

The Republic of Uganda
Statement
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Uganda's Minister of State for Agriculture Animal Industry and Fisheries in charge of Animal Industry.

Mr. Chairman
Dear colleague Ministers
Excellences
Distinguished Ladies and Gentlemen

On behalf of the Government of the Republic of Uganda I wish to express my appreciation to Prof. Graziano da Silva, the FAO Director-General for extending the kind invitation for Uganda to participate in this crucial meeting. I will be satisfied if these deliberations evolve solutions to the chronic challenges that have greatly impacted agricultural commodity-dependent countries like mine negatively.

Mr. Chairman, in my view, this session is a continuation of the two previous ministerial meetings that gave us the opportunity to recapitulate the effect of the recent Global Food Price Volatility. They also helped to assess diverse policy options and programmatic actions and their implications for short and long-term agricultural development, food and nutrition security at the country level.

Excellences, Ladies and Gentlemen

Agriculture still remains the backbone of Uganda's economy, employing more than 75 percent of the population, in addition to supporting livelihoods of close to 70 percent of all households. The main agricultural commodities dominating a big portion of our exports include coffee, tea and cocoa as traditional cash crops. With increasing uncertainty of agricultural commodities on the international market, Uganda upheld the diversification policy which promoted production of none-traditional commodities including sesame, fruits and vegetables of various types, flowers and fish and fish products. We also promoted production of crops important for food security and nutrition and commodities for income generation, which include maize, dairy and palm oil.

Mr. Chairman, let me turn my attention to the three broader questions in para 15 of the concept paper provided to guide our dialogue.

1. For priorities of a global policy and development agenda for agricultural commodities in the framework of the broader goals of the post 2015 development agenda:

Understandably, the focus on the post 2015 development agenda becomes increasingly important as the deadline for the Millennium Development Goals (MDGs) draws nearer. In my view, the global policy agenda should be based on a critical review of the achievements of the MDGs in relation to its objectives, and on that basis decide on the goals that can make a difference in the lives of the people. And much as the different MDGs were closely linked, one of the important shortcomings was that most of the developing countries lacked the requisite capacity and resources to sufficiently implement them all.

Specific for International Agriculture commodity Markets, policy priority should focus on increasing food and nutrition security and share of export from developing countries on the regional and global export market. Agriculture commodities should not be treated as a *non-trade concern*, a situation that is enshrined in the current WTO rules. The global policy should also encompass an appropriate mechanism to review the Doha Development Round, taking into account agriculture commodities and the environment for their sustainable production.

2. What the international governance arrangements should be expected to deliver within both political and economic feasibility:

International governance arrangements should be expected to remove impediments and facilitate entry of agricultural commodities onto the global market. This can be achieved through a universal, rules-based, open and equitable trading system.

The governance arrangements should also be able to remove barriers to trade, including those highly political in nature such as unfair sanctions, which often hurt the fragile economies of affected Least Developed Countries. Without such arrangements, agriculture commodities from developing countries will continue being discriminated against.

3. Effectiveness of the current governance arrangements and considerations for strengthened existing institutions and arrangements to meet the new challenges:

- a. In my view, the current governance arrangements have not delivered to the expectation of members, mainly the developing countries. Agricultural commodities have been subjected to substantial progressive decline in both international market price and value, in some cases leading to total or near collapse of many agriculture-dependent developing economies. In view of this, it is fair to assert that the rules in the global market trading system discriminated against agricultural commodities and in most cases, creating barriers to entry of the same commodities and that there should be mechanisms to remove such barriers.
- b. Associated with inefficient governance is the disconnect between different stages and activities of the agricultural value chain, which often characterizes agricultural commodities. Such disjointed actions may lead to complicated quality assurance, in turn affecting market access and market entry.
- c. The current institutional arrangements promote specific agendas and creates silos that are unfavorable to agricultural commodity marketing. The global policy agenda should therefore commit to streamline and harmonize relevant institutional arrangements.

Mr. Chairman

As I conclude, let me re-affirm Uganda's continued commitment to the collaboration with FAO and other relevant organizations in the work on International Commodity Markets. I wish to emphasise that whatever we do, efforts should be directed towards:

- Creating a supportive conducive environment for the development of suitable Agricultural commodity value chains that support production of quality produce for the international market. Issues of dealing with post-harvest handling, aflatoxins and shelf life should be addressed.

- Revising the world trading rules that subject agriculture commodities to unfair global market completion and price fluctuations created by protective market distortions.

I thank FAO for the excellent arrangements and look forward to receiving the report of these deliberations for future reference and appropriate action.

I thank you for your kind attention.