

UGANDA'S COFFEE POLICY.

THE VISION IS “ A COMPETITIVE, EQUITABLE, COMMERCIALIZED AND SUSTAINABLE COFFEE INDUSTRY.” THE MISSION “ TO INCREASE COFFEE PRODUCTION, VALUE ADDITION AND DOMESTIC COFFEE PRODUCTION.”

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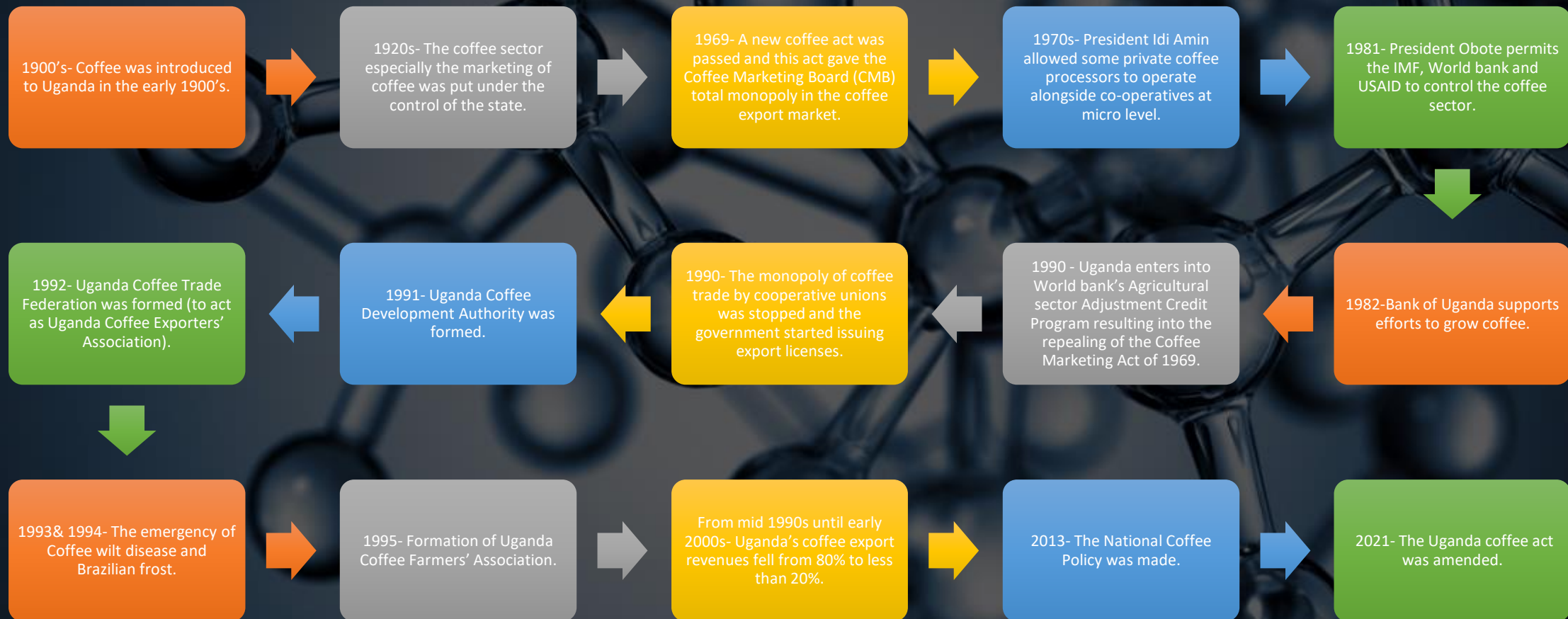
Policy Design and Implementation in Developing countries
Professors. K. & I. Ohno.



OUTLINE

1. Evolution/History of Uganda's coffee sector.
2. Uganda's coffee value chain.
3. Key stakeholders of Uganda's coffee policy.
4. Collaboration of key stakeholders in the coffee sector and policy.
5. Role of coffee farmer's associations.
6. Farmers engaged in coffee production.
7. Description of Uganda's coffee policy.
8. Objectives of the national coffee policy.
9. Achievements of the national coffee policy.
10. Limitations/challenges of the national coffee policy.
11. Policy recommendations of the coffee policy.

Evolution of Uganda's coffee sector.

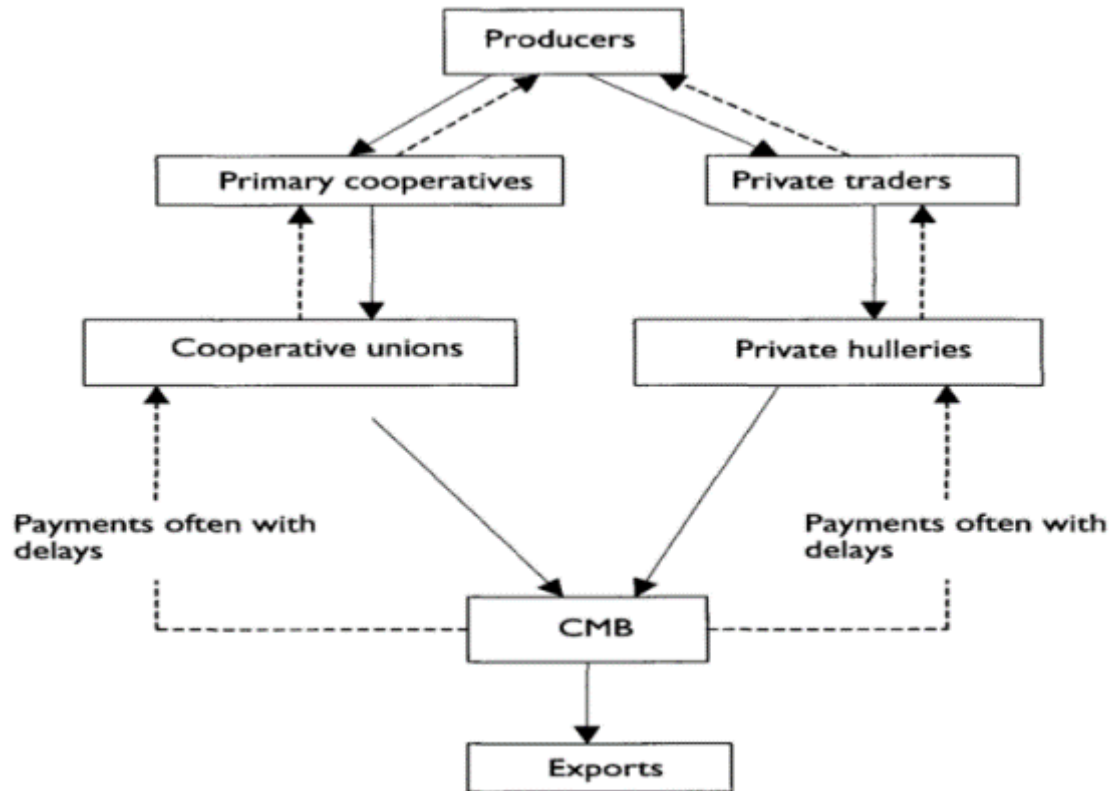


Colorful note
of the Bank
of Uganda.

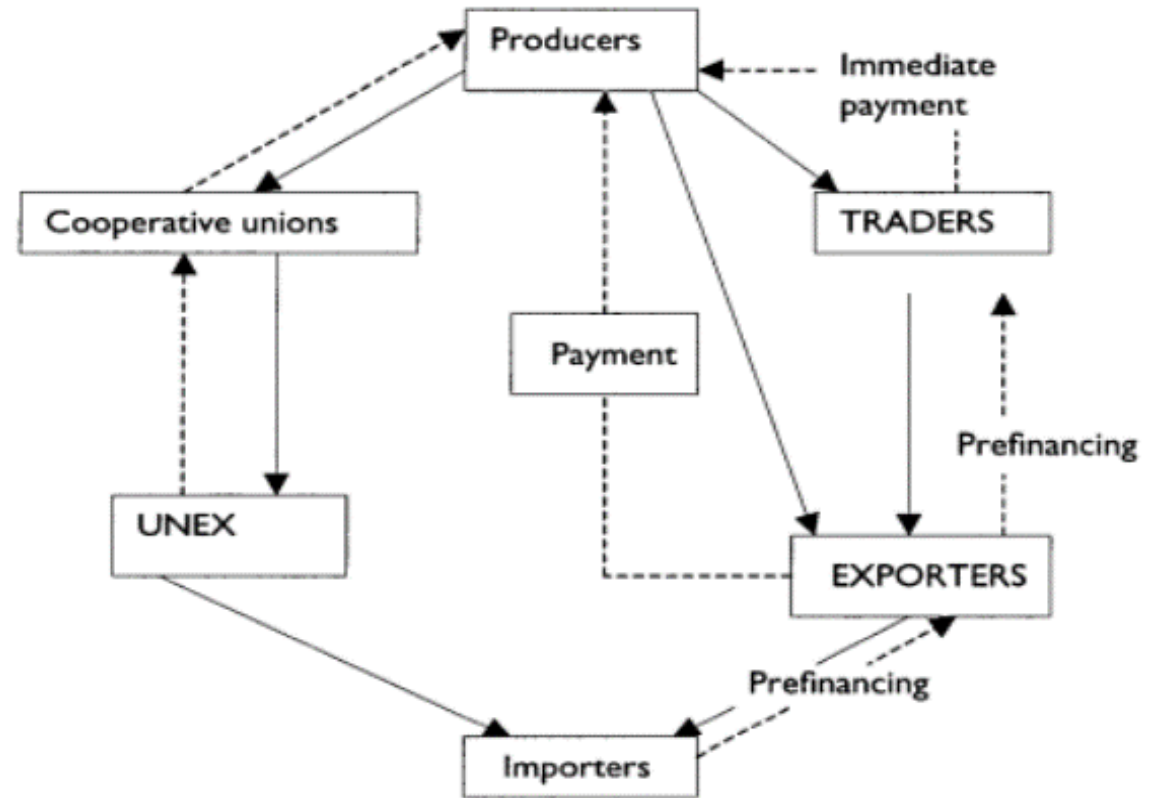


THE VALUE CHAIN OF UGANDA'S COFFEE.

Uganda's coffee marketing system before liberalization.



Uganda's coffee marketing system after liberalization.





KEY STAKEHOLDERS OF UGANDA'S COFFEE POLICY

- Government of Uganda through the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) and Uganda Coffee Development Authority (UCDA).
- Coffee farmers represented by the farmers' associations.
- Coffee processors
- Development partners like Danish International Development Agency that is offering training to local coffee processors.



COLLABORATION OF THE KEY STAKEHOLDERS.

- Increasing coffee production.
- Marketing of coffee both locally and international.
- Increase of domestic consumption levels.
- Coffee processing (wet and dry coffee processing).

ROLE OF COFFEE FARMERS' ASSOCIATIONS.



Mobizing farmers.



Connecting farmers with other key stakeholders in the coffee value chain like processors and traders.



Linking the government with the farmers.



Linking the farmers to development partners.

A row of glass jars filled with coffee beans on a wooden counter. The jars are arranged in a line, and the coffee beans are dark and roasted. The background is blurred, showing a kitchen setting with a window and some kitchen items.

WHAT KIND OF FARMERS ARE ENGAGED IN COFFEE PRODUCTION?

- In Uganda, coffee is predominantly a smallholder farmers' crop.
- More than 90% of Ugandan coffee is produced on small farms that average less than 5 acres of land, where coffee is intercropped with other foods such as bananas, beans, shade trees etc.
- More than 3.5 million families in the country are employed in the coffee industry and 1.7 smallholder farms are currently actively involved in growing coffee.

UGANDA'S COFFEE POLICY.

- The Uganda coffee policy was formulated by the Parliament of Uganda and approved by the cabinet and Ministry of Agriculture Animal Industry and Fisheries (MAAIF).
- The Uganda Coffee Development Authority is responsible for developing a strategy for implementation of the coffee policy.



Objectives of the National Coffee Policy.

- Coffee production and productivity by aiming at increased and sustainable production and yield at farm level, which can be achieved through promoting the use of improved varieties among others.
- Coffee research; through establishing a coffee research system that is responsive to the industry's needs.
- Coffee extension. Support coffee specific extension within the unified/centralized delivery systems that meets the prevailing industry requirements.
- Coffee farmers' organizations. Support and strengthen coffee farmers' organizations to participate effectively in all the stages of the coffee value chain
- Coffee laws and regulations. Develop and strengthen coffee laws and regulations at all stages of the coffee value chain.
- Value addition. Promote value addition at all stages of the coffee value chain.
- Domestic coffee consumption. Create awareness on the benefits of coffee drinking among health professionals and consumers and build the capacity of local roasters and brewers.



ACHIEVEMENTS IN COFFEE RESEARCH.

- . The National Coffee Research Institute (NaCORI) has been established as provided for in the National Agricultural systems Act (NARS). This research institute has been instrumental in:
 - . Establishing adequate mother gardens of improved coffee varieties in different parts of the country.
 - . Providing technical support to the private sector in mass multiplication of improved coffee varieties in collaboration with the Uganda Coffee Development Authority (UCDA).
 - . NaCORI with support from the European Union (EU) under the European Union-East African Community Market Access Upgrade (EU-EAC MARK UP) has developed new high-yielding and disease-resistant Arabica coffee varieties whose performance is above 200% of the old types



ACHIEVEMENTS IN COFFEE EXTENSION.

. In March 2023, the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) gave out coffee wet processing equipment (wet mills) worth Uganda shs 2.2 billion to 35 Arabica-coffee farmers, cooperatives and institutions from different parts of the country.

. The government also gave out five electric powered wet processing units with a capacity to process 1,200 kgs of cherry per hour and 30 petrol-powered units with a processing capacity of 800 kgs of cherry per hour.



VALUE ADDITION.

. In November, 2022, the government of Uganda officials signed a memorandum of understanding with the government of the socialist republic of Vietnam. This collaboration is aiming at improving value addition and coffee production between the two countries. This was at the Uganda-Vietnam business summit held in Hanoi, Vietnam.

.The government of Uganda has called upon Vietnamese investors to invest in Uganda's coffee sector. This will improve the Global Value Chain (GVC) of Uganda's coffee through: hulling, drying, packing, bulking, blending, roasting of Uganda's coffee to improve its quality to meet international standards.



Achievements regarding domestic coffee consumption.

- . The government of Uganda has come up with initiatives of creating awareness on the benefits of drinking coffee among consumers. This has been through advertisements that are aired on television and radio stations, informing people about the health benefits of coffee.
- . The Uganda Coffee Development Authority (UCDA) is supporting local roasters and brewers through sensitizing them on how to achieve and maintain good standards of their coffee products.



A barista making a coffee cappuccino

Achievements in the marketing of Uganda's coffee.

. The government of Uganda has come up with initiatives of marketing Uganda's processed coffee abroad for example through the use of missions abroad to showcase Uganda's coffee to their markets and also make partnerships with coffee companies and big restaurants in foreign countries to serve Ugandan coffee to their customers. An example is that of Uganda's embassy in Turkey that has partnered with Walker's coffee house for commitment to stock and serve Uganda's coffee to Turkish customers.

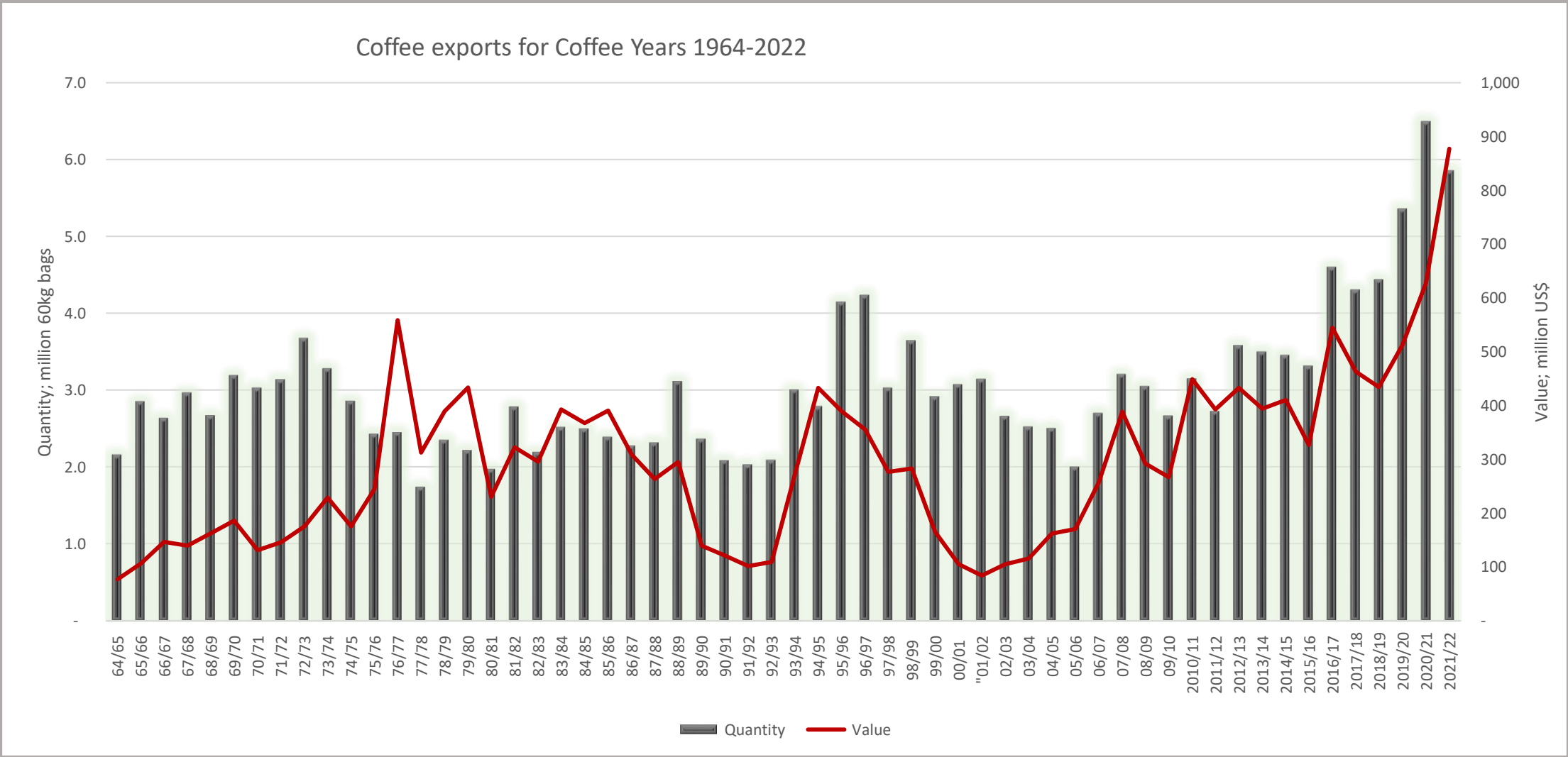


Members of the Turkish business community and Ugandans gathered at Walker's Coffee House in Ankara, Turkey for a coffee cupping event organised by the Ugandan embassy in Ankara, UCDA and the Ministry of Foreign Affairs

UGANDA'S COFFEE EXPORTS FROM 2000/01 TO 2021/22 (SOURCE:UCDA).

Uganda's Coffee Exports from 2000/01 to 2021/22				coffee years.		
	QUANTITY		VALUE	UNIT	Quantity	Value
Year	(60 Kg Bags)	MT	US \$	US \$/Kg	(million bags)	US\$ million)
00/01	3,074,773	184,486	104,776,424	0.57	3.1	105
"01/02	3,146,381	188,783	83,936,951	0.44	3.1	84
02/03	2,663,888	159,833	104,787,094	0.66	2.7	105
03/04	2,523,042	151,383	115,705,844	0.76	2.5	116
04/05	2,504,890	150,293	162,078,550	1.08	2.5	162
05/06	2,002,324	120,139	170,343,587	1.42	2.0	170
06/07	2,704,236	162,254	256,580,844	1.58	2.7	257
07/08	3,210,603	192,636	388,398,200	2.02	3.2	388
08/09	3,053,688	183,221	291,743,882	1.59	3.1	292
09/10	2,668,971	160,138	266,673,061	1.67	2.7	267
2010/11	3,149,423	188,965	448,890,669	2.38	3.1	449
2011/12	2,726,249	163,575	392,698,138	2.40	2.7	393
2012/13	3,582,629	214,958	432,694,059	2.01	3.6	433
2013/14	3,499,829	209,990	393,922,335	1.88	3.5	394
2014/15	3,455,852	207,351	410,564,121	1.98	3.5	411
2015/16	3,315,567	198,934	326,676,251	1.64	3.3	327
2016/17	4,605,158	276,309	544,587,628	1.97	4.6	545
2017/18	4,305,597	258,336	462,828,907	1.79	4.3	463
2018/19	4,439,968	266,398	433,964,269	1.63	4.4	434
2019/20	5,359,970	321,598	512,333,404	1.59	5.4	512
2020/21	6,498,941	389,936	627,184,756	1.61	6.5	627
2021/22	5,858,957	351,537	877,382,409	2.50	5.9	877

A GRAPH OF UGANDA'S COFFEE EXPORTS FOR THE YEARS 1964-2022 (SOURCE: UCDA).



LIMITATIONS/CHALLENGES OF UGANDA'S COFFEE POLICY.

Uganda's coffee policy aims at increasing domestic coffee consumption but domestic consumption has remained low.

In 2022, Uganda pulled out of the International Coffee Agreement (ICA). This will make it difficult for Uganda to compete with other coffee producing and exporting countries.

The Uganda coffee act of 2021 came up with licenses to be given to coffee farmers who meet the required standards, which is likely to isolate many farmers.

Absence of the Coffee Marketing Board has exacerbated farmers' problems in terms of marketing, etc.

The collapse of cooperatives that used to unite coffee growers has caused inefficiencies in the coffee value chain.

Competition from multinational corporations like Nestle with strong influence in the coffee value chain.

Competition from other coffee producing and exporting countries like Brazil, Ethiopia and Vietnam.

A close-up photograph of dark brown coffee beans, filling the left side of the frame. The beans are in sharp focus in the foreground, with a shallow depth of field blurring the background.

~~P~~OLICY RECOMMENDATION S.

- There is need to reinstate farmers' cooperatives that can unite farmers and encourage more production of coffee.
- Abolish the idea of licences given to coffee farmers so that many people can engage themselves into coffee production.
- Focus on further improvement of Uganda's coffee products so as to meet the requirements of local consumers.

THANK YOU

FOR YOUR KIND
ATTENTION

