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**BILLS****SUPPLEMENT No. 8****26th May, 2023****BILLS SUPPLEMENT***to The Uganda Gazette No. 15, Volume CXVI, dated 26th May, 2023*

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**Bill No. 15***Contract Farming Bill***2023****THE CONTRACT FARMING BILL, 2023****MEMORANDUM****1. Principles of the Bill.**

The object of the Bill is to create a legal framework to govern the execution of transactions relating to the—

- (a) consolidation of parcels of land and aquaculture establishments into a single land unit for commercial agriculture;
- (b) sale of future agricultural produce at mutually agreed prices; and
- (c) supply of farm services between a farmer and buyer of agricultural produce.

**2. Gaps in existing Laws**

The agriculture sector continues to play a central role in Uganda's economy, contributing about 23.7% of GDP, 45% of export earnings, employing 64% of the total population of Uganda. Owing to the importance of the agricultural sector to national development and transformation, the National Development Plan (NDP III) prioritizes agro-industrialisation, including interventions aimed at improving production and productivity, market access and elimination of bottlenecks to agricultural development.

Despite the importance of the agricultural sector to the economic development of Uganda and its potential to transform the economy, the sector faces a number of challenges including land fragmentation, lack of affordable credit, limited access to farm input, limitation on market access, undeveloped value chain, pests and diseases, poor soil management and limited extension services.

Furthermore, Uganda's agricultural potential is hindered by limited access and use of fertilizers, high yielding and quality seeds, irrigation infrastructure, insufficient storage facilities, poor post-harvest handling practices and non-commercialization of agriculture.

In order to obtain agricultural credit, quality farm inputs, and ensure availability of a market for agricultural produce, a number of farmers have embraced contract farming and block farming, wherein the farmer produces agricultural produce for a specific buyer, on prior agreed prices, quantities and timelines for delivery.

Whereas contract and blocking farming have been embraced by farmers in Uganda, there is currently no legal regime that specifically governs such arrangements in order to protect the interests of the farmer and those of the buyer. The current legal regime only applies to the growing and marketing of Tobacco, under the Tobacco (Control and Marketing) Act, Cap 35 and the growing and marketing of sugarcane under the Sugar Act, 2020. The exclusion of other agricultural produce from legal regulation hinders the commercialization of the other agricultural produce whose growing and marketing is not regulated by law.

### **3. Remedies**

This Bill therefore seeks to establish a legal framework to govern—

- (a) the execution of transactions relating to the sale of future agricultural produce at mutually agreed prices and the supply of farm services between a farmer and a third party; and

- (b) the consolidation of individual parcels of land into a single block for agricultural purposes.

**4. Provisions of the Bill**

The Bill has 35 clauses, divided into five parts.

**Part I—Preliminary**

This part incorporates clauses 1 and 2 dealing with Application of the Bill and Interpretation of the major words and phrases used in the Bill.

**Part II — Block Farming**

This part incorporates clauses 3 to 11 dealing with Block farming agreement, land available for block farming, terms of block farming agreements, appointment of a block farming committee, decisions of block farming committee, effect of block farming agreement, enforcement of block farming agreement, dealing in land or aquaculture establishment and execution of farming agreements.

**Part III— Farming Agreement**

This part incorporates clauses 12 to 14 dealing with execution of farming agreements, farming prospectus and terms of farming agreement

**Part IV— General Provisions Relating to Farming Agreements**

This part incorporates clauses 15 to 24 dealing with pricing of agricultural produce, delivery of agricultural produce, sale of agricultural produce, payment for agricultural produce, buyer prohibited from acquiring rights in land, title to agricultural produce, sale of land subject to a farming agreement, rejection of farm service, price and payment for farm service and farm services in form of monetary advances to farmer.

**Part V — Miscellaneous**

This part incorporates clauses 25 to 34 dealing with functions of the Minister, prohibition of payment of compound interest and other fees,

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reopening transactions relating to agreements, protection of illiterate farmers, prohibition of waiver of this Act, application of contracts Act, report on the implementation of this Act, regulations, amendment of schedule and savings and transitional Provisions

ABED BWANIKA, MP,  
*Kimaanya Kabonera Division*

THE CONTRACT FARMING BILL, 2023

ARRANGEMENT OF CLAUSES

*Clauses*

PART I—PRELIMINARY

1. Application
2. Interpretation

PART II—BLOCK FARMING

3. Block farming agreement
4. Land available for block farming
5. Terms of block farming agreement
6. Appointment of a block farming committee
7. Decisions of block farming committee
8. Effect of block farming agreement
9. Enforcement of block farming agreement
10. Dealing in land or aquaculture establishment
11. Dealings in the land unit

PART III—FARMING AGREEMENT

12. Execution of farming agreements
13. Farming prospectus
14. Terms of farming agreement

PART IV—GENERAL PROVISIONS RELATING TO  
FARMING AGREEMENTS

15. Pricing of agricultural produce
16. Delivery of agricultural produce
17. Sale of agricultural produce

*Clauses*

18. Payment for agricultural produce
19. Buyer prohibited from acquiring rights in land
20. Title to agricultural produce
21. Sale of land subject to a farming agreement
22. Rejection of farm service
23. Price for farm service
24. Farm services in form of monetary advances to farmer

**PART V—MISCELLANEOUS PROVISIONS**

25. Functions of the Minister
26. Prohibition of payment of compound interest and other fees
27. Reopening transactions relating to agreements
28. Protection of illiterate farmers
29. Prohibition of waiver of this Act
30. Application of Contracts Act
31. Buyer to keep records
32. Report on the implementation of this Act
33. Regulations.
34. Amendment of schedule
35. Savings and transitional Provisions

**SCHEDULE: Currency Point**

A Bill for an Act

ENTITLED

**THE CONTRACT FARMING ACT, 2023**

An Act to create a legal framework to govern the execution of block farming agreements between owners of parcels of land and aquaculture establishments, the execution of transactions relating to the sale of future agricultural produce at mutually agreed prices and the supply of farm services between a farmer and a buyer of agricultural produce; to prescribe the form of a block farming agreement and a farming agreement; to regulate the sale, payment, delivery, rejection and pricing of the agricultural produce arising from a farming agreement; to govern the enforcement of obligations arising from a farm agreement and block farming agreements; and for any other related matter.

**BE IT ENACTED** by Parliament as follows:

PART I—PRELIMINARY

**1. Application**

- (1) This Act applies to the—
  - (a) production of agricultural produce arising from a farming agreement;
  - (a) the supply of farm services arising from a farming agreement; and
  - (b) the sale and purchase of agricultural produce arising from a farming agreement.

(2) Notwithstanding the general effect of subsection (1), this Act does not apply to—

- (a) production and marketing of leaf tobacco under the Tobacco (Control and Marketing) Act, Cap. 35 and the growing and marketing of sugar cane under the Sugar Act, 2020;
- (b) the financing of farming activities by a financial institution or a tier 4 microfinance institution or money lender.

## **2. Interpretation**

In this Act, unless the context otherwise requires—

“aquaculture establishment” means a facility or premises on land or water approved for the production of fish through aquaculture or products used in aquaculture, but does not include a personal aquarium;

“agricultural produce” includes anything which can be reared or grown by a farmer;

“block farming” means the consolidation of two or more parcels of land or aquaculture establishments into a single parcel of land or aquaculture establishment for purposes of undertaking commercial agriculture;

“block farming agreement” means an agreement executed between owners of parcels of land or aquaculture establishments to consolidate the parcels of land or aquaculture establishments for purposes of undertaking commercial agriculture;

“block farming committee” means the committee appointed in section 6 of this Act;

“buyer” means a person who has executed a farming agreement with a farmer for the production, purchase and sale of agricultural produce;



“contract farming” means the production, purchase and sale of agricultural produce arising from a farming agreement;

“currency point” has the value assigned to it in the schedule to this Act;

“farm services” means the financing of the production of agricultural produce under a farming agreement and includes the supply of seeds, genetic materials, feeds, fodder, agro-chemicals, tools, devices or articles, machinery, technology and the provision of extension services, advice and other agro-inputs by a buyer to a farmer;

“farmer” means a person engaged in the commercial production of agricultural produce, and includes a legal entity, a block farming committee, cooperative society, association of farmers or any other farming group;

“farming agreement” means a written agreement executed between a farmer and a buyer prior to the production of agricultural produce in which the—

- (a) buyer agrees to purchase agricultural produce of predetermined quality, quantity and price from the farmer;
- (b) farmer, in return for remuneration fixed under the agreement, is employed by the buyer to produce agricultural produce of a predetermined quality and quantity; or
- (c) buyer provides or supplies farm services to a farmer to enable the farmer produce agricultural produce of a predetermined quality, quantity and price for purchase by the buyer;

“financial institution” has the meaning assigned to it under the Financial Institutions Act, 2004;

“land unit” means the consolidated parcel of land or aquaculture establishments arising from the execution of a block farming agreement;

“Minister” means the Minister responsible for Agriculture;

“money lender” has the meaning assigned to it under the Tier 4 Microfinance Institutions and Money Lenders Act, 2016;

“parcel of land” means any size of land whose location and boundaries are ascertainable;

“tier 4 microfinance institution” has the meaning assigned to it under the Tier 4 Microfinance Institutions and Money Lenders Act, 2016.

#### PART II—BLOCK FARMING

### **2. Block farming agreement**

(1) The owner of a parcel of land or aquaculture establishment who intends to consolidate his or her parcel of land or aquaculture establishment with another owner of land or aquaculture establishment for purposes of undertaking commercial agriculture shall enter into a block farming agreement.

(2) For purposes of this section, a person shall be taken to be the owner of a parcel of land or aquaculture establishments where—

- (a) the person has a legal or equitable interest in the parcel of land or aquaculture establishment; or
- (b) the person is in possession of and has user rights in a parcel of land or aquaculture establishment granted to him or her by a person with equitable or legal interest in the parcel of land or aquaculture establishment.

**4. Land available for block farming**

A parcel of land or aquaculture establishment shall only be available for block farming where the parcel of land or aquaculture establishment is free of any encumbrances or other rights which may hinder the consolidation of the parcel of land or aquaculture establishment into a land unit.

**5. Terms of block farming agreement**

A block farming agreement shall be in writing and shall—

- (a) indicate the parties to the block farming agreement;
- (b) state the size of each parcel of land or aquaculture establishment that is subject to the block farming agreement;
- (c) prescribe the duration of the block farming agreement;
- (d) state the ownership of each parcel of land or aquaculture establishment which is subject to the block farming agreement,
- (e) specify the land tenure system under which each parcel of land or aquaculture establishment in the block farming agreement is held;
- (f) provide for the management of the land unit that is created;
- (g) prescribe the grounds for termination of the block farming agreement; and
- (h) identify the agricultural undertaking to be carried out on the land unit.

**6. Appointment of block farming committee**

(1) Parties to a block farming agreement shall constitute, from amongst their number, a block farming committee to manage the land unit.

(2) Each parcel of land or aquaculture establishment in the land unit shall be represented on the block farming committee by one person.

**7. Decisions of block farming committee**

(1) A decision of a block farming committee shall be arrived at by consensus and in the absence of a consensus, the decision shall be by the votes of the majority of the members of the block farming committee present and voting.

(2) The quorum of a block farming committee shall be one third of its members and shall only be required for purposes of voting.

(3) Each member of a block farming committee shall have one vote.

(4) A decision of a block farming committee shall bind all parties to the block farming agreement.

**8. Effect of block farming agreement**

(1) Upon execution of a block farming agreement, the consolidated parcels of land or aquaculture establishments shall be deemed to be a single land unit.

(2) The land user rights of the individual owners of parcels of land or aquaculture establishments shall be subject to the terms of the block farming agreement.

(3) A block farming agreement may be registered as an encumbrance on each parcel of land or aquaculture establishment in the land unit.

(4) The execution of a block farming agreement shall not—

(a) constitute a sale or transfer of the parcel of land or aquaculture establishment; or

(b) an assignment of any rights in the parcel of land or aquaculture establishment, to the other contracting parties in the block farming agreement.

**9. Enforcement of block farming agreement**

A block farming agreement may be enforced by or against the owner or successor in title of the owner of a parcel of land or aquaculture establishment which is subject to a block farming agreement.

**10. Dealing in land or aquaculture establishment**

Subject to the block farming agreement, the owner of a parcel of land or aquaculture establishment may sell, pledge, mortgage or transfer the parcel of land or aquaculture establishment.

**11. Dealings in the land unit**

(1) A person desirous of executing an agreement with parties to a block farming agreement shall execute the agreement with members of a block farming committee.

(2) Where an agreement is executed over a parcel of land or aquaculture establishment which is subject to a block farming agreement, the parties to the block farming agreement shall individually and jointly be liable to fulfill the obligations arising under the agreement.

PART III—FARMING AGREEMENT

**12. Execution of farming agreements**

(1) A person who intends to purchase future agricultural produce at predetermined quality, quantity and price from a farmer shall execute a farming agreement with a farmer.

(2) A farming agreement shall be in writing and shall be made with the consent of parties to the farming agreement.

**13. Farming prospectus**

(1) A prospective buyer shall, prior to executing a farming agreement with a farmer, avail the farmer, a farming prospectus and a draft farming agreement.

(2) The farming prospectus referred to in subsection (1) shall contain—

- (a) the prospective buyer's commercial information;
- (b) information on production plans, the quality and estimated quantity or volume of agricultural produce under the farming agreement;
- (c) the farming services to be provided to the farmer, if any,
- (d) the estimated repayment period, in the case of funds;
- (e) information relating to the production of agricultural produce, including information on quality and quantity of agricultural produce to be supplied under the farming agreement; and
- (f) any other information the prospective buyer determines necessary.

(3) The prospectus shall form part of the farming agreement and where there is a conflict between the farming agreement and the prospectus, the prospectus shall prevail.

**14. Terms of farming agreement**

(1) A farming agreement shall—

- (a) indicate the parties to the farming agreement;
- (b) provide the rights and responsibilities of each party to the farming agreement;
- (c) provide for the duration of the farming agreement;

- (d) indicate the agricultural produce to be supplied under the farming agreement;
- (e) contain ascertainable terms and conditions for the supply of agricultural produce, including—
  - (i) the time for delivery of agricultural produce;
  - (ii) the quantity of agricultural produce to be supplied;
  - (iii) the farming standards to be complied with in producing agricultural produce;
  - (iv) the quality or grade of agricultural produce to be supplied;
  - (v) the agreed price payable or method for determining the price for agricultural produce;
  - (vi) the terms of payment for agricultural produce or farm services if any;
  - (vii) the unit of measurement for agricultural produce; or
  - (viii) the farm services to be provided, if any; and
- (f) any other term as may be prescribed by the Minister, by regulations.

(2) Where a farming agreement contains technical terms or is written in the English language, the farming agreement shall be translated to the farmer in a language the farmer understands.

(3) The following terms in a farming agreement shall be null and void—

- (a) a term obligating a farmer to use farm services or production methods which are below the standards developed or approved by a national standards body in Uganda or any other applicable standards agreed between a buyer and a farmer;

- (b) a term excluding or limiting the buyer's liability to the farmer for defects or failure to meet the quality, quantity or standards prescribed in the farming agreement arising from the use of farm services supplied by the buyer to the farmer;
- (c) a term imposing liability on a farmer upon the occurrence of a force majeure event or a natural disaster not attributable to the farmer;
- (d) a term empowering a buyer to terminate the farming agreement without the farmer committing a breach of the farming agreement;
- (e) a term allowing the buyer to unilaterally change a term of a farming agreement; or
- (f) a term preventing, limiting or ousting the application of any of the provisions of this Act in whole or in part.

PART IV—GENERAL PROVISIONS RELATING TO  
FARMING AGREEMENTS

**15. Pricing of agricultural produce**

(1) The price of agricultural produce shall be determined by the parties to the farming agreement and may be—

- (a) a guaranteed price;
- (b) the prevailing market price of the agricultural produce at the time of sale;
- (c) an indicative price approved by the Minister; or
- (d) a reference benchmark price.

(2) Where the price of agricultural produce is to be determined by a method or formula, the method or formula shall be annexed to the farming agreement.



(3) The Minister may issue indicative prices at which agricultural produce may be traded.

(4) The Minister shall, in determining the indicative price of agricultural produce take into account—

- (a) the international price for the agricultural produce, if any;
- (b) the prevailing market price of the agricultural produce;
- (c) the price of a good processed or manufactured out of the agricultural produce; or
- (d) any other matter the Minister determines necessary.

(5) Where an indicative price is prescribed by the Minister under subsection (3), the prescribed price shall be the minimum amount a buyer pays to the farmer for agricultural produce and a contract or transaction which prescribes a price below the indicative price shall be void.

#### **16. Delivery of agricultural produce**

(1) Unless otherwise agreed by parties to a farming agreement, delivery of agricultural produce shall be at the farm gate.

(2) A person taking delivery of agricultural produce may, before accepting delivery, inspect the agricultural produce to ascertain its compliance with the farming agreement.

(3) Where a person takes delivery of agricultural produce without inspection, the person shall be deemed to have waived his or her right to inspect the agricultural produce.

#### **17. Sale of agricultural produce**

(1) A farmer shall only sell agricultural produce that is subject to a farming agreement to the buyer.

(2) Notwithstanding subsection (1), a farmer may, in exceptional circumstances, sell agricultural produce subject to a farming agreement to any other person where—

- (a) the buyer rejects the agricultural produce;
- (b) the buyer is unable to pay for the agricultural produce or any portion of the agricultural produce;
- (c) the buyer does not or is unable to take delivery of the agricultural produce;
- (d) the buyer is insolvent or is declared bankrupt; or
- (e) circumstances arise that would entitle the farmer to terminate the farming agreement.

(3) A farmer who sells agricultural produce to any person other than the buyer shall, where the buyer has advanced farm service to the farmer, account for the proceeds of sale to the buyer.

#### **18. Payment for agricultural produce**

(1) A person purchasing agricultural produce shall pay for the agricultural produce in accordance with the farming agreement.

(2) Except as otherwise agreed upon by the parties to a farming agreement, a buyer shall not withhold payment for agricultural produce where the buyer has taken delivery of the agricultural produce.

#### **19. Buyer prohibited from acquiring rights in land**

(1) A buyer shall not acquire any rights over land on which agricultural produce is grown or reared.

(2) A buyer shall not acquire, hold as security, sale, lease or sub lease or mortgage the land or any other property of a farmer—

- (a) as a condition for providing farm services under a farming agreement;

- (b) as a guarantee for performing a condition under a farming agreement; or
- (c) for settling a debt arising from a farming agreement.

(3) A farming agreement that makes provision for, or whose effect is to make provision for matters prescribed in subsection (2), is void.

**20. Title to agricultural produce**

The title to agricultural produce shall vest in the farmer until full payment of the contract price to the farmer by the buyer.

**21. Sale of land subject to farming agreement**

Where a farmer sells, disposes of, pledges or mortgages land on which agricultural produce is grown or reared and the agricultural produce is subject to a farming agreement, the sale, disposal, pledge or mortgage shall be subject to the rights of the buyer.

**22. Rejection of farm service**

A farmer may reject the farm services supplied by a buyer or any other person, on behalf of the buyer where, in the opinion of the farmer, the farm services are below the standard, quality or quantity expected of such farm services.

**23. Price and payment for farm service**

- (1) The price for farm services shall be—
  - (a) the prevailing market price for similar services at the time of executing the farming agreement;
  - (b) an indicative price determined by the Minister; or
  - (c) a sum agreed upon by the parties to a farming agreement.

(2) Farm services shall be paid for by the farmer from agricultural produce.

(3) The buyer may withhold from a farmer, a portion of the proceeds arising from the sale of agricultural produce under a farming agreement, as costs for farm services supplied by the buyer to a farmer.

(4) Subject to subsection (1), the costs referred to in subsection (3) shall be the actual costs incurred by the buyer to provide farm services to the farmer or a sum agreed upon by the farmer and buyer.

(5) Where a buyer is allowed to deduct, as costs, any sum other than the actual costs incurred by the buyer to provide farming services to the farmer, the costs deducted by the buyer shall not exceed one percent of the actual cost incurred in supplying farm services to the farmer.

(6) Where the cost incurred by a buyer to supply farm services to a farmer are less than the cost agreed to in the farming agreement, the farmer shall pay the buyer the actual costs of farm services.

(7) Notwithstanding subsection (2), where the proceeds from sale of agricultural produce is not sufficient to enable the buyer to recover in full, the costs for farm services, the buyer shall recover a sum agreed upon by the parties to the farming agreement and the unrecovered portion of the costs of farm services shall be carried forward until fully recovered.

(8) The cost of farm services shall not carry interest.

**24. Farm services in form of monetary advances to farmer**

(1) Where a farming agreement obligates a buyer to provide farm services in the form of monetary advances to the farmer, the buyer shall—

- (a) obtain acknowledgement from the farmer of every sum received or advanced to the farmer under the agreement;
- (b) issue a receipt to the farmer for every repayment made on the monetary advances.

- (2) A buyer shall keep a record which shall contain—
- (a) the date on which the monetary advance was disbursed;
  - (b) the amount of the principal; and
  - (c) the sum repaid on the monetary advance and the date on which the repayment is made.
- (3) A monetary advance given by a buyer to a farmer shall only be recovered from the agricultural produce or the proceeds from the sale of agricultural produce.
- (4) Nothing in this Act shall be interpreted as allowing a buyer to—
- (a) take as security for the monetary advance, any land or property of a farmer; or
  - (b) recover the monetary advance, by way of sale, pledge, mortgage or lease or sub lease of the land which is subject to the farming agreement or any other property of the farmer.
- (5) A farming agreement that makes provision for, or whose effect is to make provision for matters prescribed in subsection (4) is void.

#### PART V—MISCELLANEOUS PROVISIONS

##### **25. Functions of the Minister**

The Minister shall implement the provisions of this Act and shall specifically perform the following functions—

- (a) regulate farm services provided under this Act;
- (b) promote and monitor the marketing of farm produce;

- (c) monitor the international price of farm produce and prescribe indicative prices at which farm produce may be traded;
- (d) develop, promote and coordinate the provision of agricultural advisory and extension services to farmers; and
- (e) prescribe the quality and standards for agricultural produce.

**26. Prohibition of payment of compound interest and other fees**  
An agreement under this Act is illegal and unenforceable if the agreement—

- (a) directly or indirectly provides, as a consequence of a breach of the agreement—
  - (i) the payment of interest, including compound interest;
  - (ii) the payment of a penalty or any similar sum which is not related to the actual harm suffered as a result of the default or breach of the agreement;
  - (iii) an increase in any sum due under the agreement by reason of a default in the payment of the sum due; or
- (b) requires the payment of a sum of money on account of costs, charges or other expenses incidental to or relating to negotiations for the agreement or the granting of monetary advances to a farmer.

**27. Reopening transactions relating to agreements**

(1) Where a party to an agreement made under this Act applies to court for enforcement or breach of the agreement, court may reopen the transactions leading to the agreement if court is satisfied that—

- (a) any amount charged under the agreement is excessive;

- (b) the transaction is harsh and unconscionable; or
- (c) the transaction is such that a court of equity would give relief to.

(2) Where the court reopens a transaction under subsection (1), court shall, notwithstanding any statement, settlement of account or any agreement to close previous dealings—

- (a) relieve the party to the agreement from payment of a sum in excess of the sum adjudged by the court to be fairly due in respect of the matter in dispute between the parties to the agreement as the court may determine to be reasonable;
- (b) order a party to the agreement to refund the excess sum paid, if any; or
- (c) set aside, either wholly or in part, or revise or alter any obligation under the agreement or any sum due arising from a breach or dispute between the parties to the agreement.

**28. Protection of illiterate farmers**

(1) A farming agreement entered into between a buyer and an illiterate farmer shall be void except where the farming agreement was—

- (a) attested to by two or more witnesses, each of whom must have seen the illiterate farmer sign or affix his or her mark to the farming agreement; and
- (b) translated and explained to the illiterate farmer as required under the Illiterate Persons Protection Act, Cap.79.

(2) For the purposes of this section, a farmer is illiterate if the farmer is unable to read and understand the script or language in which the farming agreement is written or printed.

**29. Prohibition of waiver of this Act**

An agreement waiving or the effect of which is to waive any provision of this Act shall be void.

**30. Application of Contracts Act**

Where this Act has not expressly or by necessary implication made provision in respect of any matter provided for under the Contract Act, the Contracts Act shall, with the necessary modifications, apply to an agreement executed under this Act.

**31. Buyer to keep records**

A buyer shall keep and maintain records of all the farmers with whom the buyer has entered into farming agreements.

**32. Report on the implementation of this Act**

(1) The Minister shall annually submit to Parliament a report on the implementation of this Act.

(2) The report referred to in subsection (1) shall, in addition to any other information prescribed by regulations, contain the following information—

- (a) the effectiveness of this Act;
- (b) the challenges faced in enforcing the Act; and
- (c) the recommendations on the challenges faced in implementing the Act.

**33. Regulations.**

(1) The Minister may, by statutory instrument, make regulations for the better carrying into effect the provisions of this Act.

(2) Regulations made under this section may, in respect of any contravention of any of the regulations, prescribe a penalty of a fine not exceeding one hundred currency points or imprisonment not exceeding one year or both.



**34. Amendment of schedule**

The Minister may, with the approval of Cabinet, by statutory instrument, amend the Schedule to this Act.

**35. Savings and transitional Provisions**

(1) A farming agreement or block farming agreement executed before the commencement of this Act shall continue in existence as if the same had been executed under this Act.

(2) Notwithstanding subsection (1), a buyer shall, within six months from the commencement of this Act, comply with the provisions of this Act.

(3) A farming agreement or block farming agreement in existence at the commencement of this Act which makes provision for any matter in contravention of this Act shall be interpreted as required in this Act.

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**SCHEDULE**

**CURRENCY POINT**

*Section 3*

One currency point is equivalent to twenty thousand shillings.

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**Cross References**

The Constitution of the Republic of Uganda

The Contract Act, 2010

The Illiterate Persons Protection Act, Cap 79

The Sugar Act, 2020

The Tier 4 Microfinance Institutions and Money Lenders Act, 2016

The Tobacco (Control and Marketing) Act, Cap 35

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