

INTRODUCTION

Despite Uganda's abundance of natural resources; incidents of food scarcity and famine still persist in parts of the country. While a national food crisis may not be imminent, food insecurity and famine have existed, in various parts of Uganda partly due to insurgencies, natural disasters, adverse weather phenomena El-Nino and adequate policy interventions.

The Ministry of Agriculture and other international bodies, both government and non-Governmental, charged with the responsibilities of ensuring food security, sufficiency and Surplus are yet to come out with a coordinated and coherent strategy for increased and Sustainable food production. It is therefore safe to assume that a workable strategy by the Public sector is unlikely without deliberate involvement of the private sector.

If such a scenario is set against projected global grain deficit, juxtaposed to fast population growth on the one hand disruptive socio-political instability on the other, the implications for food security policy makers and implementers are ominous. This is more so in the Great Lakes region where Uganda occupies strategic position.

BACKGROUND

With her remarkable economic growth and favorable macro-economic management, Uganda's economic fundamentals, such as domestic productivity, savings, investment and a deepening market must improve in tandem if this positive growth is to be sustained. Granted that 85% of the population depend on agriculture, a coherent and coordinated approach to food security and security is a logical imperative.

Moreover, contemporary emphasis on private sector-led economic development implies a leading role for (the private sector in agricultural modernization, mechanization and commercialization. Thus Divinity Union Limited is poised to take up this challenge in the interest of equitable socio-economic development, political stability, prosperity and empowerment.

Through the development of Uganda's Grain Belt for food security, sufficiency and surplus predicated on the urgent need on agricultural revolution, Divinity Union would be a key actor in Uganda's economic policy with its similar strategy for coffee rehabilitation.

Formed by Major General Salim Divinity Limited is a unique business, developmental and philanthropic consortium that is growing to be a significant player in key sectors of Uganda's economy, its philosophical premise is a holistic and integral symbiosis of compassionate capitalism harnesses the best of free enterprise to unleash indigenous entrepreneurship empowerment and development. Hence it will infuse inspiration for comprehensive ... Socio-economic development catalytic investments and business development in key sectors of Uganda's economy through partnerships, joint ventures and win-win business strategies.

Its focus will be on large-scale investment in production, processing and marketing of grain products that will be carefully planned and executed to interface with small/medium scale enterprises. Thus, its economy of scale investment strategy will spur small-scale outgrow/ outreach complementary toward agricultural modernization.

GRAIN BEST PRIORITY

As part of Salim Saleh's commitment to help disadvantaged and marginalised groups, Divinity Union Limited will initially target Northern Uganda and parts of Luwero Triangle as a priority, to be followed by other parts of the country. Hence this preliminary proposal for the development of the Uganda Grain Belt will be initiated along, the northern axis, comprising of Nebbi, Gulu, Kitgum through Masindi to Luwero districts. This is justified by available grain production output - both potential and actual.

In the production strategy, modernization and large-scale commercial farming in conjunction with smallholder agriculture will, be put in place and the following grains will be a priority: maize (corn), rice, sorghum, and related oil seeds and pulses such as sunflower, beans and soybeans. Divinity Union Limited would thus invest in grain production simultaneous with clearing, drying, bulk - storage, processing and marketing in order to sustain the local as well as regional market.

GRAIN PRODUCTION AND STORAGE

Gulu District

From the east bank of the River Nile to the Lolim -Aswa Valley reserve up to Adjumani district border (currently disturbed by LRA insurgency) is an estimated 600sq km of choice land for maize, rice, sunflower, beans and soybeans. Many streams into River Nile serve this area and can support large-scale rain - fed agriculture in close collaboration with several farming groups such as the large landowners in Aswa - Kilak. Prominent Northern leaders like Otema Allimadi, Wilson Lutara, Onegi Obel, Peter Oola, Anania Akera, Alfred Ocen, Opio -- Koorom, Late Elija Latim, etc., have substantial farmland. Here. In addition, along the 25km East Nile Bank corridor from Pakwach to Pawor has been farmed by the Jonam Palango Group, a combination of farms owned by women, youth and clan groups that could, together with the large land owners, join a partnership with Divinity Union Limited to give rise to an African prairie of grain belt.

Kitgum District

Kitgum District has traditionally been the grain basket for Karamoja with surplus to markets in Gulu, Lira and beyond. The District has large pockets of exceptionally fertile land in the Orom and Agoro/Lotututuru. Vast, highly fertile agricultural lands in Aruu/Agago and Lamwo Counties are available for large-scale grain production. The potential for wheat and barley production on the Lotuturu Plateau has been tested and is enormous. The Atut area in Agago/Aruu, currently the hiding area of the LRA bandits, could be opened up by constructing feeder roads from Kalongo to Pader and Kona Kilak, and from Patongo to Wot and to Dure on the Kitgum Lira Road. By improving security and promoting production among people, dramatic transformation will occur.

Nebbi District

The West Bank of the Nile in Jonam County (Panyigoro-Alwi) has over 16 sq km for the Kubba Farm Project undertaken by Amor Investments Ltd. for maize growing with irrigation. Steps to survey, map out and clear the land have begun.

In the hilly county of Okoro, over 600 ft in altitude, bordering DRC there exists Abanga Farm, formerly government owned, that can be developed in a joint venture between Divinity Union Limited and Nebbi District Administration for highland variety maize, wheat, barley etc.

Socio Political - Military Dimension

In the interest of stability of Northern Uganda, the Gulu farmland has the potential of greatly reducing the LRA theatre of operations when production begins concurrent with road infrastructure development proposed under the Northern Security Roads scheme. Lolim - Adjumani and Pabbo - Rhino Camp roads currently on the drawing board for construction cut across this land. They can serve a dual role of security and production / marketing once the grain belt project begins.

Jonam farming groups on Nile and the large land owners of Aswa - Kilak reserve are significant stake holders who could form community defense strategies with UPDF and LDU's against any marauding rebels. This is essentially the same strategy successfully used by the NRA in liberated areas during its struggle!

The Kitgum farmland together with the proposed feeder roads from Kalongo through Pader to Kona-Kilak, from Patongo through Wol to Dure and onto Kitgum-Lira Road has the double advantage of both denying the LRA rebels a hiding place in the Atut area of Agago county and producing food supply for Karamoja. This will mitigate the conflict between Karamoja and Acholi in Kitgum because of the need for interdependence due to food supply and demand.

Such a community-stakeholder defense strategy could have a knock on effect against insurgency that would reinvigorate much of Acholi to join hands with the Government and effectively reduces LRA's operation from within.

Access to credit for the rehabilitation of farms, mobilization of women and youth farming groups, provision of tools and fertilizer and mechanization of farming will send a powerful signal against insurgency in favor of production. Besides, this will benefit those protected camps in the area as ease the threats on them thereby enabling most villagers to return home.

Masindi District

It is proposed that Kiryandongo Farm, previously operated by Ministry of Defense, will be acquired through a memorandum of understanding between Divinity Union Limited and Ministry of Defense. This will be for large, small-mechanized production of maize, sorghum rice, etc with linkage to an out-grower scheme involving the many small, medium and large-scale farmers in the Bweyale, Kiryandongo and Kigumba areas. The farm is estimated to have over, 16 sq. km of arable land well served with water and basic infrastructure.

Luwero District

A suitable farmland is proposed to be ,rectified with the help of the District Local Government, Veterans Association, etc for a joint venture with Divinity Union Limited. Areas that were devastated during the war such as Semuto and Kapeka would' be given priority consideration.

STORAGE

Divinity Union Limited will endeavor to attain at least 50% grain production output towards, 'Investment in expansion of large scale milling and advanced storage silos in at least four strategic areas of Uganda.

Bulk storage silos of up to 10,000 metric tons or more will be established in the following areas Pakwach, Gulu, Kalongo, Kirvandongo, Kigumba, Luwero and Kampala. This will incorporate cleaning and drying with modern facilities whose technology will be source from reputable firms from the United States or the European Union. Inquiries in this regard are in progress.

MARKETING

The current global grain deficit projected by World Food Programme, Food and Agricultural Organization, and the on-going crisis in the Great Lakes Region are likely to impact on food security adversely for the; next three years. Therefore, there is a ready market particularly in the Sudan, the Democratic Republic of Congo, Rwanda, Burundi, etc in the region. In addition, the United Nations, World Food Programme, Red Cross and other humanitarian agencies provide a definite market within their emergency food supply programmes.

As domestic and regional demand grows in related fields of livestock feeds, human consumption and emergency relief services, the corresponding production of grain will serve a growing market until surplus is attained towards a national grain reserve. Divinity Union Limited intends to achieve at least a two year national reserve in five years before Uganda can influence the regional and continental (grain) commodity exchange market.

PROCESSING AND MILLING

Amor Dei Investments Limited In Pakwach, Nebbi District, is well placed at a terminal for grain shipping in the Great Lakes Region. Its medium scale factory of 15 tons/day output and 500 tons storage silos capacity (on order) should expand into a large scale a 50 ton/day milling capacity with 5000 tons storage silos.

Amor Del Millers' target market continue, 10 be Southern Sudan, the North Eastern part of the Democratic Republic of Congo, Central African Republic and Northern Uganda especially after water transport is reintroduced on Lake Albert and the River Nile with the rail head at Pakwach as hub.

Divinity Union's K U Milling Company Limited located in Port Bell, Kampala will be restructured rehabilitated and expanded from the current 36 tons/day capacity with a 10,000 tons warehouse storage capacity to a 100 tons/day with 20,000 tons modern silo storage capacity. This would make it one of the largest in Uganda able to serve Kenya, Tanzania and Uganda due to its Lake Victoria shoreline location.

Wet milling, from which commercial starch is obtained out of maize, will also be introduced at K.U. Milling with supplementary starch, corn oil, grits, corn flakes, malt for breweries production lines. Other by-products like syrup, ethanol, adhesives, etc. used in pharmaceuticals, textiles, plastic industries, explosives, etc will also be established

K U. Thus wet milling will diversify the use of maize and its by-produces with phenomenal multiplier effects in employment, food-processing and tax revenues and can revolutionize maize from a low-value to high value crop.

INFRASTRUCTURE

Government commitment to infrastructure development (power, transport and communication in the next ten years favors the development of the grain belt. The rehabilitation of feeder, trunk and national roads, reintroduction of water transport particularly on Lake Albert, the River Nile and Lake Kyoga will greatly facilitate shipping and marketing of grain for the Sudan, Uganda, the Democratic Republic of Congo, Rwanda and Burundi.

Power.

The Karuma Power Project and the commitment of its Norwegian promoters to Northern Uganda Industrial Development are timely. The proposal to extend power transmission from Karuma to Pakwach, Gulu, Lira, Masindi for the industrial development of Northern Uganda fits in well with the modernization and mechanization of Agriculture in Northern Uganda. All the power needs of private processors and storage and other small scale manufacturing enterprises will be well served by the Karuma Power Project.

Water Transport

Various studies have established the cost- effectiveness of reviving water transport routes formerly operated by the East African Harbors especially on Lake Albert and the River Nile. The benefits are significant; for example, links from Ntoroko in Bundibugyo to Port Mahagi in the Eastern part of the Democratic Republic of Congo, Butyaba in Masindi through Pakwach up to Nimule at the Southern Sudan border can sustain a brisk trade and grain shipping that will balance the various food growing seasons and zones. Linked to the railhead in Pakwach as a hub, a entire East/Central African grain commodity exchange center could develop here.

Airport

The airport in Gulu is well positioned for emergency and large scale food airlifting to any parts of Africa.

Northern Roads

The Northern Security roads as already mentioned, will serve a productive and security role further expanding economic activities.

Information and Communication

Planned information technology and communication infrastructure to cover the whole country will, add value to financial services, customs, tourism, etc that would spread throughout Uganda from the current narrow base around Kampala.

FUNDING

Various possibilities, such as soft loan credit, development funds, grants, risk investments funds equity participation, government guarantees, exist.

For the Northern Uganda (Nebbi, Gulu, Kitgum) and Luwero component, Divinity Union Limited will seek to be a team player with various partners and stakeholders because of the history marginalisation and deprivation due to the effects of war in the last decade. But for the Kiryandongo Farm, storage and processing sourcing capital markets will be pursued.

Therefore Divinity Union limited which spearheaded a unique business development diplomacy while cultivating support, say, from the President's Office, e.g. Advisor on Agriculture, Uganda People's Defense Force, local farmers and groups, Non-Governmental Organizations, foreign development agencies, e.g. Norwegian and Italian development agencies, Sasakawa Global 2000, IFAD, Food and Agricultural Organization, etc.

Joint Venture Capital

A combination of soft loans credit, development assistance under joint venture capital arrangements may need to be appropriately designed.

Investment Fund

.Local entrepreneurs in maize, rice and oil milling in Pakwach, Gulu, Lira, Masindi, etc, could access such special investment fund through Divinity Union Limited and partners.

Loan Guarantee

Storage, processing and milling technology transfer might benefit from loan guarantee for technology export, e.g. from the United States EXIM Bank, OPIC, IFAD, NORFUND, etc.

BENEFITS

The benefits in terms of employment, tax revenue, agricultural modernization, etc are obvious. But the signal contribution to food security, sufficiency and the probability of a national grain reserve to last at least two years will be the measure of Uganda's sovereignty; for a home (nation) that cannot feed itself is no home!

The Socio-political-military benefit of ending the war in the North through productive-defense will be the penultimate achievement in conflict preventive development for reconciliation and stability a winning ticket in Northern Uganda for the forthcoming referendum

Moreover the involvement of Major General Salim Saleh, whose demonstrated commitment to fighting poverty as a means of ending the Northern insurgency is on record, will enhance good will to the Uganda Peoples' Defense Force from Northern Ugandan civil society especially at a time when the spot light is on the army.

CONCLUSION

The foregoing sketches a conceptual overview of only the Northern Grain Belt. But there is also the Eastern Grain Belt that stretches from Kapchorwa-Iganga-Kamuli to Kampala and the Western axis from Kabarole-Mubende-Mpigi. With giant bulk storage silos appropriately located in all the Uganda Grain Belts, Uganda - The breadbasket of Africa is not a far-fetched proposition!

Hence a Green Revolution is possible when the lifetime of the Movement Government. The way forward is for detailed planning, design and implementation preferably by a task force spearheaded by Divinity Union Limited mid composed of select members of relevant private/public sector holders.