



Uganda Coffee Development Authority

COFFEE NEWS

Your quarterly publication highlighting the activities in the Uganda Coffee subsector

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President Museveni invites Vietnamese to invest in Uganda's coffee sub sector

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FOREWORD

Performance of the coffee sub-sector by the end of the year remained strong despite episodes of drought impacting coffee production and productivity in some regions of the country.

Coffee exports for 12 months (January-December 2022) totaled 5.63 million bags worth US\$ 859.94 million compared to 6.77 million bags worth US\$ 718.71 million the previous year (January-December 2021). This represents a decrease of 17% in quantity but an increase of 20% in value.

The decrease in exports was mainly attributed to lower yields this year characterised by drought in most regions. This led to a shorter main harvest season in Central and Eastern regions and also reduced harvests from Greater Masaka and South-Western regions.

I take this opportunity to thank our stakeholders who participated in the National Coffee Day celebration held at Kamaama Estate in Masaka in the previous quarter. The theme, **A Celebration of Robusta and the Greater Masaka Coffees**, underpinned the growth of Uganda as a Robusta powerhouse.

Global demand for our coffee remains high and commercial diplomacy is opening new frontiers for it. The Embassy of the Republic of Uganda in Turkey, Uganda's Ministry of Foreign Affairs and UCDA, held a cupping event in Ankara, Turkey to showcase Ugandan Coffee to the Turkish coffee market.

The feedback from the Turkish business community about our coffee was very positive. I thank the Walker's Coffee House for committing to stock and serve Ugandan coffee to Turkish customers.

Our drive to promote Uganda coffee in new markets is in line with the coffee roadmap which calls for building structured demand through country-to-country deals.

The EU remains the top destination for our coffee and interest in Uganda's coffee and cocoa among EU countries continues to grow. The investment opportunities are enormous and I thank the EU for supporting us with two projects: the European Union-East African Community Market Access Upgrade Programme (EU-EAC MARKUP) and the Coffee and Cocoa Development (COCODEV) projects which will make our coffee and cocoa more competitive in East Africa and the European market.

The Europe-Uganda business summit held in October under the theme, **Mobilising quality investments and boosting trade between Uganda and the European Union**, demonstrated the strong partnership UCDA has built with the EU. We look forward to working closely to grow the sector.

Lastly, we remain committed to the National Coffee Roadmap that spells out the nine key initiatives to catalyze the transformation of the coffee sub-sector. Initiative three calls for support to local coffee businesses for value addition, including primary processing and a soluble coffee plant. At UCDA, we will ensure increased investment in the coffee sector. The President's call for value addition to Uganda's coffee is a goal we are pursuing.

Have a blessed 2023.

Dr. Emmanuel Iyamulemye Niyibigira

Managing Director - Uganda Coffee Development Authority (UCDA)

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Editorial Team

Editor-in-Chief: Dr. Emmanuel Iyamulemye Niyibigira

Editor: Laura Walusimbi

Sub-Editor: Alfred Rwamirego

Design/layout: Slick Republic Limited

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President Museveni invites Vietnamese to invest in Uganda's coffee sub sector

The first-ever trade event between Uganda and Vietnam provided a unique platform to accelerate trade, bilateral relationships and most importantly gave Uganda Coffee Development Authority (UCDA) a platform to showcase the country's coffee and cocoa to Vietnamese investors.

The event, the Uganda-Vietnam Business Summit, was held on 25th November 2022 at the Viet Nam Convention Center in Hanoi. It was organized by the Ministry of Trade, Industry and Cooperatives and the Ministry of Foreign Affairs sought to unlock investment and trade opportunities between the two countries.

In his address at the summit, His Excellency President Yoweri Kaguta Museveni called on Vietnam to invest

in value addition of coffee and other agricultural products, minerals and products such as cars, computers and machines. Museveni assured the investors that Uganda has the best investment environment with readily available raw materials and skilled manpower.

Coffee research

Uganda is set to benefit from partnering with the largest producer of Robusta coffee in the world after signing a Memorandum of Understanding (MoU) to support

collaboration and knowledge transfer on coffee production between the two countries.

On 24th November 2022, Hon. Frank Tumwebaze, Minister of Agriculture, Animal Industry and Fisheries signed the MoU with the government of the socialist republic of Vietnam represented by the Vietnam Coffee Coordination Board (VCCB).

The MoU will enable collaboration between Uganda and Vietnam to enhance coffee production and

productivity, marketing, research in climate change and environment, research on varieties and extension services and value addition along the coffee value chain. Vietnam ranks as the largest producer of Robusta coffee with a production of 31.59 million 60kg bags in 2021/2022.

Coffee sub sector open to investment

Dr. Emmanuel Iyamulemye, Managing Director, UCDA in a panel discussion on value addition in agribusiness highlighted the opportunities available to investors of coffee in Uganda including preferential markets in the East African Community (EAC), African Continental Free Trade Area (AfCFTA), Common Market for Eastern and Southern Africa (COMESA), African Growth and Opportunity Act (AGOA) and the trade privileges from China, United Kingdom and the European Union markets for Uganda coffee products.

Dr. Iyamulemye highlighted investment opportunities in the export of green and roasted coffee, supply of coffee machinery, equipment, pesticides and fertilizers; production

of packaging material such as gunny bags for the green coffee and pouches (Kraft or Matte) for roasted coffee; investment in washing stations that will enable production of fine and specialty coffee; soluble coffee production and investment in coffee roasteries and coffee shops.

Other panelists included Dr. Patience Rwamigisha, Assistant Commissioner Directorate of Agricultural Extension Services in the Ministry of Agriculture and Prince Bobby Juuko Kimbugwe, CEO Pure Grow Africa, who represented the private sector.

As UCDA works towards achieving the Presidential directive of 20 million 60kg bags of coffee by 2030 it is important to benchmark with such big producers on strategies that can be used to accelerate production from the current 8.4 million bags.

Discussions at the summit focused on several priority sectors including agriculture with focus on coffee, forestry, aquaculture, grains, agricultural research, fertilizers, pesticides, dairy and tea. Other broad sectors include ICT, tourism, industry, trade, gas and minerals. ●

President Yoweri Museveni called on Vietnam to invest in value addition of coffee and other agricultural products, minerals and products such as cars, computers and machines.



Brenda Mangeni, Promotions Officer UCDA explains the unique attributes of Uganda coffee to delegates at the summit



The agriculture and value addition panel discussion during the business summit. UCDA was represented by the MD Dr. Emmanuel Iyamulemye Niyibigira

Ugandan coffee, chocolate shine at 2nd Uganda-Europe Business Forum

The aroma of Uganda coffee and taste of locally processed chocolates gripped the attention of investors and delegates at the two-day high-level Uganda-European Union Business Forum held at Speke Resort Munyonyo in October, underlying the immense opportunities for investment in Uganda's coffee and cocoa sectors.

The Business Forum was organised by the European Union Delegation to Uganda and the Private Sector Foundation Uganda (PSFU) in partnership with the Government of Uganda under the theme **"Mobilizing quality investments and boosting trade between Uganda and the European Union."**

The forum was officially opened by His Excellency Yoweri Kaguta Museveni. In his address, President Museveni urged

European investors and businesses to take advantage of Uganda's profitability by building and locating production facilities in the country. He also assured European investors and businesses of ready markets across East Africa and Africa.

"Uganda is welcoming you to invest and do business," the President noted.

Value addition to Uganda's coffee and cocoa have been a main focus for Government of Uganda. The Coffee

Roadmap which was launched by the President in 2017, highlights nine key initiatives to catalyze transformation of the coffee sub sector. The third initiative stipulates supporting local coffee businesses for value addition, including primary processing and a soluble coffee plant.

In line with this, UCDA has continuously demonstrated the potential in growing demand for Uganda coffee and value addition in different fora.

UCDA was one of the exhibitors at the summit and showcased the coffee and cocoa value chains from farm to cup. UCDA also promoted domestic coffee consumption by serving coffee to delegates over the two days. In addition, the Authority supported private sector players involved in cocoa processing and chocolate making to exhibit their products. The local processing firms included Winky Chocolates, Equator Chocolates and Nile Chocolates.

Europe is a leading destination of Uganda's coffee with Italy being the No.1 importer. Interest in Uganda's cocoa is also growing with chocolate makers around the world appreciating its quality. The coffee and cocoa value chains offer enormous opportunities for investment both for local and international investors.

In his speech, EU Ambassador to Uganda H.E Jan Sadek said the European Union stands ready to promote Uganda as an investment destination.

"I truly believe that this kind of initiative is key to mobilise higher levels of private investments and to create new business opportunities in priority sectors in Uganda," he said. "We have a key role to play to





UCDA supported local chocolate makers to exhibit at the Business Forum



Participants enjoy Uganda coffee during the summit

enable European investors to have a deeper understanding of the business environment and investment climate prevailing in Uganda. The message we are conveying to European companies and investors is: 'Come to Uganda, seize the opportunities offered by the Pearl of Africa and the region. We will all benefit from those partnerships.'

The Business Summit brought together different stakeholders to network, exchange experiences and explore win-win investment and trade opportunities between Uganda and Europe.

The delegates explored a renewed commitment by both public and private sector stakeholders to building stronger Uganda-European Union business, investment, and trade ties as we emerge from unprecedented

Value addition to Uganda's coffee and cocoa have been a main focus for Government of Uganda. The Coffee Roadmap which was launched in 2017, highlights nine key initiatives to catalyze transformation of the coffee sub sector.

health and economic challenges.

In attendance were Ugandan and European policymakers, public sector agencies, EU Member States' embassies and consulates, private sector trade support institutions,

business associations and Chambers of Commerce, captains of industries, financial and non-financial intermediaries, investors, development partners and donor agencies, academia and the civil society.

The EU is supporting two projects implemented by UCDA to improve the competitiveness of Uganda's coffee and cocoa on the international stage. Under the EU-EAC MARKUP, EU is supporting Uganda to enhance market access of coffee, cocoa to the EU, the region and globally. The Coffee and Cocoa development project (COCODEV) on the other hand focuses on strengthening policy and regulatory frameworks, enhancing coffee and cocoa production and productivity and enhancing coffee and cocoa post-harvest handling. ●



Brenda Mangeni, UCDA Promotions Officer explains the results of the cupping session. Next to Mangeni is H. E. Nusura Tiperu Omar, Uganda's ambassador to Turkey who organised the cupping in conjunction with UCDA.

Uganda coffee aroma stirs Turkey

Uganda Coffee Development Authority, the Embassy of the Republic of Uganda in Turkey and Uganda's Ministry of Foreign Affairs held a cupping event in Ankara, the capital city of Turkey to showcase Ugandan Coffee to the Turkish coffee market. The event took place at Walker's Coffee House, a popular café in Ankara.

The cupping event was organised by the embassy to mark Uganda's 60th Independence Day celebrations. The aim of the cupping event was to provide an opportunity for different traders, buyers, café owners, and the various missions in Ankara to appreciate Uganda Coffee, promote trade and attract investors into the sector.

Uganda's ambassador to Turkey, H.E. Nusura Tiperu Omar told members of the Turkish business community that

Uganda is not only a good place to do business but one in which an investor will get the highest return on their investment.

Tiperu explained that the mandate to promote economic and commercial diplomacy requires the embassy to ensure that Ugandan products are promoted and stocked on the shelves of stores and Ugandan coffee is served in Turkish restaurants and cities of Istanbul, Antalya, Ismir and Bursa.

Turkey has a vibrant coffee culture and is a gateway to Europe and Asia making it a vital link for promotion and distribution of Uganda's coffee in line with the policy of economic diplomacy.

While Uganda's coffee exports to Turkey have been low, the numbers are beginning to grow. In September 2022, Uganda exported 4,930 bags of coffee compared to 2,044 bags in August 2022 signaling growing demand among Turkish coffee drinkers.

Brenda Mangeni, a Promotions Officer at UCDA made a presentation to the business community about Uganda's Coffee profiles, coffee processing methods and the investment opportunities available in the Uganda coffee sub sector.

Ms. Mangeni, a certified judge with the Coffee Quality Institute also led a cupping session. Eight samples of Arabica and Robusta were cupped. The Arabica coffees included; Natural Arabica from Zombo, Washed Arabica from Kapchorwa, Red Honey from Sipi, and Natural Arabica from Sipi. The Robusta coffees included Natural Robusta coffee from Ankole Coffee Producers Cooperative Union (ACPCU), Honey Processed Coffee from ACPCU, Washed Coffee from Kashari coffee and Natural Robusta coffee from Ibanda.



Uganda's ambassador to Turkey, H.E. Nusura Tiperu Omar addressing guests during the cupping event

The participants at the cupping event included the staff of the embassy, Turkish importers of coffee, baristas, café owners, ambassadors, and heads of missions from different parts of the world living in Turkey.

The event was successful and it was clear that different participants appreciated different types of coffee. The most liked coffees were the red honey from Sipi, the washed from Kapchorwa, and the natural and honey-processed Robusta from ACPCU in Sheema district.

The staff of Walker House appreciated the coffee and pledged to include Uganda coffee on their shelf and to be the one-stop shop for Uganda Coffee; they also pledged to serve Ugandan coffee in all their five branches. ●



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



The benchmarking team poses for a photo with UCDA staff after visiting the coffee laboratory at Lugogo

Uganda shares experiences with EAC States on revamping coffee, cocoa sub sectors

Uganda hosted the National Steering committees of five states that are implementing the European Union – East African Community Market Access Upgrade Programme (EU-EAC MARKUP) in November 2022.

The committees, with members from Burundi, Kenya, Rwanda, Tanzania and Uganda, were on a benchmarking mission with the objective of learning and sharing experiences on achievements, lessons

and challenges in the coffee and cocoa value chains.

The EU-EAC MARKUP aims at enhancing market access of coffee, cocoa, tea, spices, avocado and other horticultural products from five EAC

Partner States to the EU, the region and globally. The committees interacted with teams from UCDA, NACORI and beneficiaries of the matching grants scheme, to learn how Uganda has turned around the coffee and cocoa stories. ●



The team visited the UCDA coffee laboratory and cupped coffee samples from different regions of the country

Supporting Research: NaCORI Arabica, cocoa varieties developed with support from MARKUP offer hope to farmers

The National Coffee Research Institute (NACORI) has developed new high-yielding and disease-resistant Arabica varieties that will make Ugandan farmers more competitive at the local and global levels once they are released on the market. The varieties were developed with support from the European Union (EU) under the European Union – East African Community Market Access Upgrade Programme (EU-EAC MARKUP).

“Uganda has been lagging behind in development of new Arabica varieties and this is going to be a landmark for the farmers and the sector,” Dr. Pascal Musooli, a plant breeder and top coffee and cocoa researcher at NACORI revealed.

This was during a meeting with members of the National Steering Committees, who visited the institute located at Kituuza, Mukono to learn how EU-EAC MARKUP has supported Ugandan scientists to carry out research and develop coffee and cocoa varieties to increase production and productivity. The lessons and good practices will be adopted by partner states to help unlock trade and investment opportunities in EAC.

Dr. Musooli noted that the support they received from MARKUP enabled NACORI scientists develop new Arabica varieties whose performance is above 200% of the old types. The new Arabica varieties are also resistant to diseases such as leaf rust and coffee berry disease compared to old varieties.

Under the MARKUP project, NaCORI received support to evaluate and release improved Arabica coffee varieties and carry out preliminary evaluation of cocoa clones. The mandate of NaCORI is to carry out research on coffee and cocoa in Uganda.

All activities related to research under the MARKUP project are implemented



Under the MARKUP project, NaCORI received support to evaluate and release improved Arabica coffee varieties and carry out preliminary evaluation of cocoa clones.

by NaCORI under the supervision of UCDA. The MARKUP project supported NaCORI to carry out research in four locations: Zeu in Zombo district, Kyenjojo, Kabale, and Buginyanya

(Elgon region).

Dr. Musooli noted that while research was already ongoing into development of new varieties, the funds from MARKUP came at a critical time and made a big difference.

According to Dr. Musooli, the new varieties performed above 200% in comparison to the old types and once released to farmers, they will help increase production and productivity for farmers enabling them earn more.

The varieties are resistant to leaf rust and coffee berry disease which is going to reduce the burden on farmers to purchase chemicals to control diseases and pests.

Research on cocoa

Cocoa is a critical product in the economy but little research has been conducted to support farmers with high-yielding varieties. NaCORI is collecting good genotypes for research from Luweero, Mukono and Mayuge. The institute is also developing product prototypes from cocoa to be mass-produced by the private sector.

"Our goal is to carry out research that will

drive industrialization and enhance value addition and product diversity for the market and industry," Dr. Musooli noted.

NaCORI conducted a biological assessment on cocoa production to identify major pests and diseases. The survey showed that the major diseases affecting farms are stem verticium wilt (5.4%), pod rot (1.4%), lichens (21.6%) and mosses (27.3%). The major pests are the stem borer.

Uganda's unique and coffee and cocoa profiles

Gordon Katwirenabo, the National Programme Coordinator of the EU-EAC MARKUP noted that before the project, cocoa was not a priority crop but under the project, UCDA lobbied government and the crop was made a priority commodity.

"We did studies to prove that it can be a very profitable crop for farmers," Katwirenabo said.

Demand for Uganda's coffee and cocoa remains high because it is high quality. Cocoa is grown under agro forestry system while coffee is inter cropped with bananas and shade trees giving Uganda coffee and cocoa unique flavours.

Katwirenabo added that coffee and cocoa are very similar in agronomic practices and quality control and that is why UCDA is handling both under two EU-funded projects.

Musooli thanked the team for visiting NaCORI to learn from the researchers how Uganda has managed to revamp the coffee sub sector under the EU-EAC MARKUP. He called on the EU to provide them with more support to continue with the research because demand for better varieties is high.

"Nursery operators want varieties that can be multiplied easily. Farmers want high yielding varieties. Traders want big bean sizes. The consumers want high quality taste as per the Specialty Coffee Association. We understand the concerns of consumers, because the market wants a product with a specialised cup taste," Musooli noted. ●



The national steering committee members tour the nursery where NaCORI scientists are multiplying drought-resistant coffee varieties. The team tours the nursery where NaCORI scientists are multiplying drought resistant coffee varieties



The team looking at some of the products developed from coffee and cocoa through value addition



Tony Mugoya, Executive Director UCFA explains to the team how MARKUP has supported UCFA to increase coffee production at the newly constructed coffee factory in Mityana.

MARKUP unlocks value addition, market access opportunities for UCFA

The Uganda Coffee Farmers Alliance (UCFA), one of the beneficiaries of the matching grant under the MARKUP project has seen their processing capacity grow by 165% after using the grant to set up a coffee processing factory in Mityana in central Uganda.

According to Tony Mugoya, the Executive Director UCFA, the funds from the matching grant enabled them to set up a modern coffee factory which has more than doubled their processing capacity.

"Before setting up the factory, we were processing 2,000 metric tonnes per year. We moved to 4,000 MT and now we are

at 5,300 MT per annum.

This is attributed to the support we received from MARKUP for the construction of the factory and the training to our cooperatives on quality management along the value chain," Mugoya told the benchmarking team from the National Steering committees of five states that are implementing the European Union – East African

Community Market Access Upgrade Programme (EU-EAC MARKUP).

Mugoya added that they are happy that the machines they acquired, under the project, have enabled their farmers to access services that were previously only accessible in Kampala.

Lack of access to value addition facilities has been a major challenge for UCFA which operates in central Uganda, one of the major Robusta-producing regions in Uganda. Mityana alone has over 20,000 households growing coffee with the majority of farmers owning less than one acre. Setting up a coffee factory that farmers can easily access is opening new opportunities and easing the cost of doing business.

Under MARKUP, Mugoya said, they were supported to train 50 cooperatives out of 124 on value addition and post-

harvest handling. He notes that training is very important for smallholder farmers because the quality of coffee is often compromised at the farm level.

Annette Kenganzi, Senior Export Promotion Officer at the EAC and one of the members from the benchmarking team noted that she was very impressed with the work of UCFA.

"You are doing something you are passionate about and I hope other partner states can pick lessons from what you are doing to replicate them in their countries. The Alliance is growing and the improvement on ground is visible," Kenganzi noted.

Setting up a traceability system

Mugoya said UCFA is now setting up a traceability system in line with the new global trend in coffee trade. The industry is moving towards connecting consumers directly with producers.

"The global trend is that consumers are pushing for a more transparent coffee value chain. They want to know how much of for example the 5 Euros they

pay for a cup of coffee goes to the farmer," Mugoya asserted.

To adapt, UCFA charges suppliers a traceability premium of 20 cents per kilo of supplied coffee and they have



Mugoya added that they are happy that the machines they acquired, under the project, have enabled their farmers to access services that were previously only accessible in Kampala.



buyers agreeing to pay. According to Mugoya, the roasters also pay and this money is paid to farmers.

Social Campaigns

UCFA is also involved in social campaigns to uplift the well-being of its members such as the drive to eradicate malaria by 2030. They distribute mosquito nets to members and conduct awareness campaigns on public health.

UCFA extension officers also train farmers on agroforestry and good agronomic practices. In partnership with National Coffee Research Institute (NaCORI) and National Forestry Resources Research Institute (NaFORRI) UCFA is developing agroforestry coffee which fetches a premium price. Farmers access tree seedlings to plant as shade trees and end consumers buy seedlings.

Mugoya noted that climate change is impacting yields and they are working with roasters to support farmers mitigate the effects through agroforestry and other good agronomic practices.

He added that farmers are also faced with challenges of pests and diseases which impact on productivity and demoralise farmers. Limitation in access to finance for farmers has also been a major hindrance in their operations.

Despite the challenges, the good leadership of UCFA and the support from MARKUP has enabled it to prosper.

"We now produce coffee for export which was previously done in Kampala. This is a big step. MARKUP is supporting us to construct driers and warehouses at the factories. MARKUP is going to improve the livelihood of farmers and we shall do our best not to disappoint them," Mugoya said. ●



Celebrating Robusta and the Greater Masaka Coffees

Uganda celebrated the National Coffee Day on October 6th 2022 at Kamaama Farm in Nkuuke Village, Buwunga Sub-county in Masaka under the theme, A Celebration of Robusta and the Greater Masaka Coffees. The choice of venue for the annual celebration was appropriate as Masaka is the Robusta coffee-producing hub of Buganda.

The event was graced by the presence of the Katikkiro of Buganda, Owek Charles Peter Mayiga, the Government Chief Whip, Hon. Dennis Obua, the Minister of Defence and Veteran Affairs, Hon. Vincent Ssempiija Bamulangaki, UCDA Board members, management and staff, coffee value chain actors and the general public.

The day brought together stakeholders in the coffee sub-sector to discuss and deliberate on the key issues affecting the industry. The event happens annually and gives coffee actors an opportunity to celebrate the achievements in the sub-sector and recognise the excellence among coffee producers in the country. Winners of the annual Best of the Pearl Arabica (BOP Arabica) and Best of the Pearl Robusta (BOP Robusta) as well



Dr. Iyamulemye taking Katikkiro Charles Peter Mayiga through the Robusta production handbook.

as outstanding coffee stakeholders received awards from the chief guests.

The recipients included Ankole Coffee Producers Cooperative Union (BOP Robusta Natural Coffees and Honey

Coffees), Kashari Coffee (BOP Robusta Washed Coffees), Mountain Harvest SMC Ltd (BOP Arabica Honey Coffees), Nasaaga Investments (U) Ltd (BOP Arabica Outstanding Coffee), Kawacom (BOP Arabica Natural Coffees) and Mt



UCDA Board Chair Dr. Charles Mugoya welcomes Katikkiro Charles Peter Mayiga to the Coffee Day celebration. Next to him is Dr. Emmanuel Iyamulemye, UCDA MD. Centre is the deputy Katikkiro Robert Nsibirwa



Katikkiro Charles Peter Mayiga interacting with UCDA Board member Martha Wandera. Looking on is another Board member Michael Nuwagaba



Mountain Harvest - Winner of the BOP (Arabica) Honey Coffee category



Nasaaga Investments (U) Ltd won the Arabica Outstanding Coffee category



Hon. Vincent Ssempiija displays an award he received for his support to the coffee sub-sector during his tenure as Agriculture minister

Elgon Women in Specialty (BOP Arabica Washed Coffees).

The best overall exporter was UGACOF which exported 1,1010,363 bags of

Arabica and Robusta coffee while Olam (U) Ltd was recognised for exporting the highest number of 60 kg bags of Arabica (150,166 bags).

Other recipients of awards included Hon. Vincent Ssempiija for his support to the coffee sub-sector while he was the Minister of Agriculture, Animal Industry and Fisheries; Hon. Gerald Ssendaula, for his service to the industry as a former Board member of UCDA, his success as a coffee farmer and for championing agribusiness; Mr. John Muganga a former UCDA Board Chair; Mr. Musisi Ssebatta for exemplary coffee farm and CWDr nursery management and pioneering irrigations; Owek. Charles Peter Mayiga for spearheading the Emwanyi Terimba campaign to grow more coffee in Buganda; BUCADEF for promoting coffee production in the Buganda region; and Kamaama Estates for their contribution to the coffee sub-sector and for hosting the Coffee Day celebration in 2022. ●



Kashari Coffee emerged winner in Best of the Pearl Robusta Washed Coffees category



Ankole Coffee Producers Cooperative Union - Winner of the BOP (Robusta) Natural Coffee and Honey Coffee categories

PICTORIAL



Mr. Fred Luzinda Mukasa, proprietor of Kamaama Farm and UCDA Board member accepting an award from Hon. Obua as Dr. Mugoya, UCDA Board Chair and Dr. Iyamulemye, UCDA MD look on.



Mr. John Muganga receiving recognition from Hon. Obua for exemplary service while he was UCDA Board Chair, and exemplary coffee farm and nursery management.



Mr. Musisi Sebbata receiving recognition for his exemplary coffee farm and CWDr nursery management and for pioneering irrigation.



Mt. Elgon Women in Specialty Coffee won Best of the Pearl Arabica Washed Coffees category



Nuwagaba Michael, Chief Operations Officer UGACOF, receives the Best Exporter Award from Hon. Denis Obua



UCDA Board of Directors and staff pose for a photo with Masaka Cooperative Union staff after a monitoring and evaluation exercise following the Coffee Day celebration



UCDA staff pose beside the UCDA promotion van that is used to promote domestic coffee consumption.

UCDA celebrates milestones at staff retreat

Uganda Coffee Development Authority (UCDA) staff celebrated several milestones achieved during the year 2022 at the annual staff retreat held at Piato Restaurant in Kampala in December.

Staff also discussed the new strategic plan that aims to provide UCDA strategic direction in the medium term to contribute to the aspirations of the country as articulated in the third National Development Plan (NDP III) and the Uganda Vision 2040.

Dr. Emmanuel Iyamulemye Niyibigira, the Managing Director UCDA thanked staff for the good work done during the year especially the field staff who worked tirelessly and ensured that in FY 2021/22 coffee production hit a record 8.4 million bags.

Iyamulemye highlighted other achievements in the period such as the development of a Cocoa and Coffee Directory, UCDA winning the Best Overall Exhibitor Award at the National Agricultural show in Jinja, recognition of UCDA by Makerere University's Department of Food Science which UCDA has supported for the past few years.

The MD also congratulated staff who attained different milestones including staff who were appointed to new positions. These include Ms. Eunice



UCDA staff take part in exercises during a session to discuss mental health



Dr. Iyamulemye praised the employees for their hard work throughout the year to ensure that coffee production in FY 2021/22 reached a record 8.4 million bags.

Kabibi who was appointed to Board Secretary/ Director Legal Services, Ms. Nina L. Nassuna who was appointed to Director Corporate Services, and Ms. Doreen Rose Rweihangwe who is now the Director Quality and Regulatory Services. He also congratulated the newlyweds and recent graduates.

Dr. Iyamulemye updated staff on some of the projects and partnerships the Authority is pursuing which will enable the organisation to increase production and ensure value addition to Uganda's coffee. Under the national Coffee Roadmap, the Government aims to accelerate coffee production to at least 20 million bags per year to increase foreign exchange and the general standard of living of the different players in the coffee sector.

The MD also talked about the seven pillars of the Parish Development Model (PDM) and how stakeholders can benefit from it. This includes financial inclusion which is intended to reduce Financial Exclusion and Access Barriers to Financial Services. He called on the field staff to engage coffee farmers, nursery operators, and other stakeholders to take advantage of the PDM. He assured staff that issues hindering field operations will be addressed in order to keep up the momentum of increasing coffee production as per the coffee roadmap. ●

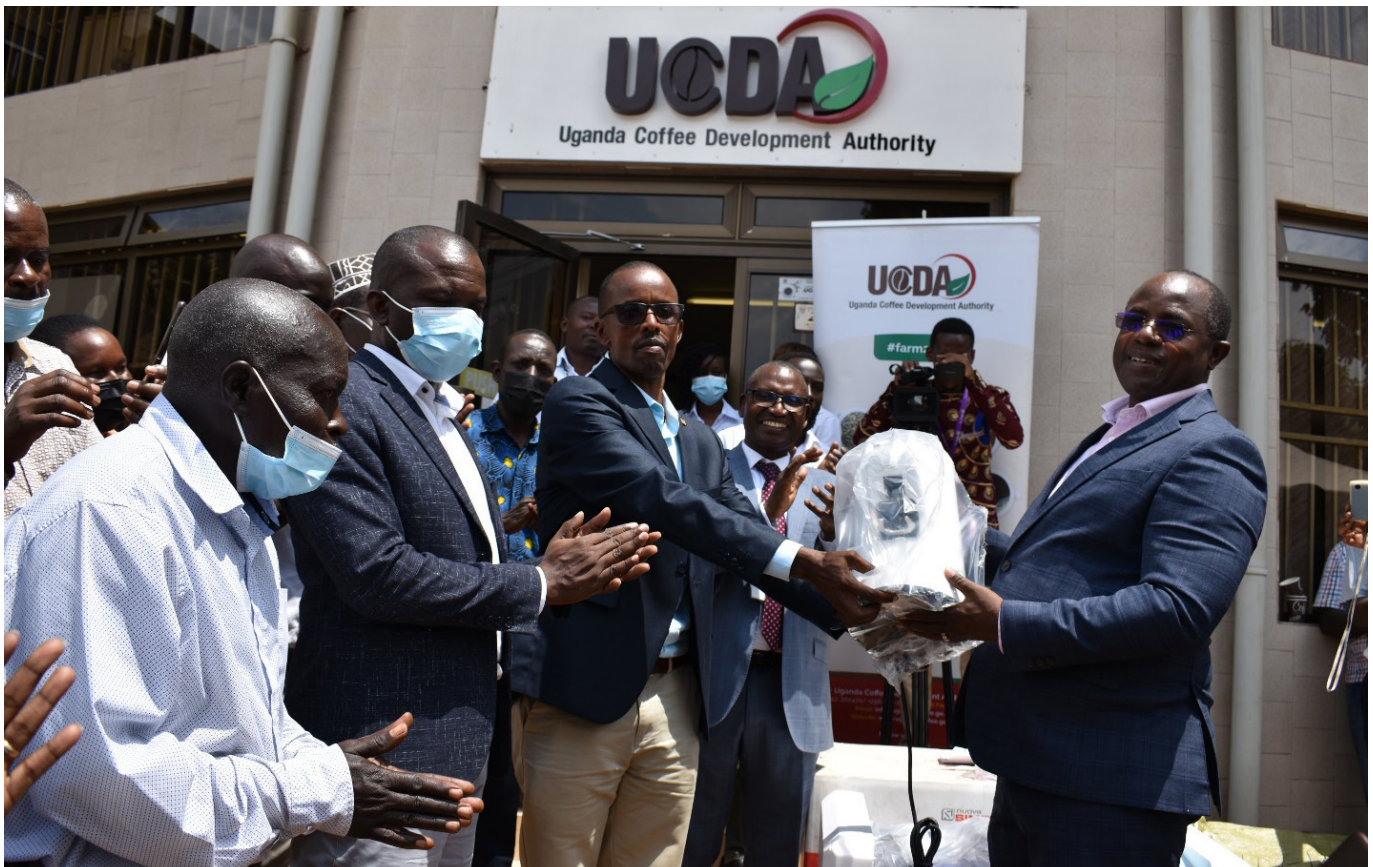
UCDA intensifies domestic consumption drive, hands over espresso machines to universities and government institutions

The Government of Uganda through Uganda Coffee Development Authority (UCDA) handed over 20 espresso machines and equipment for coffee stumping to stakeholders at the UCDA coffee laboratory, Lugogo. This will drive up coffee consumption, promote value addition and support the ongoing coffee rehabilitation programme.

The Minister of State for Agriculture, Animal Industry and Fisheries, Hon. Kyakulaga Fred Bwino presided over the handover of 20 espresso machines worth UGX 400m to various

institutions, including 12 institutions of higher learning. The institutions that received the machines included Uganda Christian University, Makerere University, Kampala International University, Uganda Martyrs University - Nkozi, Mountains of the Moon

University, Gulu University, Lira University, Muni University, Busitema University, Mbarara University of Science and Technology, Islamic University in Uganda and The Hotel and Tourism Institute in Jinja.



The State Minister for Agriculture, Fred Bwino Kyakulaga (Right) is joined by UCDA MD, Dr. Emmanuel Iyamulemye (centre) to hand over .espresso machines and coffee grinders to Government MDAs and Universities

Five government institutions also received espresso machines. They include Office of the Prime Minister, State House (Nakasero and Entebbe), Ministry of Agriculture, Animal Industry and Fisheries, Ministry of Finance, Planning and Economic Development, Ministry of Foreign Affairs, National Leadership Institute. One private sector player, Achys Café also received a machine.

Dr. Emmanuel Iyamulemye, the UCDA Managing Director, requested the beneficiaries especially the institutions of learning to utilize the espresso machines to support skills development among the youth so that as they leave the university, they have the requisite skills to get jobs in the coffee sub-sector. Domestic coffee consumption is growing and currently stands at 300,000 60-kg bags which is 4% of production.

The State Minister for Agriculture, Hon. Fred Bwino Kyakulaga also handed over 6,000 pruning saws and bow saws for coffee stumping and renovation to coffee farmers from Central region.

Serve Uganda coffee in public offices

While handing over the items, he asked public offices to stop serving non-Ugandan coffee.

"Whenever I go to government offices, I find coffee from abroad, being served to government officers. We export the green beans, they turn it into (soluble) coffee, then they bring it back and all our offices are flooded with that foreign coffee," Bwino said.

Bwino lauded UCDA for donating the equipment to the institutions and universities.



Coffee supports 1.8 million households and 12 million Ugandans derive their livelihood from coffee. However, the majority of the coffee farmers don't consume what they produce. This leads to lost opportunities in value addition, job creation, and low incomes for farmers.

He asked the UCDA MD, Dr. Emmanuel Iyamulemye, to consider extending the donation to other government institutions.

He however ordered that the coffee brewed on the donated equipment be Uganda coffee that is bought locally.

"Extend this kind of donation to government offices. I want them to start taking Ugandan coffee. The government institutions that have received these machines should ensure that they procure coffee from local processors so that their staff and stakeholders can appreciate the uniqueness and the richness of Ugandan coffee," Bwino said.

Data shows that out of the 8 million bags of coffee Uganda produced last year, only 4% was consumed locally.

In the Financial Year 2021/2022, Uganda exported 6.26 million bags of green beans worth US\$ 862 million.

As a country, Bwino says that "we can earn more and create employment for youth through promoting value addition to our green coffee beans

and popularising domestic coffee consumption."

"Coffee supports 1.8 million households and 12 million Ugandans derive their livelihood from coffee. However, the majority of the coffee farmers don't consume what they produce. This leads to lost opportunities in value addition, job creation, and low incomes for farmers. The culture of coffee drinking is just picking up, especially in urban centres. As a sector, we need to scale up the efforts of UCDA and private sector players to grow our domestic market," Bwino said.

He added: "We need to pick lessons from successful countries like Ethiopia which have a strong culture of coffee consumption. Globally, coffee has become popular among the young population. In the last decade, an increase in disposable income in developed nations and growth in emerging markets such as China has seen a sharp rise in coffee consumption."

In Uganda, the Minister said the visible growth and opportunities in the domestic market should be harnessed.

"Domestic coffee consumption in Uganda stands at 300,000 60-kg bags which is 4% of production and 5% of exports in FY 2021/22. To grow this number further, we need to reach out to the youth and the growing middle class to promote the culture of coffee consumption. I am also aware that there are other coffee products that the National Coffee Research Institute has developed such as coffee scrubs, coffee oil, and wine that are gaining popularity in the market," Bwino said.



Hon. Fred Bwino, Minister of State for Agriculture, addressing recipients of espresso machines and coffee grinders. Looking on is the MD, UCDA, Dr. Emmanuel Iyamulemye

According to Bwino, UCDA's visionary leadership has come up with innovative ideas like setting up coffee clubs in universities to promote domestic coffee consumption and skills development.

He said handing over espresso machines to universities is "a milestone we need to celebrate."

"It will go a long way in bringing the right technology and making it accessible to students to get hands-on training. The cost of coffee equipment is one of the barriers to entry into the coffee business. I am proud to be part of this initiative to support universities and other institutions with espresso machines," Hon. Bwino said.

In June 2022, UCDA gave out wet mills to Arabica processors.

"This kind of support to different value chain actors is critical in improving coffee quality and supporting domestic consumption," Bwino said.

Drinking Coffee is healthy

He added: "Uganda is one of the few countries that grows both Arabica and Robusta coffee and our quality is the best in the world. I urge you all to make Uganda coffee your beverage of choice. This is because Uganda coffee is not only the best coffee in the world, but you also get to enjoy its benefits. Health experts recommend 3 cups of coffee a day. This comes with several health benefits such as reducing the risk of diabetes, burning fats, reducing the risk of heart disease, Alzheimer's, and Liver disease. Therefore, placing a coffee machine in government offices



Uganda is one of the few countries that grows both Arabica and Robusta coffee and our quality is the best in the world. I urge you all to make Uganda coffee your beverage of choice.

has tremendous health benefits for the well-being of our staff. We are exploring opportunities for rolling out this program to all government MDAs."

UCDA efforts to grow domestic consumption

Speaking at the same event, Dr. Iyamulemye said the Authority is at the helm of inculcating the behaviour of coffee drinking in young people.

"We are telling the youth to drink coffee because it is healthy. We have coffee clubs in many public and private institutions, where we mobilize and sensitize them about the benefits of coffee but also as a way to make business out of coffee so that when they come out of those institutions, many of them are focused on joining the coffee sub sector," he said.

He revealed that by 2020, UCDA had trained 380 youth in Basic Quality Control.

"Many of them ended up working for companies exporting coffee. Others became buyers of coffee and exporters because they understood quality," he said.

He added that 390 youth were trained in coffee roasting.

He noted that UCDA has also trained several baristas (professional coffee brewers).

"Some end up in cafés and restaurants but others have set up their own companies to train youth in coffee brewing and value addition," he said.

Dr. Iyamulemye noted that some of the above measures will no doubt increase domestic coffee consumption. ●

COFFEE TRENDS

December 2022



Key Highlights



A total of **418,829 60-kilo bags of coffee** valued at **US 59.54 million** were exported in **December 2022** at an average price of **US 2.37 /kilo** US cents 2 lower than **US 2.45 /kilo** in **November 2022** and US cents 3 higher than **US 2.34 /kilo** in **December 2021**. This was a decrease of **22%** and **21%** in quantity and value respectively compared to the same month last year.



Farm gate prices for **Robusta Kiboko** averaged **UGX 2 450 per kilo**, **FAQ UGX 6 150 per kilo**, **Arabica parchment UGX 9 500 per kilo** and **Drugar UGX 8 500 per kilo**.



Coffee exports for **12 months** (January December 2022) totaled **5 63 million bags worth US 859 94 million** compared to **6 77 million bags worth US 718 71 million** the **previous year** (January December 2021).

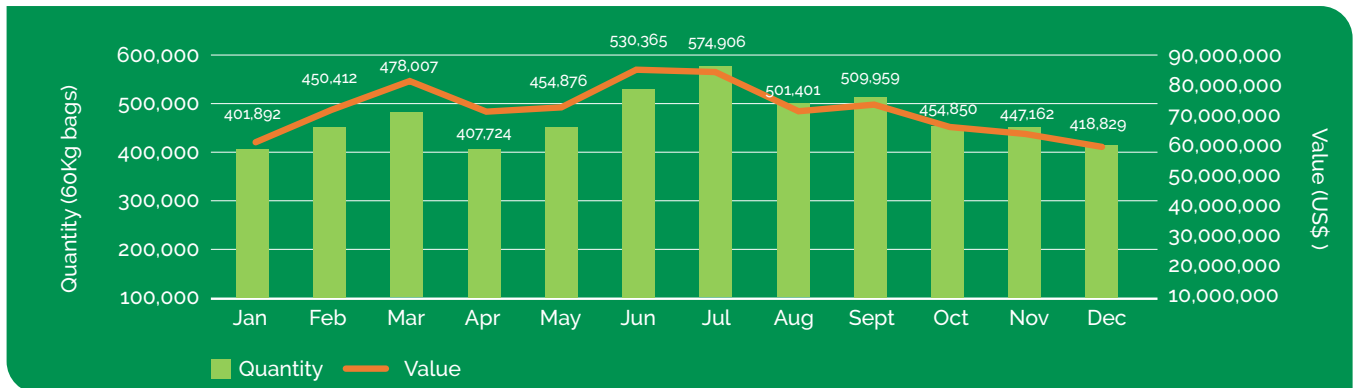
This represents a decrease of 17% in quantity but an increase of 20 in value.



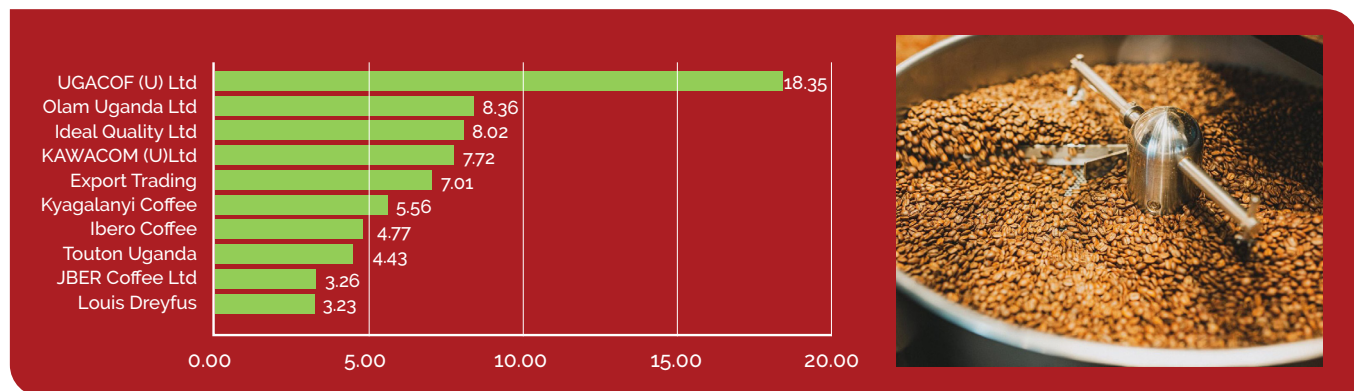
71% of the total volume was exported by **10 exporters**, out of **55 companies** which performed during the month compared to **77** in **November 2022**.

Mt Elgon A+ fetched the highest price at **US 5 10 per kilo**.

Trend of Total Quantity and Value of Coffee Exported: January 2022- December 2022



Top 10 Exporting Companies by percentage market share - December 2022

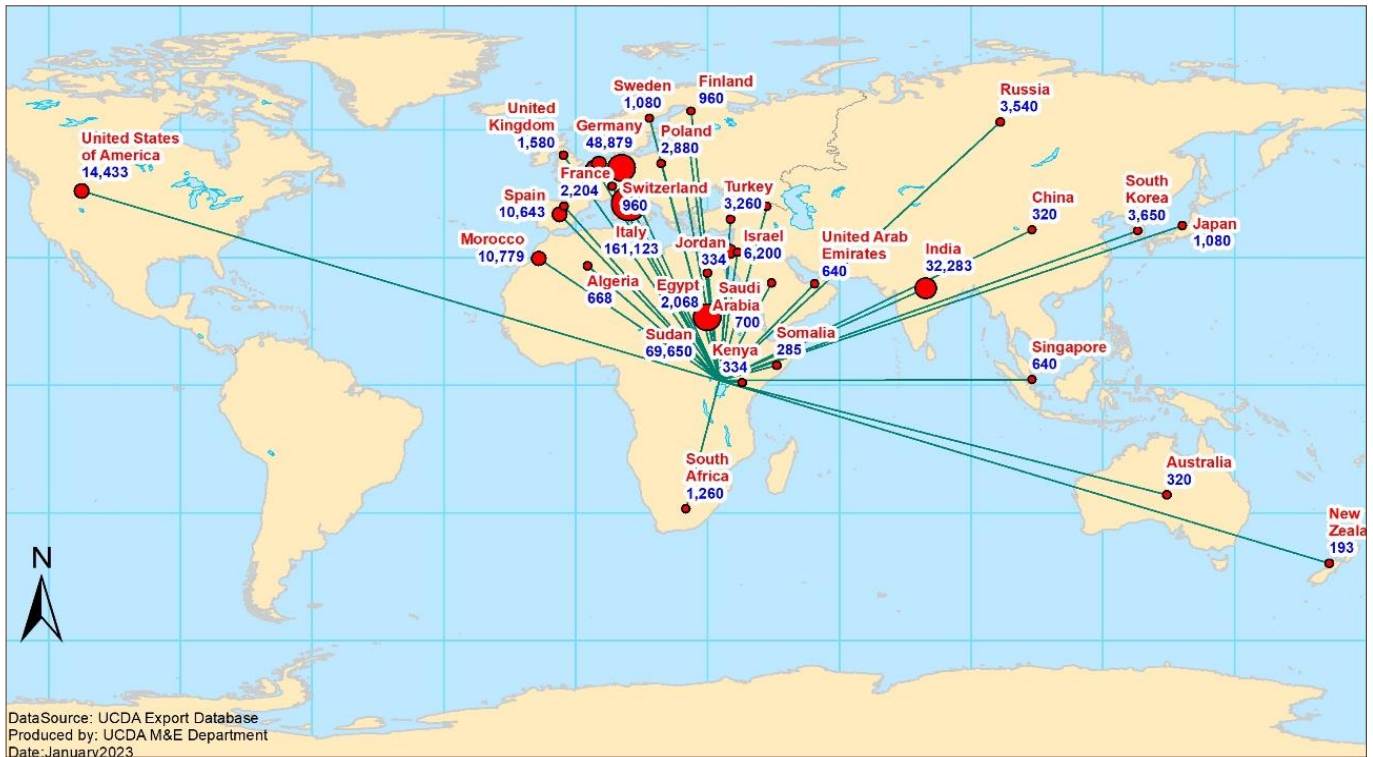


COFFEE TRENDS

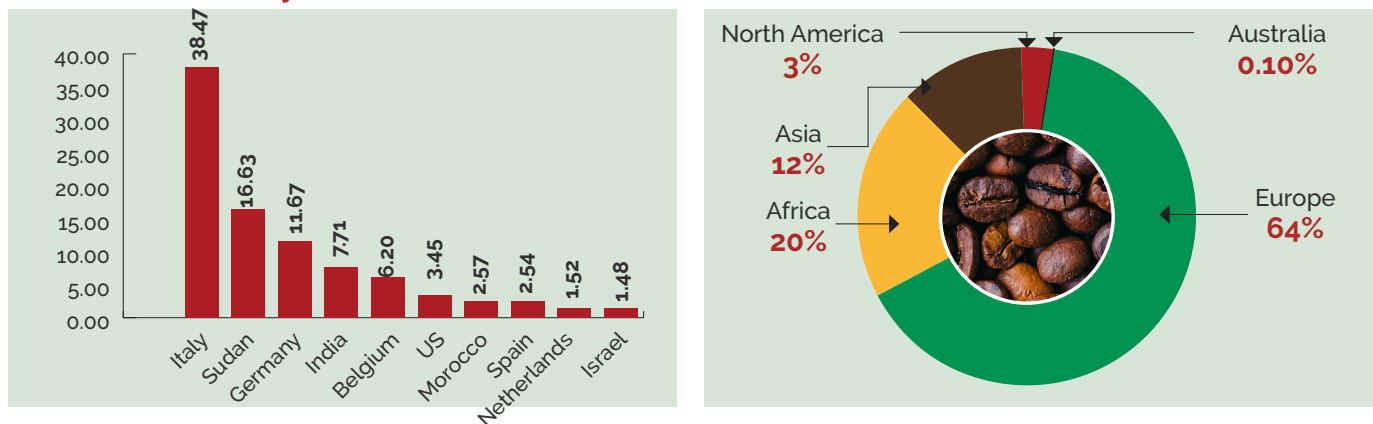
September 2022



Map showing Uganda's coffee destinations for December 2022



Coffee Destination by market share for December 2022



Quantity of Coffee exported by type for December 2022 (60Kg-bags)



Total: Quantity: 418,829 60Kg-bags | Value: US\$ 59,538,090 Million

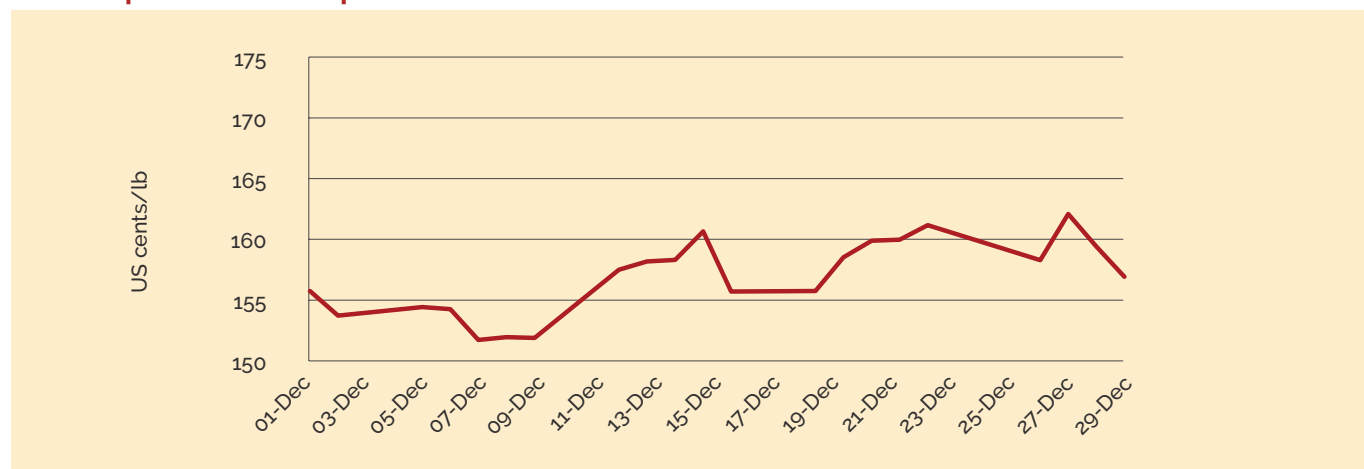


ICO Indicator Prices - December 2022

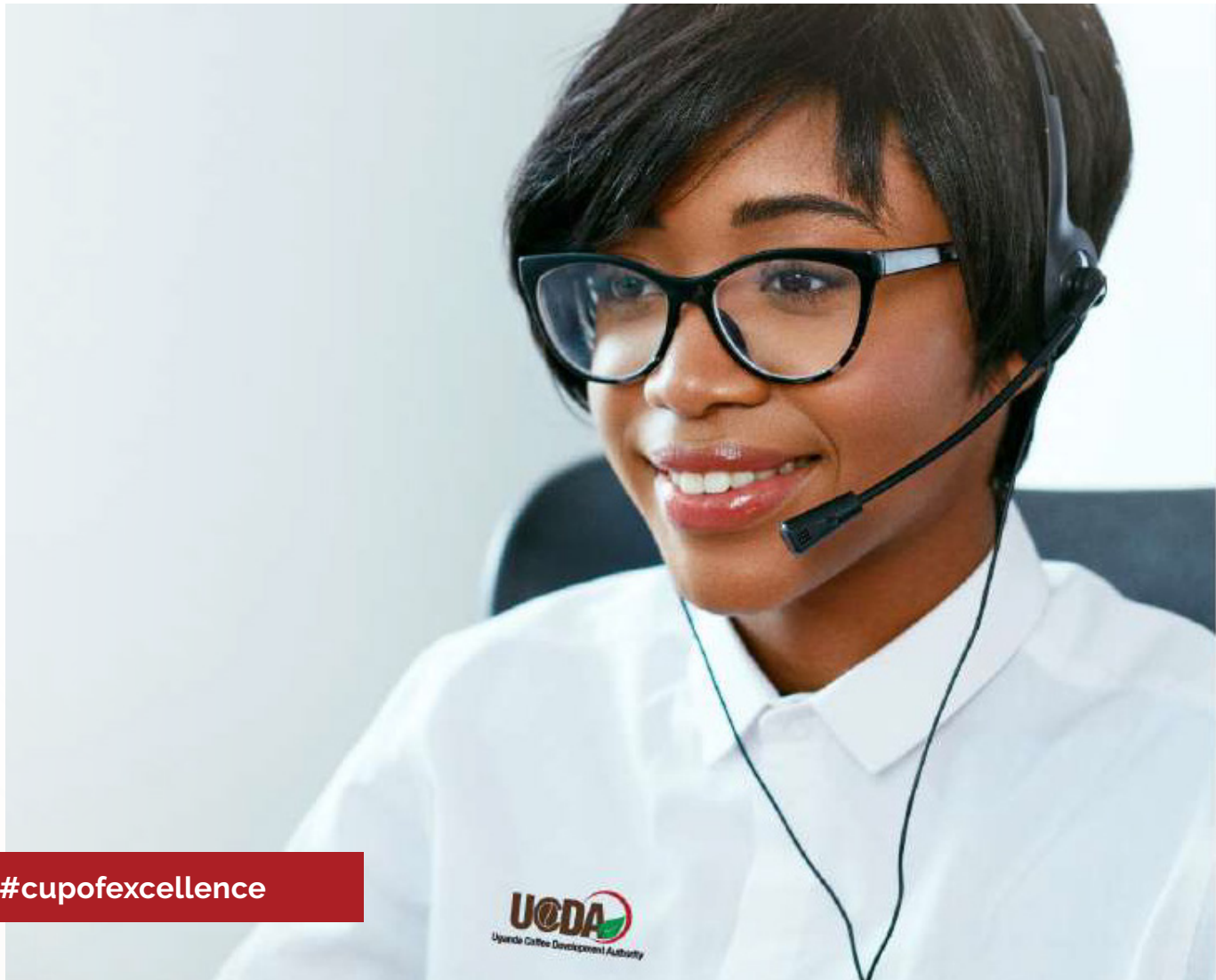
In US cents/lb

	ICO composite indicator	Colombian Milds	Other Milds	Brazilian Naturals	Robustas
01-Dec	155.99	223.08	209.04	166.65	93.49
02-Dec	153.95	220.16	205.95	164.09	92.80
05-Dec	154.66	220.56	206.34	164.71	93.88
06-Dec	154.49	220.38	202.88	165.25	95.02
07-Dec	151.95	216.77	199.26	161.36	94.65
08-Dec	152.19	217.16	202.80	159.61	94.63
09-Dec	152.11	216.79	202.49	160.93	93.58
12-Dec	157.73	224.92	211.88	168.66	94.32
13-Dec	158.41	226.04	213.01	169.98	94.05
14-Dec	158.55	226.31	213.09	170.21	94.10
15-Dec	160.87	229.50	216.48	173.69	94.53
16-Dec	155.93	221.70	209.09	166.61	93.80
19-Dec	155.98	221.98	208.97	167.52	93.12
20-Dec	158.76	225.67	210.90	172.50	94.21
21-Dec	160.10	227.08	213.64	173.87	94.70
22-Dec	160.21	227.22	214.80	173.77	94.35
23-Dec	161.40	229.60	216.69	175.86	93.96
27-Dec	158.51	225.76	212.08	171.11	93.98
28-Dec	162.31	232.01	218.33	177.29	93.51
29-Dec	159.64	228.42	215.06	174.31	91.76
30-Dec	157.16	225.33	212.15	170.97	90.46
Average	157.19	224.12	210.24	169.00	93.76
High	162.31	232.01	218.33	177.29	95.02
Low	151.95	216.77	199.26	159.61	90.46

ICO composite indicator price - December 2022



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**Do you have any questions
about coffee?**

Reach us on: 0800 35 35 30

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with YOU**

UCDA
Uganda Coffee Development Authority