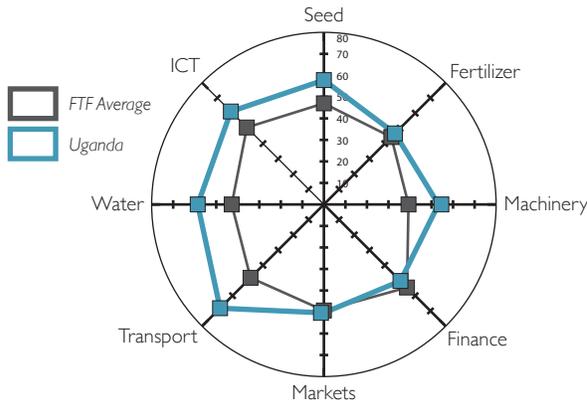




Feed the Future Enabling Environment for Food Security Project Enabling the Business of Agriculture Data Snapshot: Uganda

2017 EBA Scores



The World Bank's Enabling the Business of Agriculture Index (EBA) is a unique tool for measuring the ease of doing agribusiness. EBA data, coupled with contextual analysis and consultations with key stakeholders, can inform priority reforms and allow for transparent result tracking over time and across countries. The index scores, on a scale of 0-100*, the strength of the legal and institutional environment for agribusinesses across eight topics: seed, fertilizer, machinery, finance, markets, transport, water, and ICT. Scores and detailed topical data can be used to inform design and monitoring of Feed the Future's (FTF) agricultural reform efforts. As seen in the graphic, Uganda scores at or above the average from all Feed the Future focus countries surveyed across seven of the eight EBA topic areas (excluding finance). The following sections take a deeper look at selected EBA data relevant to USAID/Uganda.

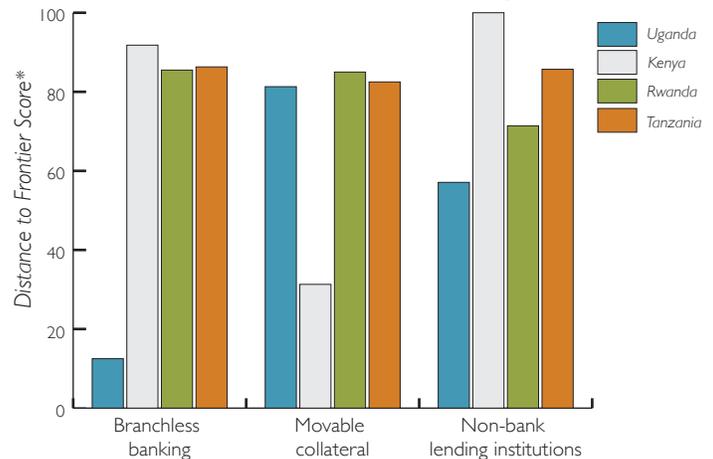
Finance



Uganda's performance on the EBA finance topic is mixed. The lack of legal provision for agent banking and low availability of branchless banking reduces financial inclusion in rural areas. The use of e-banking is limited as non-bank businesses are not allowed to issue e-money. Neighboring countries provide good models to strengthen microfinance institutions and e-banking (Kenya), credit unions (Tanzania), and develop an agent banking regime (Kenya and Tanzania). However, the EBA highlights Uganda's warehouse receipt system as a best practice to create an enabling environment for the use of warehouse receipts as collateral for loans.

Score: 50/100

Distance to Frontier Score Comparison



Transport



Uganda has a solid regulatory framework and administrative procedures for commercial cross-border transportation. The regionally integrated and harmonized cross-border transportation system throughout the East African Community (EAC) enables competition, increases the supply of transportation providers, and ensures permits and licenses are reasonably priced. By contrast, the legal framework for truck licensing and operation omits key requirements intended to improve product quality and safety, such as regulations for the transport of perishable goods and required documentation for domestic transport.

	Time to obtain cross-border license	Cost to obtain cross-border license (% income per capita)	Time to obtain trucking license	Cost to obtain trucking license (% income per capita)
Uganda	2 days	29.9%	1 day	5.9%
EAC	5.7 days	34.4%	2.6 days	7.8%
Kenya	10.3 days	14.9%	1 day	2.2%
Rwanda	1 day	28.6%	7 days	21.5%
Tanzania	14 days	22.0%	3 days	4.7%

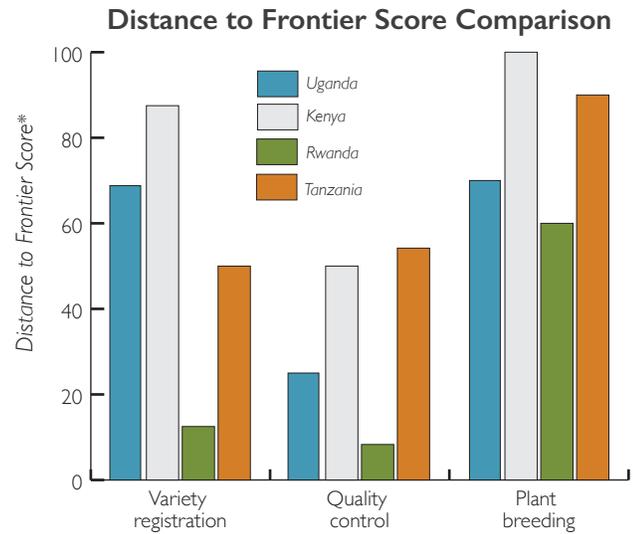
Score: 68/100

*The distance to frontier score compares a country's performance to the highest performing country ("frontier"). The higher the score, the more of a top performer the country is in a particular area.



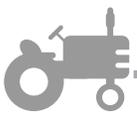
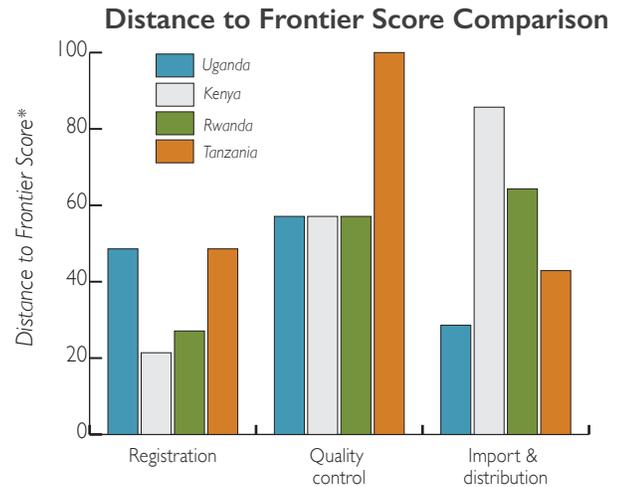
Seed

While Uganda's seed score is higher than the FTF average, there is still wide variation in the strength of the regulatory environment for seed. For example, variety registration takes 523 days in Uganda, which is in line with the COMESA average but much longer than Kenya (322 days). By contrast, the country is one of only five surveyed that provides variety registration free of charge. Uganda could improve its score in plant breeding by providing a publicly available list of varieties that have been granted plant breeders rights protection and allowing the licensing of those protected varieties to other parties for production and sale. Uganda's low score in seed quality control reflects weak performance on private sector engagement in seed certification and a failure to provide post-control tests on certified seed in the market. **Score: 58/100**



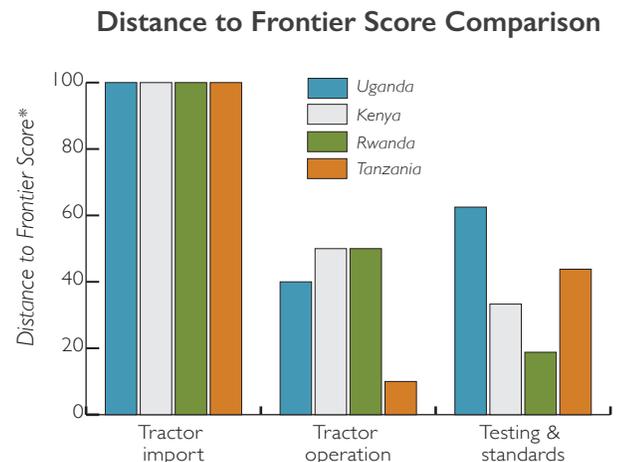
Fertilizer

The registration processes for fertilizer are too costly and burdensome in Uganda. Requiring fertilizer registration is a good practice allowing countries to track the supply of fertilizer, but limiting the period (3 years) is not. Uganda has one of the most lengthy (663 days) and expensive (215.3% of income per capita) processes to register fertilizers, which limits competition and market access. Uganda has a vested interest to control the importation of potentially dangerous chemicals used in fertilizer, but the high cost of registering as an importer (more than 50% of income per capita) and short validity of import permits (3 months) is not conducive for fertilizer trade. **Score: 47/100**



Machinery

This topic evaluates the regulatory framework for tractors as a proxy for all agricultural machinery. Sub-indicators measure access through import, registration requirements, and quality and safety standards. Despite its middle-of-the-road ranking (31 of 62 countries), Uganda has a conducive machinery importation regime and relatively low time and cost measures for the registration of a tractor within the sub-Saharan Africa region. Uganda's score on the tractor testing and standards index could be strengthened by the introduction of operator safety standards and type approvals, which are required by law but not completed in practice. **Score: 53/100**



The **Feed the Future Enabling Environment for Food Security** program is a global support mechanism for Feed the Future focused and aligned Missions to address policies, as well as legal, institutional, and regulatory factors that affect food security. To learn more, please contact Gloria Kessler (COR) at gkessler@usaid.gov or Nate Kline (Chief of Party) at nkline@fintrac.com.