



UCOBAC

UGANDA COMMUNITY BASED ASSOCIATION FOR WOMEN AND CHILDREN'S WELFARE

POLICY BRIEF

COUNTERFEIT INPUTS

Impact on Grassroots Women's
Participation in Agricultural
Value Chains

2023





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Huairou Commission is a women-led social movement of grassroots women's groups from poor urban, rural, and indigenous communities, working in over 45 countries. Huairou Commission envisions a world with balanced power relations and sustainable resilient communities with grassroots women leaders and their groups at the centre of decision-making in which people lead lives free from poverty, inequality, violence, insecurity, and all forms of injustice.

www.huairou.org



Uganda Community Based Association for Women and Children Welfare (UCOBAC) is a non-Government organisation formed in 1990. It's a consortium of grassroots and community-based organisations whose mission is to promote human rights and improve welfare of vulnerable women and children in Uganda using community-based initiatives. UCOBAC is a lead organisation for the Fair for All project in Uganda.

www.ucobac.org



Action for Women and Awakening in Rural Environment (AWARE Uganda) is a grassroots women led organisation formed in 1989 by a group of rural women of Kaabong District in Karamoja sub-region, - A pastoralist community in Uganda. Its goal is to build rural women's skills, educate them on their rights, fight human rights abuses, eliminate poverty, fight gender-based violence, and provide HIV/AIDs care. AWARE Uganda envisions all indigenous community women to live in dignity and respect to enjoy their human rights and build their livelihood. Its mission is to empower Karamojong women to build their confidence and status through their participation in groups in which they can determine programs to secure their social status, livelihood.

www.awareuganda.org



Slum Women's Initiative for Development (SWID) is a community based Non-Governmental Organization that was established in 2003 in Walukuba-Masese Division of Jinja District and operates in 11 Districts in Busoga sub-region. SWID promotes the development of community structures in slum and rural areas to help poor people obtain land, shelter, and basic services in order to improve their overall well-being. SWID's mission is to strengthen and mobilize the voice, visibility and collectively organize power of women in Busoga Region through changing norms, institutions, policies, and practices that perpetuate inequality and violence in both public and private spaces. It envisions a world where there is adequate shelter for every woman.

www.swidugandahelpawoman.org

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1.0 Introduction

Enhancing productivity remains one of the main concerns in agricultural value chains. Besides improving food security, increased farm outputs in the form of yields naturally translates to higher incomes and increased profitability for small-scale farmers, most of whom operate in rural areas across Africa.¹ Among the key resources needed for improved agricultural productivity are quality inputs like seeds, fertilizers and agro-chemicals like pesticides and herbicides, among others.² It has been opined that the use of modern agricultural inputs is “extremely important” to “increase crop yields, decrease poverty, and improve food security.”³ However, in Uganda, the predominance of counterfeit or fake inputs in the market remains a lived reality for many small-scale farmers as several studies suggest that most retail-level inputs sold in small outlets across the country are sub-standard.⁴ To illustrate this, in January 2023, the Ministry of Agriculture, Animal Industries and Fisheries (MAAIF) was reportedly slated to destroy up to “9 tons of substandard and counterfeit assorted agricultural inputs impounded from dealers across the county” estimated to be worth two billion shillings.⁵ While the uncouth practice of dealing in counterfeit agro-inputs affects all small-scale farmers, it has strong gendered effects on women farmers in the grassroots communities. This policy brief examines how counterfeit inputs hinder grassroots women from engaging in agricultural value chains.



2.0 The Problem and Implications

The Phenomenon of Counterfeits

Before delving into the problem and implications of counterfeits, it is first important to understand what it means and how it has infiltrated the agricultural sector. From the outset, it is noteworthy that dealing in counterfeit agro-inputs is a global phenomenon and is characterised by the production and distribution of “untested and unregulated” products which not only threaten the “health of farmers and consumers” but also pose “risks to the natural environment”.⁶ Counterfeiting essentially refers to “producing and selling copies of branded products that strongly resemble the original” product.⁷

1 Hope Michelson and others, 'Review: Purchased Agricultural Input Quality and Small Farms' (2023) 116 Food Policy 102424.

2 Michel Serres Institute, 'Agricultural Productivity, Resources, and Related Terms' (2012) <<http://institutmichelserres.ens-lyon.fr/spip.php?article39&lang=fr>> accessed 25 June 2023.

3 Ben Norton, Jessica Hoel and Hope Michelson, 'The Demand for (Fake?) Fertilizer: Using an Experimental Auction to Examine the Role of Beliefs on Agricultural Input Demand in Tanzania', Agricultural & Applied Economics Association Annual Meeting (2020).

4 Jakob Svensson and Tessa Bold, 'Dealing with Fake Agricultural Inputs' (International Growth Centre, 2014) <<https://www.theigc.org/collections/dealing-fake-agricultural-inputs>> accessed 25 June 2023.

5 Eve Muganga, 'MAAIF Disposes of Counterfeit Agro-Inputs Worth Shs2b' Daily Monitor (Kampala, 2 January 2023).

6 Frederick M Fishel, 'Global Increase in Counterfeit Pesticides' (2009) 2009 Edis 1.

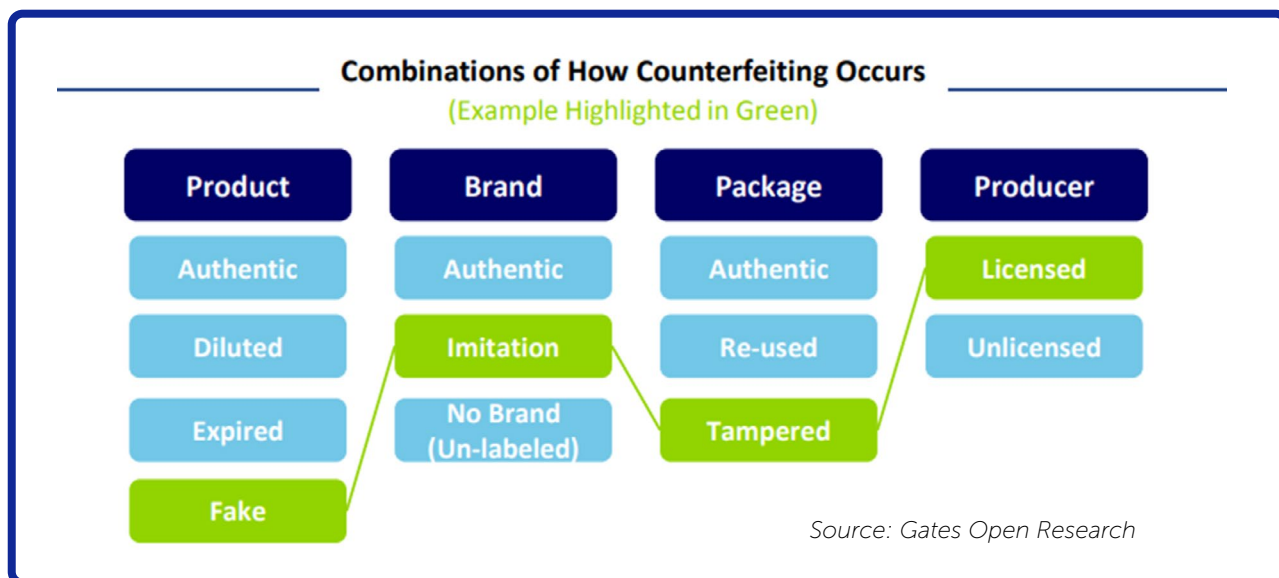
7 Elfriede Penz, Bodo B Schlegelmilch and Barbara Stöttinger, 'Voluntary Purchase of Counterfeit Products: Empirical Evidence From Four Countries' (2008) 21 Journal of International Consumer Marketing 67.

It is an unscrupulous practice where consumers, in this case farmers, are duped into purchasing and using fake and imitated products under the false impression that such products are original and approved. Counterfeiting manifests itself through different ways, namely: mislabelling, adulteration, tampering and diversion.⁸ The process of counterfeiting is a combination of activities which are complex and interconnected. For example, a fake fertiliser, pesticide or seeds is produced; the original brand is imitated e.g. by using their logo; the packaging is tampered with and the seller is a licenced actor abusing their position to hoodwink farmers.⁹ So in the community, a seller of agro-inputs who is licensed by the government can be the one selling fake product to the farmers. The process can be summarised in the illustration below:

Drivers of Counterfeits Agro-Inputs

Over the last several decades, there has been a dramatic rise in counterfeits across the world. This is driven by several factors including:¹⁰

- Greed by agro-input dealers (desire for more profits);
- Weak regulatory mechanisms especially less-prohibitive punishments
- Ignorance by small-scale farmers which makes it hard for them to detect adulterated, mislabelled, or expired products;
- Limited manufacturers' willingness to intervene in African markets where they are not established.
- Long and bureaucratic logistical processes which make it complicated to track product flow within the value chain.
- Affordability of fake products incentivises some farmers to buy and use them.



8 Mariah Dolsen Ehmke and others, 'Food Fraud: Economic Insights into the Dark Side of Incentives' (2019) 63 Australian Journal of Agricultural and Resource Economics 685.

9 Walter de Boef and others, 'Counterfeiting in African Agriculture Inputs – Challenges & Solutions' (2019).

10 *ibid.*

Implications on Grassroots Women's in Agricultural Value Chains

Needless to emphasise, counterfeit inputs have become a major problem for small-scale farmers engaged in agricultural value chains. Grassroots women especially, suffer heightened challenges given the pre-existing gender, social and economic imbalances and discriminations against them. Some of these challenges include:

1. Reduction of income: Counterfeit products lead to decreased yields which means that the money that grassroots women would have earned from their hard work is significantly reduced. With low yields, women have little to offer to and benefit from the value chains. This exponentially undermines their ability to participate in agricultural value chains. Additionally, Small scale grassroots women are poor and have limited financial resources. When these meagre resources are wasted on counterfeit farm inputs, the women are tied in the vicious cycle of poverty and powerlessness.



“There are many fake pesticides and seeds in the market. At the end of the day, even if the weather has been good, we end up getting very low harvest in a season. In fact, it is just a loss after all the sweat we put on the farm” *A rural women from Butaleja*

2. Land degradation: Through the use of fake fertilisers and herbicides/pesticides, there has been a reduction in the quality of soil. In a context of limited land rights, women who have a little say in land control are further pushed to the fringes of society. Less productive land means women, as primary food providers, will be more focused on production of household consumable crops which leaves little room for them to engage in the largely cash-based agricultural value chains. Even if the value chains is on food crops like cassava and rice, women will be more inclined to keep it for home consumption rather than sell the little the land has produced for them. This prohibits them gainfully and meaningfully participate in agricultural value chains.

3. Health and Environmental concerns: Grassroots women constitute the largest fraction of agricultural labour force. This implies that they physically get in physical contact with these counterfeit products during planting, weeding and spraying phases of production. In essence, as frontline actors, the health hazards that come with the use of for example, expired pesticides or fertilisers, directly hurt women more which can lead to poor health. This inherently acts as a barrier against women's participation in agricultural value chains. These products also hurt the environment and compromise the safety of the food produced.

3.0 Recommendations

To deal with the problem of counterfeits in agricultural value chains, it is important to implement a raft of measures some of which are explained below:

- 1. Market regulation:** the Government through the ministries, departments and agencies responsible for agriculture and trade e.g. Uganda National Bureau of Standards (UNBS) need to enforce strict control on the sector. Mechanisms should be put in place to detect and confiscate counterfeit products; and more importantly, punish those producing and distributing them. Control also entails reviewing and monitoring all licenced agro-input dealers to ensure that they are not abusing the licences issued to them to facilitate the distribution of counterfeits. Dedicated reporting mechanisms e.g. tollfree lines can be established to ease grassroots women to report any suspicious agro-input products in their communities.
- 2. Behavioural change:** Government and civil society actors should roll-out massive awareness campaigns on the dangers of counterfeit agro-inputs. Such initiatives should also capacitate farmers to be able to identify fake products and report them to the authorities.
- 3. Enhanced use of technology** to track and trace the movement of agro-input products along the logistical value chains (transportation, customs, upto the point of sale and use. This can enable the authorities to trace the origin of products. Technology can also be used in the form scratchable secrets codes which farmers can text to an established number to verify the authenticity of the product purchased.



4.0 Conclusion

Overall, the phenomenon of counterfeit agro inputs is not new in Uganda and across the world. Reports suggest that manufacturers and farmers have borne the brunt of this unscrupulous practice through reduced yields and income. Women small-scale farmers, who are the primary labourers in production for agricultural value chains suffer disproportionate effects. Besides reduced income, their health is equally compromised and so is the environment which they need to facilitate production. It is therefore important for government and civil society players to put in place regulatory and informational initiatives to enable farmers to detect and report counterfeit products in the community. This will contribute to the meaningful and gainful participation of women in agricultural value chains.

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