation of existing policies.

2.10. AN ACTION PLAN TOWARDS EQUITABLE POLICIES FOR LIVESTOCK

2.10.1 Summary

Uganda presents a comprehensive policy framework for livestock sector development. This comprises the Poverty Eradication Action Plan (PEAP), the Plan for Modernisation of Agriculture (PMA), the Livestock Development Strategy (LDS) as well as several livestock-related policies including ‘policies reducing vulnerability’, ‘policy creating conditions for growth’ and ‘policies sustaining growth’.

- The PEAP and the PMA aim to reduce poverty levels in the country, appreciate that growth in the livestock sector might contribute to poverty alleviation, and include livestock in their proposed development strategies. The goal of the Livestock Development Strategy is to increase livestock production, but it is not clear the role the poor will play in such a strategy.
- The PEAP, the PMA and the LDS do not present a comprehensive review of the livestock sector. In particular, the LDS presents a technical description of livestock production systems but does not examine the socio-economic aspects of those systems.
- Most livestock-related policies have been structured within the broader framework provided by the PEAP and the PMA and, directly or indirectly, aim to contribute to the overarching objective of poverty alleviation. No one policy, however, has been designed to support the implementation of the LDS, which remains dead letter.
- Only few policies define policy instruments that can effectively support the pro-poor development of the livestock sector. These are the National Agricultural Advisory Services Programme, the Microfinance Outreach Plan, the Policy on Creation of Tsetse and Trypanosomiasis Free-Zones, and the Agricultural Research Policy. These policies recognize that, although the role of the public sector should be limited to the supply of public goods, some mechanisms are to be established to stimulate the demand by the poor for agricultural extension, animal health services, credit and agricultural research, that is that both the supply side and the demand side of the market need to be stimulated.
- Animal health policies define the role of the public and private sector in the provision of veterinary services but do not define policy instruments to improve the effectiveness of the public and private provision of animal health services and animal drugs.
- Uganda lacks a risk-management and risk-coping policy.
- The government has drafted a Meat Policy and plans to design supply chain policies for a number of other livestock products, which are likely to duplicate objectives and instruments already proposed by other policies.
- There are weak linkages among the various livestock-related policies. This may lead to unbalanced implementation and fragile, if not harmful, impacts on the livelihoods of the livestock-dependent poor.

2.10.2 A 10 point action plan towards equitable policies for livestock

1. A first step towards adjusting the current Uganda livestock policy framework is to have a comprehensive socio-economic and technical review of the livestock sector. The 2005/2006 household survey provides an excellent opportunity to complement existing livestock production data, such as those presented in the Livestock Development Strategy, with socio-economic data. The real challenge, however, is to identify indicators that, while providing a consistent picture of the livestock sector, could be easily updated so as to be used to monitor policy implementation too.
2. The Livestock Sector Development Strategy, with its overwhelming focus on production and productivity, does not help to achieve the overarching objective of poverty alleviation. It should be reviewed under three perspectives. First, it should identify causal channels between increased livestock production and productivity and poverty alleviation, so as to become consistent with the PEAP and PMA policy objectives. Second, it should present a pattern for the development of the livestock sector, namely define how the livestock sector is envisioned to evolve in the next coming years and what the prospected impacts on the livestock-dependent poor will be. Third, the LDS should better define, following both the PEAP and the PMA, the contribution of the public and private sector to livestock sector development, including the incentives the government will provide to the poor livestock holders to make efficient use of their assets and to service/factor input providers to serve the livestock-dependent poor. A question is whether the Livestock Development Strategy should be structured around livestock products or whether, along the lines of both the PEAP and the PMA, it should address broad livestock sector developmental constraints.
3. The 2005 PEAP appreciates the potential contribution of livestock to poverty alleviation, and identifies a number of priority policy actions. This is good. The identified policies, however, were not selected on the basis of a thorough socio-economic review of the sector. Next version of the PEAP either should define policy priorities on the basis of a deep analysis of the sector, such as that suggested for a next coming Livestock Development Strategy, or simply mention that investing into livestock sector might provide good returns in terms of poverty reduction, without suggesting priority actions. Note also that, if the PEAP is revised to include livestock sector policy priorities, the PMA should be reviewed accordingly, as allocation of public funds to the livestock sector goes through the PMA.
4. Uganda lacks a risk-coping and management policy, which prevents the poor livestock keepers from making an efficient use of their livestock assets. Preliminary findings of the 2005/2006 household survey 'show that nearly two thirds of all households experienced at least one type of shock. The main shocks were drought, floods, death of family members, pest attacks, robbery and civil strife. Rural households suffered mostly from shocks related to agriculture. The median duration of the most serious shock lasted 4 months and use of savings ranked highest as mitigation measure' (UBOS, 2007, p.2). The Disaster Preparedness and Management Act and Policy should therefore be soon formulated and successfully implemented.
5. Given the lack of a technical and socio-economic review of the livestock sector, livestock specific policies often do not adequately depict the prevailing situation they aim to change. Some efforts to have introductory sections which describe the status quo would provide high returns in terms of identifying targeted policy objectives and instruments.

6. Policies ‘reducing vulnerability’, including land, feeds and water policies, appear to be largely ineffective to support a pro-poor development of the livestock sector. The 1999 Water Policy should be reviewed so as to be consistent with the 2005 PEAP and the 2000 PMA and, in particular, it should identify strategies to stimulate the demand for water by livestock holders, and not be biased against pastoral peoples. The Land Sector Strategic Plan is well structured and the proposed two-phase implementation approach, with first policy testing and then scaling up, is promising; however, the proposed strategies should be reviewed to take into account the needs and constraints of the livestock-dependent poor. Finally, the Animal Feeds Policy should be amended so as to look beyond feed processing, and present a detailed strategy towards the establishment of an equitable feed market, including production, processing, marketing and consumption.
7. The National Agricultural Advisory Services Programme, the Microfinance Outreach Plan and the Agricultural Research Policy are well structured. Not only they do explicitly aim at poverty alleviation, but also propose a number of policy instruments that will possibly benefit the livestock-dependent poor. An improvement could be to establish institutional linkages between the National Agricultural Research Systems and the NAADS, which is supposed to provide advisory services to farmers and livestock keepers in rural areas.
8. Animal health policies should be significantly amended so as to include practical strategies of implementation. As they are, in fact, these policies, with the exception of the Policy on the Creation of Tsetse and Trypanosomiasis Free-Zones, simply indicate the prospective roles of the public and the private sector in the provision of animal services. They should instead provide indications on what the public sector is effectively expected to do, including the incentives it will provide for the private sector to supply animal health services and drugs to the livestock dependent poor. In addition, both theoretical and institutional linkages need to be established between the various animal health policies and the NAADS. The suggested review of animal health policies represents an area where policy makers in the livestock department boast some independence and autonomy.
9. The Exports Strategic Programme, the Food and Nutrition Policy and the Environment Management Policy are hardly pro-poor. Even though they set policy objectives that might benefit the poor, they implicitly target the already well-off. They should be reviewed to include medium to long term implementation strategies aimed at gradually making the poor able to produce high quality livestock products in a sustainable way, and thereby to stand in dynamic and increasingly demanding markets. In addition, the Environment Management Policy and the Food and Nutrition Policy should limit their policy domain to some specific cross-sectoral issues, rather than attempting to address all potential development constraints along the livestock supply chain.
10. Finally, rather than formulating supply chain policies which will overlap with several of the existing policies –such as the envisaged poultry, pigs, dairy, small ruminants and leather, hides and skins development policies– policy makers should consider detailing development strategies that, through facilitating the coherent and consistent implementation of existing policies, lead to the establishment of equitable livestock product supply chains.

2.10.3 Conclusions

This report presented a systematic review of livestock-related policies in Uganda and proposed a simple plan of actions towards equitable policies for livestock in the country.

A good overall policy framework, however, is a necessary first step towards the pro-poor growth of the livestock sector, but on its own is but insufficient. Without the political will, the appropriate institutions and the required resources, capacity and budget even the best policies remain dead letter, with only marginal impact, if any, on the livestock-dependent poor. Policy implementation, which the many institutional and organisational challenges it does imply, comes therefore next.

The hope is that this report will however provide a stimulus for Uganda policy makers towards first reviewing livestock related policies and then establishing that 'enabling environment' which is necessary to help the poor to make good use of their livestock assets and, possibly, to start climbing out of both chronic and transient poverty.

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