

COFFEE

COMMODITY PROFILE ADVISORY (CPA)

Introduction

“**17%**

is the subsector contribution to the foreign exchange earning accounting for 1.3% of the National Agricultural Gross Product and employs 12 million people(UCDA, 2024)

Coffee is produced by an estimated 1.8 million coffee farmers from 108 districts (UCDA, MAAIF, 2024) Robusta and Arabica are the two major varieties grown in the country. The Average coffee farmer cultivates on 0.18 Ha. Robusta (Nganda and Erecta) and Arabica Coffee (SL 28, SL 14, KP 423, Nyasaland are the major varieties grown in Uganda.”

01



Production Insights



8.45

Million bags of coffee, produced (2024)



6.3

Million bags of coffee, exported (2024)



670

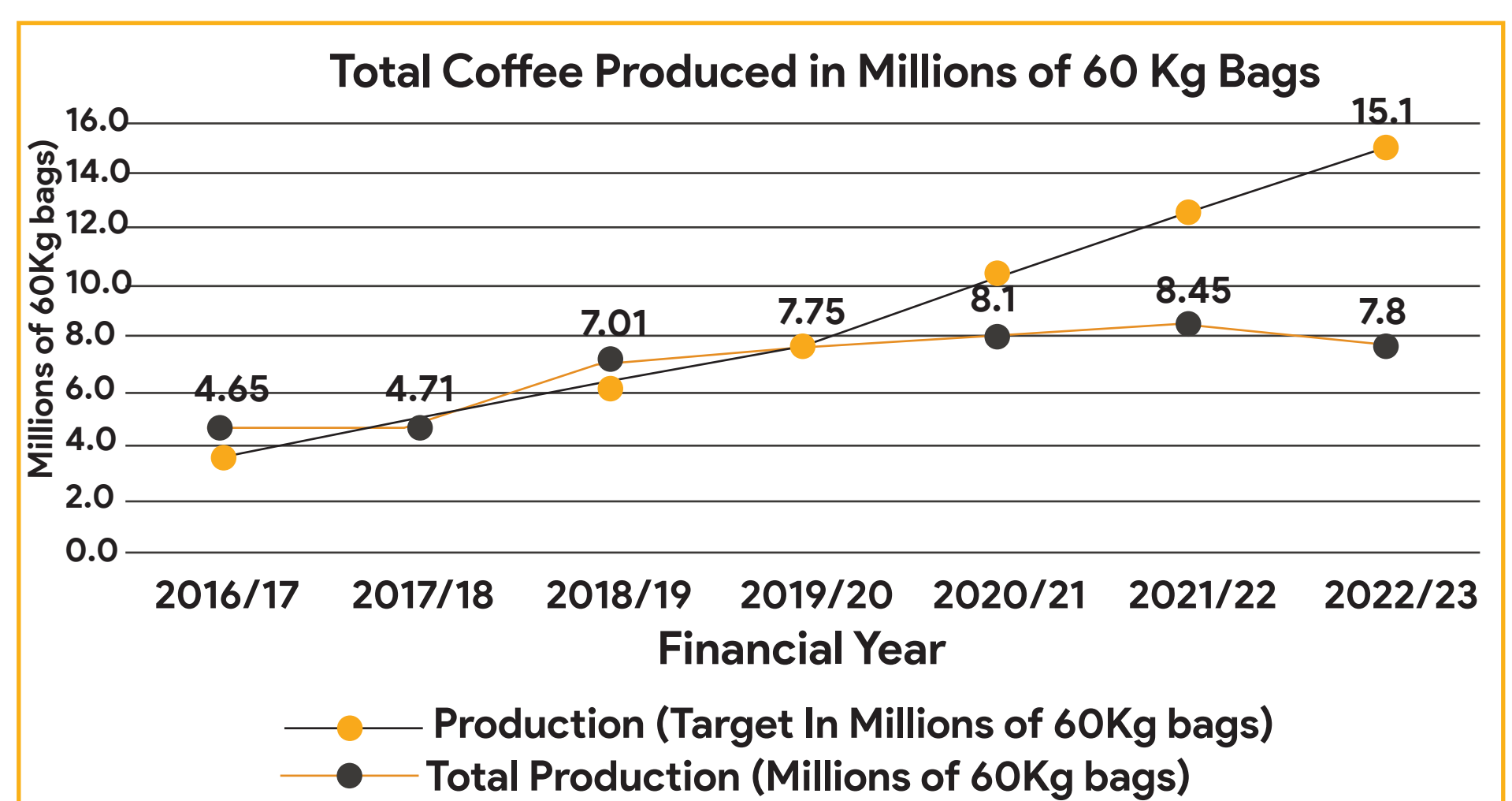
Bags of roasted coffee, exported (2023)



4.65

7.8

Coffee production increase in (millions of 60 Kg bags) from FY 2016/17 to FY2022/23.



Source: UCDA 2024

02



Processing Accessibility



1,093
Primary
Processing/
Hullers



131
Washing
Stations



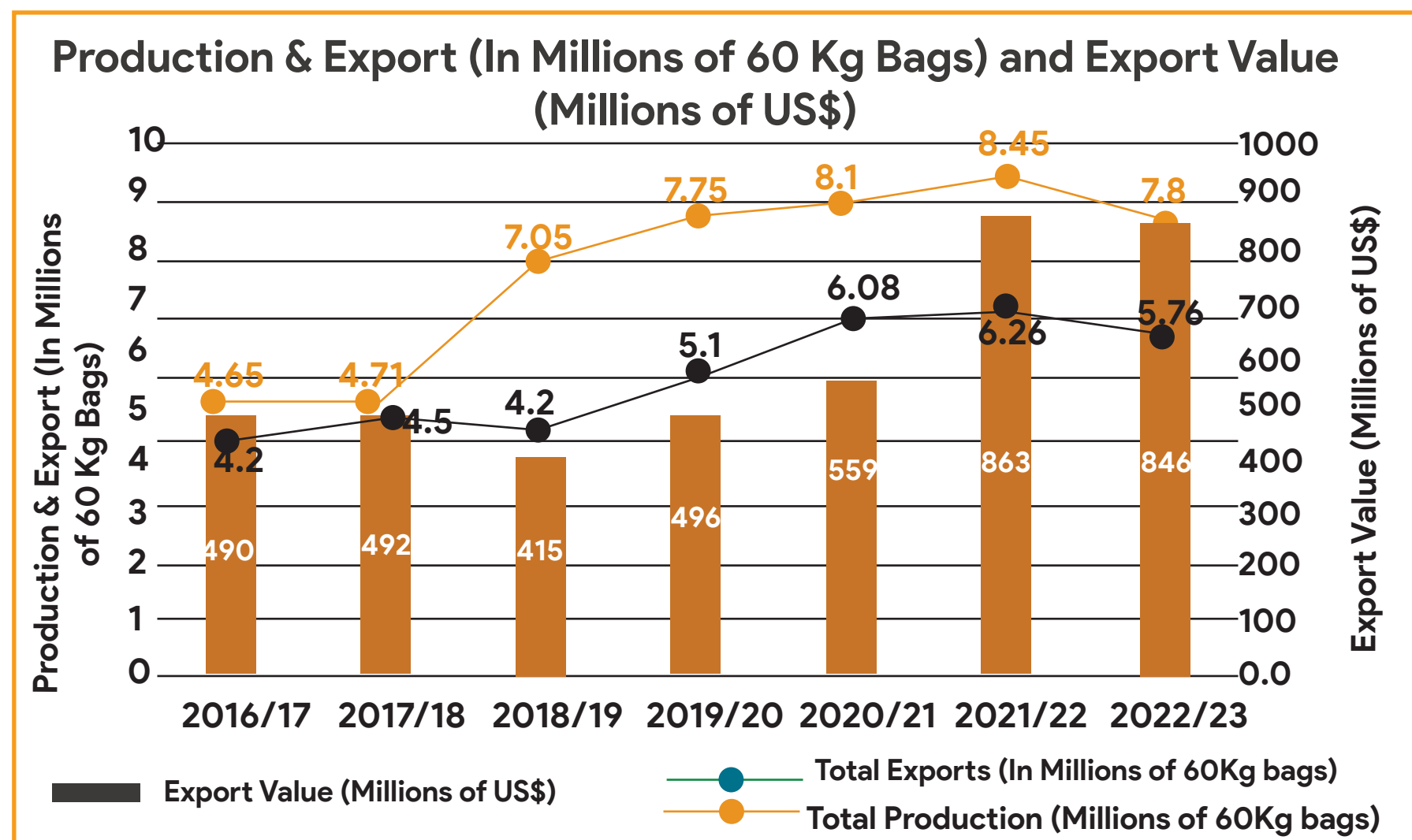
90
Coffee
Roasters



132
Export
Companies



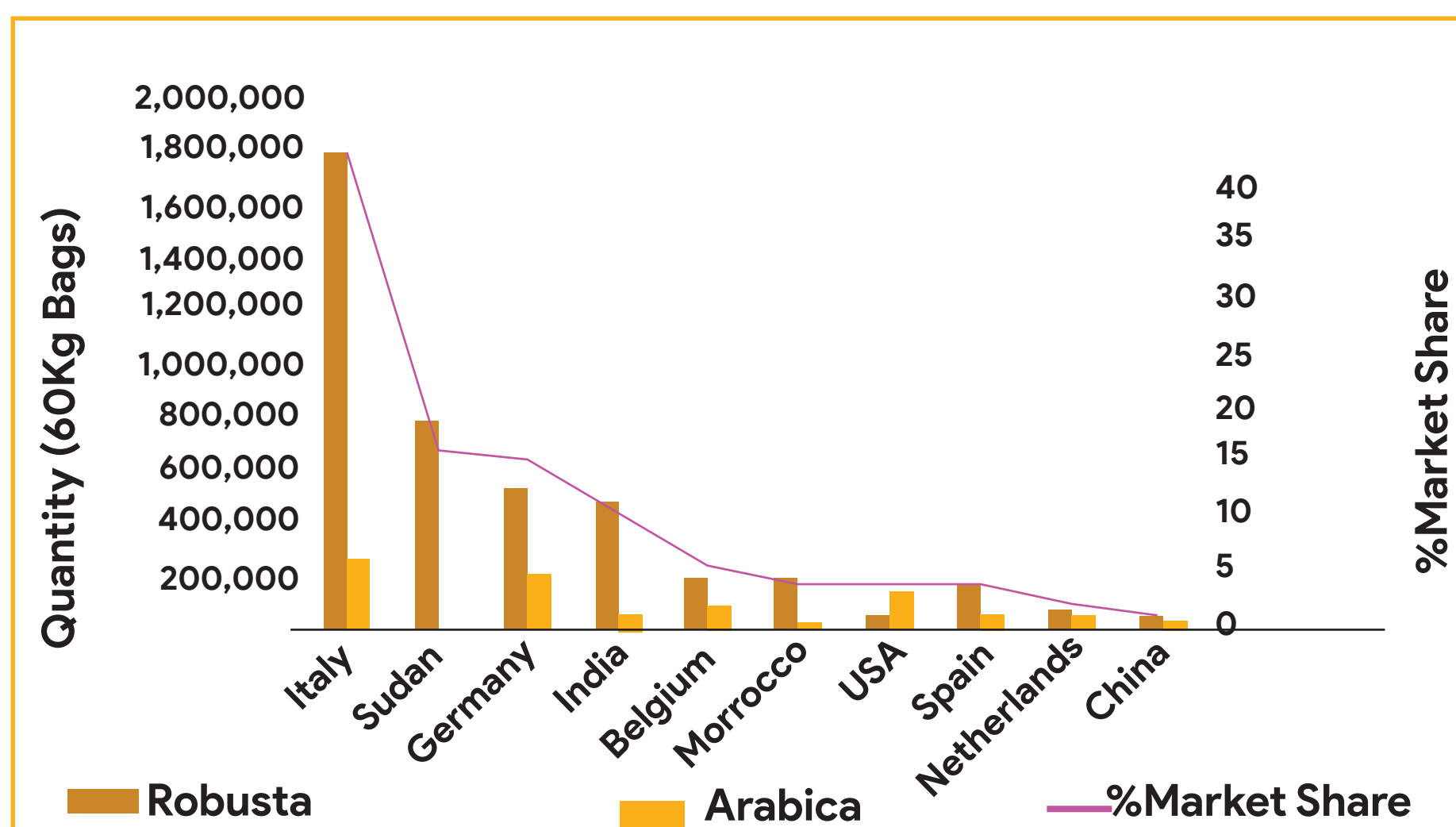
Exports rose from **4.2 to 5.76 million** 60 Kg bags from FY 2016/17 to FY2022/23.



Source: UCDA 2024



Italy has a **40%** Market share with Sudan, Germany, India and Belgium are major export destinations for Uganda's coffee.



Source: UCDA 2024

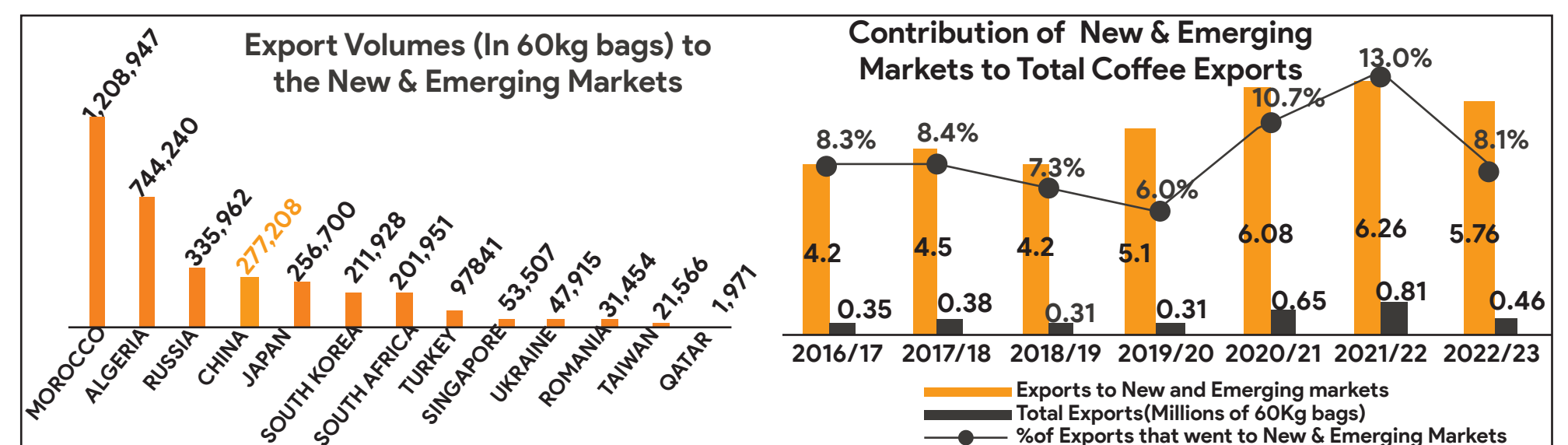
Region	Production (MT)	Productivity (M/ha)	National share (%)
South Buganda	95,344	0.7	34.6
North Buganda	64,429	1.5	23.4
Tooro	28,984	1.2	10.5
Ankole	38,691	1.4	14.0

Source: MoFPED 2024



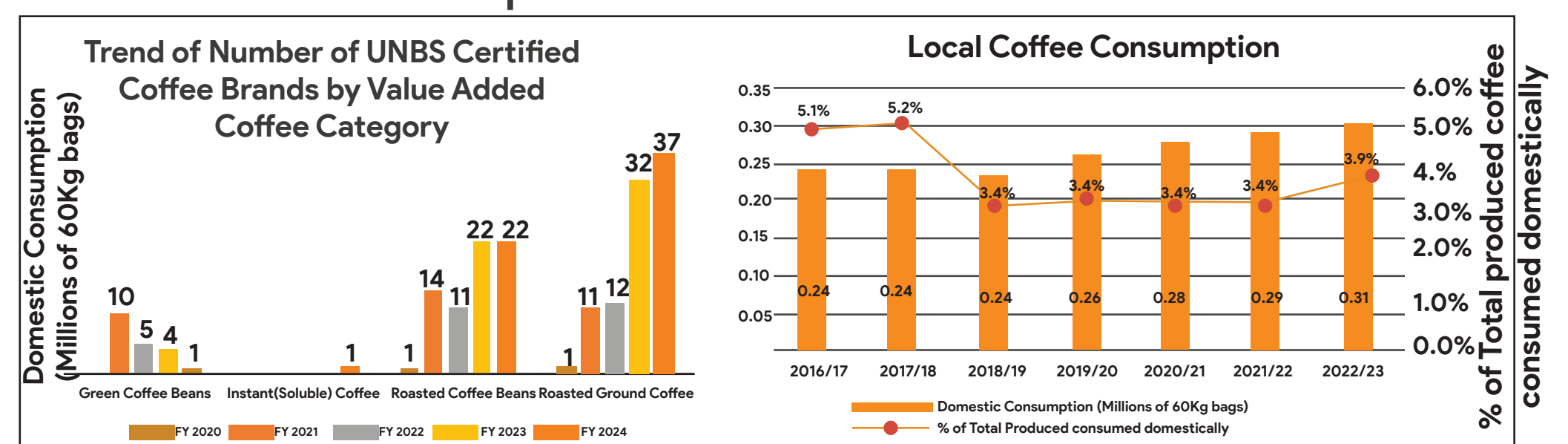
The coffee road map was developed as a result of a presidential directive to increase coffee production to 20 million 60 Kg-bags by 2025 starting 2017. Nine initiatives were identified to drive the coffee road map to its success:

i Structured (global) demand to increase international in new and emerging markets



Source: UCDA 2024

ii Domestic Branding to boost appreciation and promote local and international consumption



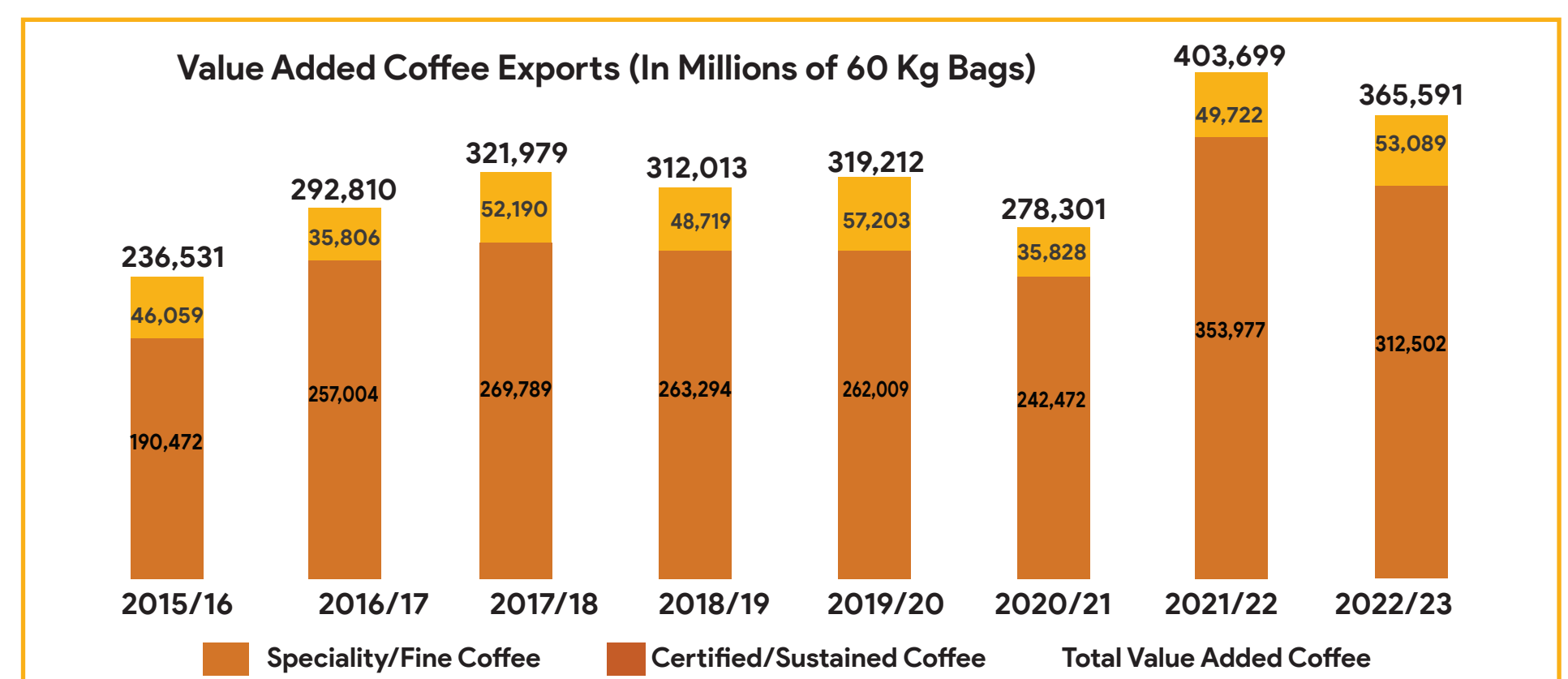
Source: UCDA 2024

iii Demand & Value addition to uplift the Value through investment & engagement

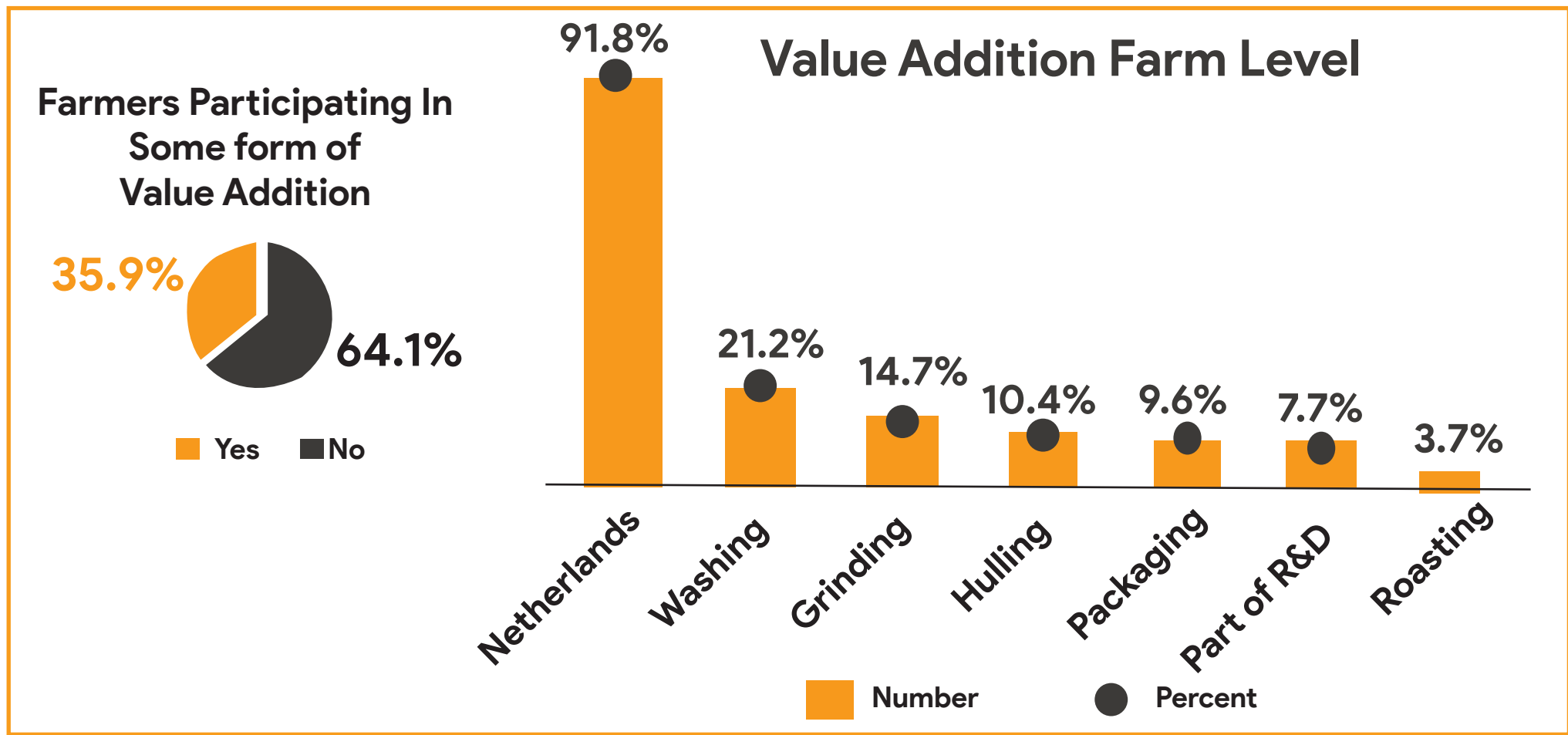
Value Addition Facilities, Roasters and Coffee export Companies

No	Category	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Export Companies	73	92	88	88	81	114	132
2	Primary Processing/Hullers	454	548	578	578	677	932	1,093
3	Washing Stations	22	22	22	22	22	52	131
4	Roasters	14	17	23	28	28	39	90
5	Export Grading Plants	21	24	36	36	36	35	37
6	Buying Stores	506	715	778	700	700	1,214	2,164

Source: UCDA 2024



Source: UCDA 2024



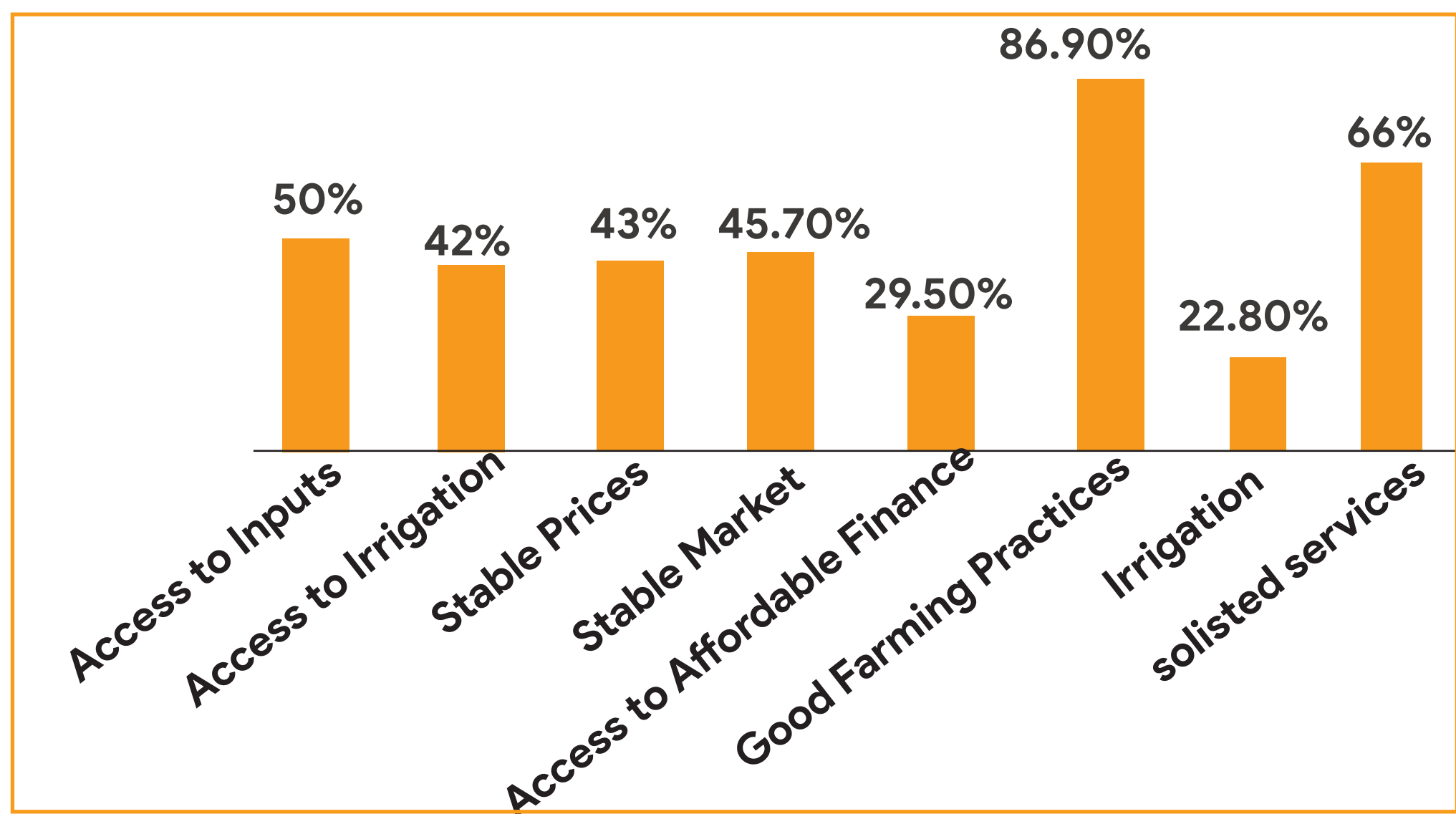
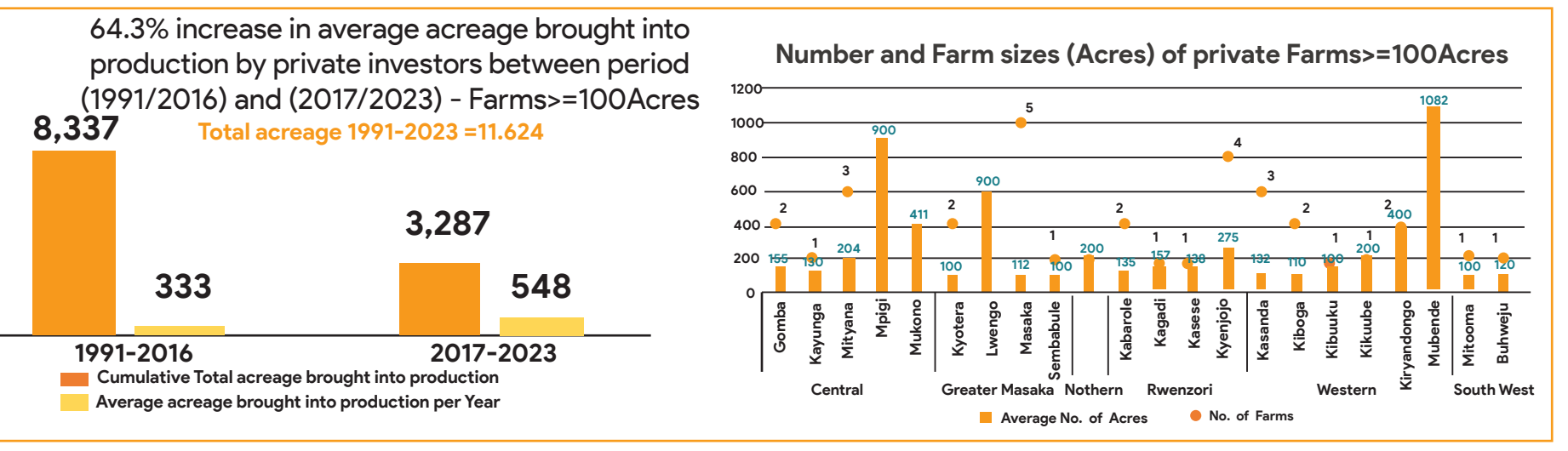
1.4m-3.2m		Increasing Income for farmers
630k-1.76M		Male & female income increase
1.7 -2.8 acres (65%)		Farmers increased average acreage for coffee from 2017-2023

Source: UCDA 2024

iv Strengthen farmer organizations in providing professional services

31.3%	farmers belong to farmer organizations
15%	Double increase at baseline
26%	Comprise of females
15.8%	households are on R&R program as per HH Survey
45%	farmers have rehabilitated trees
78%	got improved yields
72%	reported improved quality coffee
76%	improved vigor of the tree

v Provide and Promote concessions to increased annual coffee production by putting more land to use

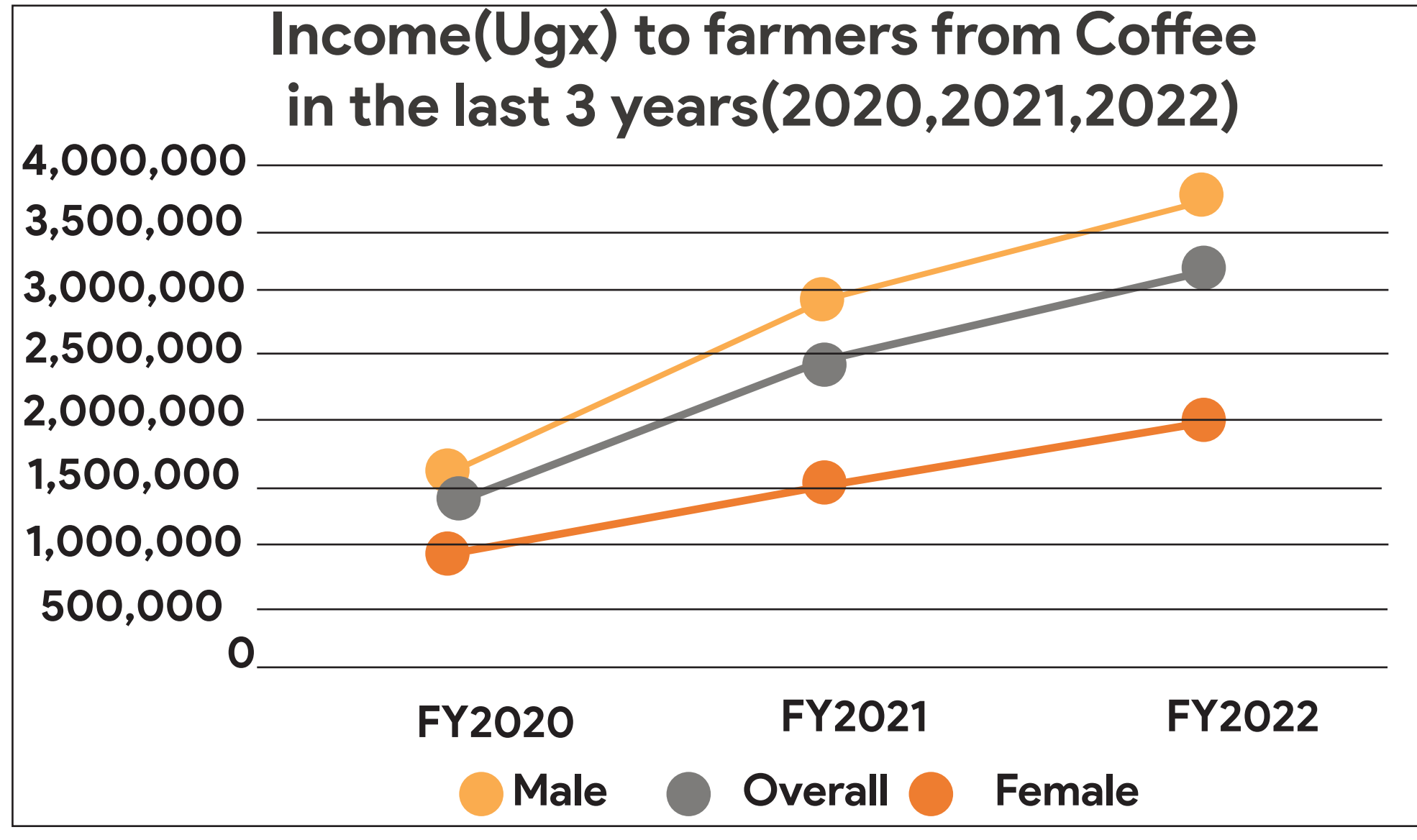


Source: UCDA 2024

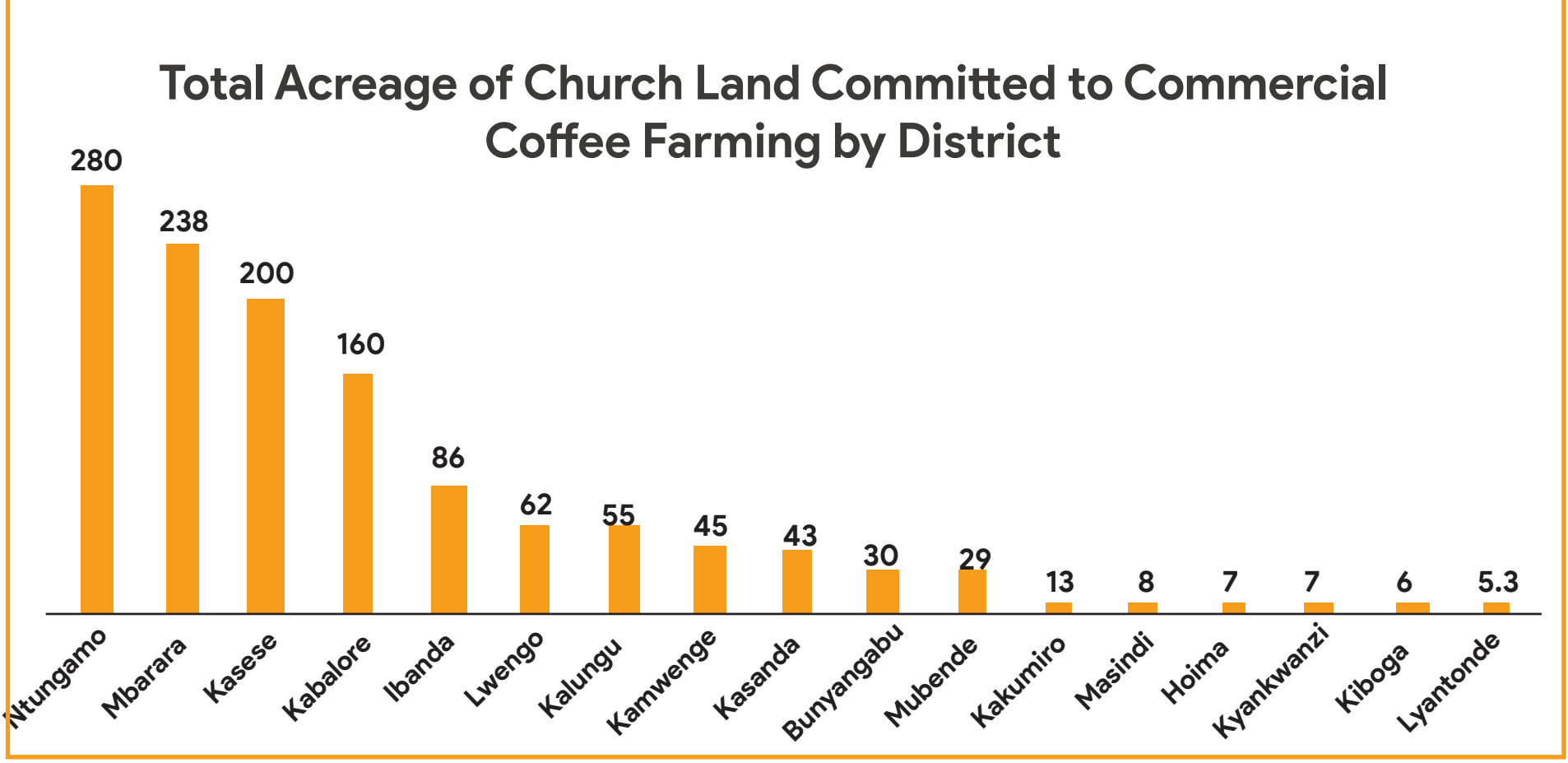
	1,900,000	Total No. of HHs in Coffee Production
	583,000 Ha 1,440,000 Acres	Total acreage utilized for coffee production
	0.32 Ha (0.8 Acres)	Average land size in coffee production / household

Source: UCDA 2024

vi Improve the quality of planting materials, strengthening coffee research agenda under NaCORI in Tissue Culture breeding & Seedling multilication



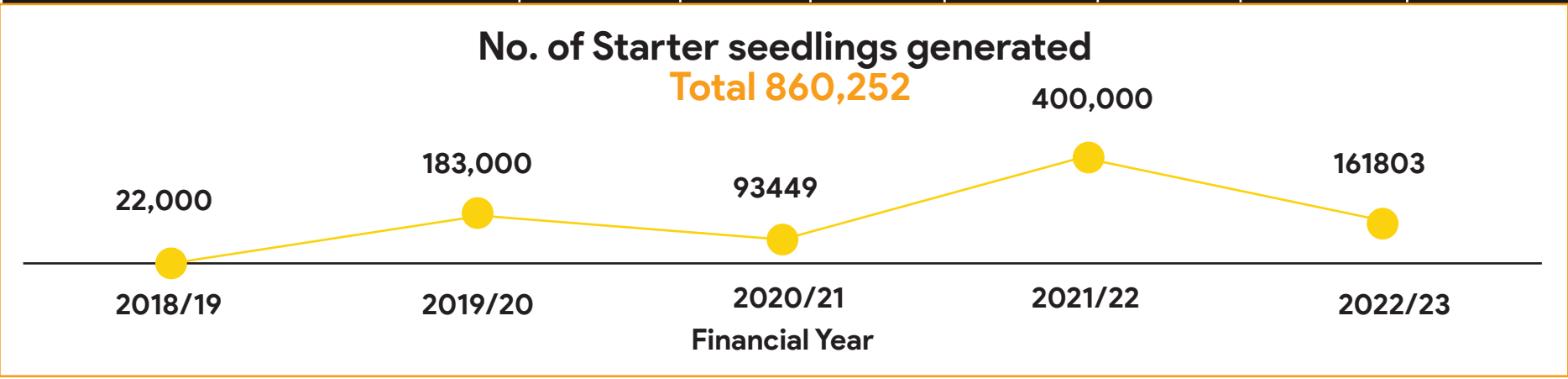
Source: UCDA 2024



Source: UCDA 2024

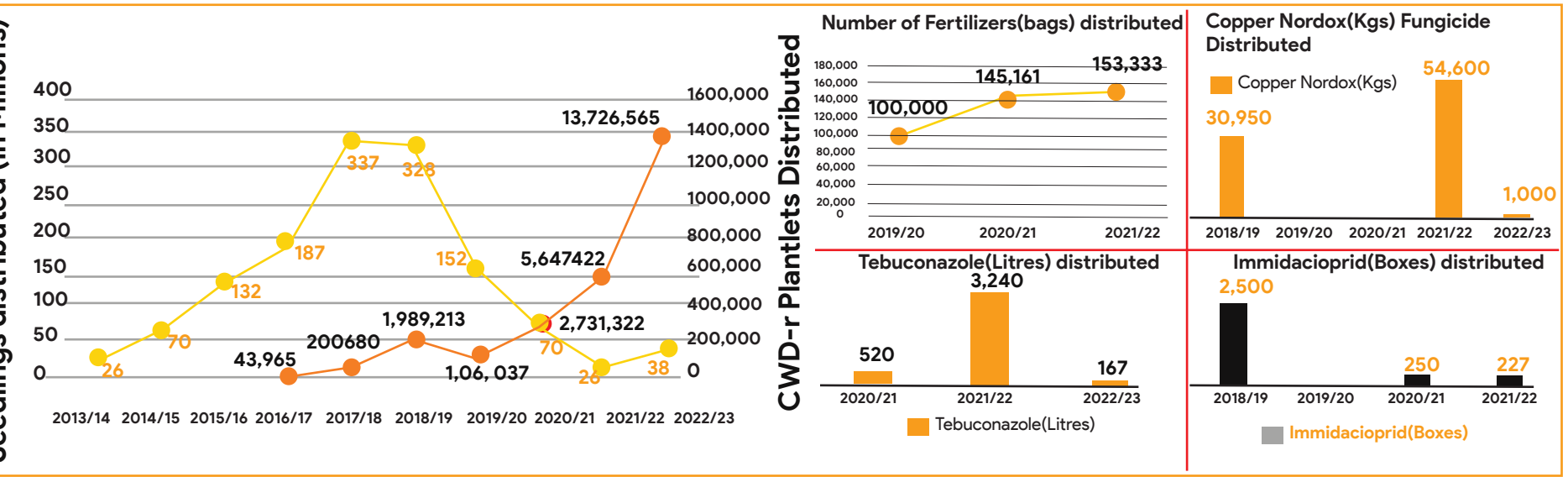


Indicator	2017/18	2019/20	2019/20	2020/21	2021/22	2022/23	Total
No. of collaborative research projects by 2025	-	-	-	3	4	-	7
No. of published and pre-reviewed articles	-	-	-	-	4	10	14
Cm No. of promising lines going for Preliminary Yield Time	-	-	-	10	15	15	15
Cm No. of promising lines waiting Release	3	-	-	3	3	3	3
Cm No. of promising lines released and incorporated into coffee extension	3	-	-	-	-	-	3



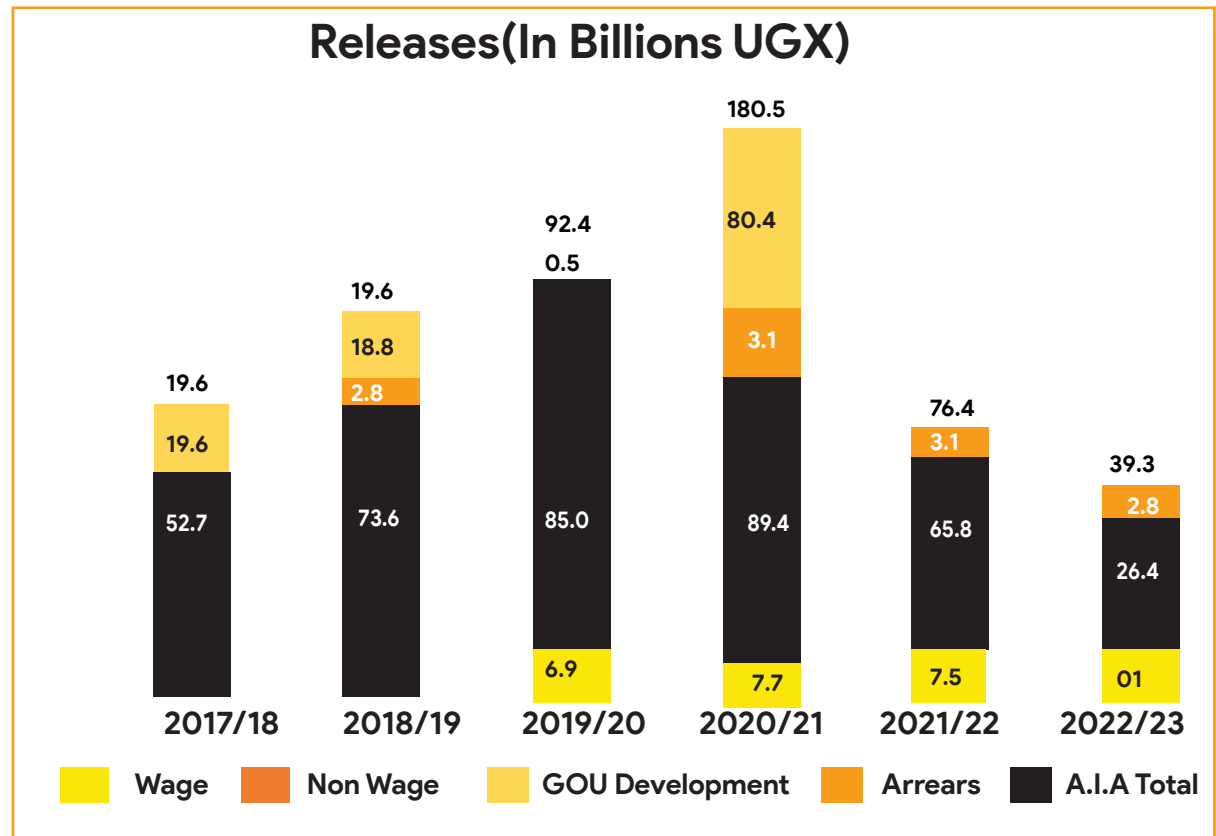
Improving access to coffee production inputs i.e. seedlings, fertilizer, herbicides, fungicides and pesticides.

- Elite Seedlings:** Phase out elite seedlings in favour of improved planting materials.
- Cuttings:** Scale up mother gardens for CWD-R variety multiplication
- Tissue culture:** Build capabilities and invest in modern multiplication and increase roll out of new varieties

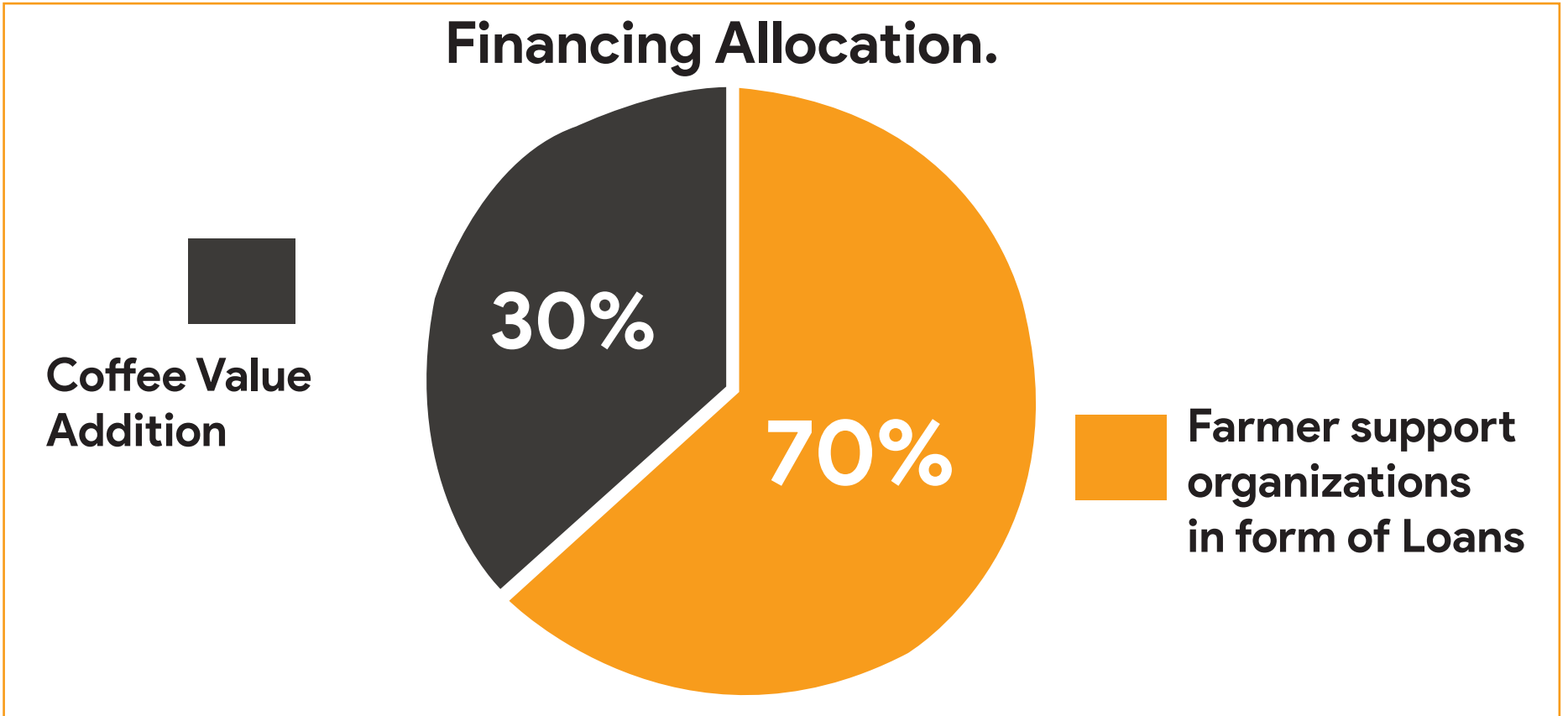


Source: UCDA 2024

vii Develop a coffee finance program for improved funding



The estimated amount of funds for financing the coffee initiatives was USD 700-1,000 Million.



Source: UCDA 2024

7 Issues, Ongoing interventions by Government as well as recommendations to the sector as of 30th December 2023

Issue/ challenge	Intervention	Recommendation /proposed action	Responsible MDA
Low production and productivity.	Government developed a coffee road map and identified nine initiatives to drive it to success. Government through NAADS has so far distributed 5.6 Million seedlings of Coffee.	Government has allocated additional 12.25 bn to UCDA in FY 2024/25 to pay arrears of coffee seedlings to farmers.	UCDA
Low quality of coffee produced which is attributed to low quality inputs, the poor agronomic practices and poor postharvest handling.	Strengthened the Coffee Research Agenda through Tissue Culture Breeding and seedling multiplication UCDA does farmer training on different aspects of the value chain including post-harvest handling	Government allocates 125 million quarterly through UCDA to NaCORI for strengthening coffee research. This helps to build capabilities and invest in modern multiplication to roll out new varieties.	NARO NaCCORI UCDA
Low levels of value addition.	Government has embarked on investing in the construction of coffee soluble plants.	UCDA has obtained approval from the board for the construction of a \$25 million coffee soluble plant in Namanve. There is need for more public investment in production of soluble coffee processing plants at the different regional levels that are coffee producing. Government allocated &20 million through the Science, Technology & Innovation (STI) towards the establishment of a modern industrial coffee park in Ntungamo district.	UCDA
Weak enforcement of regulations against counterfeit inputs.	Government through UNBS has done enforcement against counterfeits but with minimum success.	UNBS rolled out a phone powered traceability and e-verification service called e-tag to combat the prevalence of counterfeit products on the Ugandan market. MTIC should fast track the enactment of the Anti-counterfeit Goods Bill, 2023.	MTIC UNBS
EU deforestation Regulation.	National task force established Awareness campaigns on implications of EUDR Draft regulations incorporated with EUDR	Government has allocated 13.90 billion to UCDA in FY2024/25 for coffee traceability	UCDA

CONCLUSION

Coffee is one of the major commodities prioritised by the Government of Uganda to foster agro-industrialisation. This can be achieved through concerted efforts of both private and the public sector players along this value chain.

