

REDUCING SEEDLING PRICES TO IMPROVE AGRICULTURAL PRODUCTIVITY



**Twikirize
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PROFILE Twikirize Peninah is a dedicated Social Worker with experience in community development. Currently, she serves as the Team Leader at Solidlinks Initiative for Development, a community-based organization in Kasese District of Uganda. She holds a Bachelors of Social Works and Social Administration from Makerere University Kampala and currently pursuing a Postgraduate Diploma in Project Management. She has previously worked as a Community Development Officer at Rubirizi District Local Government and also worked as Project Manager with Center for Justice Studies and Innovations. She is passionate about engaging with marginalized groups, including youth and women, to create opportunities for skill development, economic empowerment, and climate resilience. She is committed to fostering a culture of learning where success and failure are seen as opportunities for growth and innovation, and aims to continue driving positive change within communities while contributing to broader development objectives.

Executive Summary

Access to affordable and improved seedlings remains a major barrier to agricultural productivity in Uganda, especially for smallholder farmers who make up more than 85% of the farming population (Bagamba et al., 2023). Despite interventions such as Operation Wealth Creation (OWC) and the National Seed Strategy (2018–2023), high seedling prices persist, limiting crop diversification, reducing yields, and constraining incomes. Current market prices UGX 1,000–3,500 per seedling and UGX 6,000–12,000 per kilogram for legumes are beyond the reach of many smallholders, keeping them trapped in subsistence farming and contributing to food insecurity.

This policy brief states that reducing seedling prices is essential for enhancing productivity, diversifying crop production, and ensuring food security. It proposes a mix of targeted subsidies, strengthened public–private partnerships, investment in decentralized seedling production units, and stronger regulatory oversight. Making seedlings more affordable and accessible, Uganda can boost farm productivity, create employment, and advance its goal of transforming subsistence farming into sustainable commercial agriculture.

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Introduction

Seedlings for crops such as legumes, coffee, cocoa, fruit trees, and timber are important to Uganda’s agricultural transformation, enabling farm diversification, higher yields, and climate resilience. Yet, the price of certified seedlings remains prohibitively high, often ranging from UGX 1,000 to 3,500 per seedling and UGX 6,000 to 12,000 per kilogram for legumes (MAAIF, 2023). This makes them unaffordable for smallholder farmers, who constitute over 85% of the farming population, and restricts their transition from low-yielding traditional varieties to more productive commercial crops (Bagamba et al., 2023). As a result, farmers remain stuck in subsistence agriculture, unable to increase

household incomes or adequately contribute to food security (Giller et al., 2021).

The high cost of seedlings is worsened by market failures and most licensed seed companies are concentrated in central Uganda, with only a few in northern and eastern regions, raising distribution costs for rural farmers (Bagamba et al., 2023). Weak regulatory oversight and a largely informal seed market allow counterfeit and poor-quality seedlings to proliferate (Agaba et al., 2021). Although government programs such as NAADS/OWC initially distributed seedlings freely, they lacked sustainability and coordination with local governments (Office of the Auditor General, 2020). Cost-sharing mechanisms under initiatives like the World Bank's Agriculture Cluster Development Project have expanded access, but coverage is limited to 31 of Uganda's 136 districts.

This structural imbalance has kept high-quality seedlings out of reach for the majority of smallholders, locking them into low productivity, reducing food availability, and worsening nutrition outcomes for poor households. Given that agriculture contributes 24% of GDP and employs over 70% of Uganda's population (UBOS, 2022), addressing the seedling price barrier is critical for economic transformation.

Policy Options

- MAAIF (2019, 2023) shows that Uganda's National Seed Policy and National Seed Strategy prioritize seed quality and production but do not adequately address affordability for vulnerable farmers. UBOS (2022) confirms that high input costs remain a primary barrier to commercial agriculture. FAO (2020) points to weak post-harvest handling and informal seed markets as constraints to farmer competitiveness.
- The widespread sale of counterfeit seedlings due to weak certification and traceability, while the Office of the Auditor General (2020) finds that OWC lacked a sustainable distribution model and sufficient local government involvement. International lessons provide further insights: Rwanda's Crop Intensification Program (CIP) has successfully increased
- production by subsidizing seeds for beans, soybeans, and maize (MINAGRI, 2012), while Kenya's PPP-driven Agricultural Sector Development Support Programme reduced seedling prices by 40% in three years (FAO, 2020).

These findings show that without subsidies, decentralized production, and stronger oversight, Uganda's seedling market will remain inaccessible to the majority of farmers, perpetuating low productivity and food insecurity.

Recommendations

- NAADS should conduct consultation among farmers especially targeting subsistence and small holder farmers to obtain their views on seed prices and their perceptions to inform the policy debate and discussion.
- MAAIF (Ministry of Agriculture, Animal Industry and Fisheries) in collaboration with the District Agricultural Offices, should map and register all companies supplying seedlings to regulate unregistered companies.
- NARO (National Agricultural Research Organization) should develop a seedling subsidy framework to guide companies on how and when to produce different seedlings for particular regions at specific seasons within a given pricing bracket.
- NARO should establish seed banks in every district to improve farmer's accessibility to good quality and diverse seeds.
- MAAIF needs to establish linkages between National Agricultural Research Organization and the District agricultural offices aiming at disseminating timely information on the available seedling varieties for specific areas.

Implementation Strategy

ACTION

Develop seedling subsidy framework

TIMELINE

6 months

LEAD AGENCY

MAAIF

PARTNERS

MoFPED, NAADS

ACTION

Mapping farmers to establish their views on prices of seedlings

TIMELINE

6 months

LEAD AGENCY

MAAIF

PARTNERS

NAADS, District Agricultural Officers

ACTION

Amend seed policy regulations

TIMELINE

12 – 18 months

LEAD AGENCY

MAAIF Legal Department

PARTNERS

Parliament

ACTION

Establish seed banks

TIMELINE

8 months

LEAD AGENCY

NARO

PARTNERS

MAAIF, NAADS, District Agricultural Officers

ACTION

Map and register all companies supplying seedlings

TIMELINE

10 months

LEAD AGENCY

Uganda Seed Certification Institute

PARTNERS

MAAIF, District Agricultural Offices, District Commercial Officers

ACTION

Establish linkages between NARO and the District Agricultural offices

TIMELINE

8 months

LEAD AGENCY

MAAIF

PARTNERS

NARO, MoFPED, District Local Governments

Conclusion

Lowering the cost of seedlings is an essential intervention to unlocking agricultural potential, support youth and women in agriculture, and increase Uganda's resilience to climate change. With the right policy measures, the Ministry of Agriculture can lead a new wave of agricultural change focused on fairness, innovation, and sustainability.

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