



Uganda Coffee Development Authority

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FOREWORD

A

s we come to the end of Quarter 3 of the Financial Year 2022/23, I wanted to take a moment to express my gratitude for your continued support and partnership with the Uganda Coffee Development Authority (UCDA).

This quarter has been a challenging one, as we have navigated ongoing market unpredictability and uncertainty in the coffee industry. However, I am proud to report that despite these challenges, UCDA has continued to make significant strides in promoting the growth and sustainability of Uganda's coffee sector.

We have launched several new initiatives aimed at improving the quality and competitiveness of Ugandan coffee, including training programs for farmers and roasters, and increased support for value addition and processing. This we have done in partnership with development partners and local coffee organisations.

We have also made progress in expanding our international partnerships and markets, and in promoting sustainability and environmental stewardship throughout the coffee value chain. In fact, in April and June this year we shall participate in the Specialty Coffee Expo in Portland, Oregon in the USA and World of Coffee in Athens, Greece respectively along with Ugandan farmers, cooperatives traders and exporters.

Of course, we recognize that there is still much work to be done. As we move into the final quarter of the financial year, we remain committed to building on our successes and addressing the challenges that lie ahead.

We will continue to prioritize collaboration, innovation, and stakeholder engagement as we work towards our mission of ensuring that Uganda's coffee sector is sustainable, inclusive, and globally competitive.

Thank you for your continued support, and we look forward to working with you in the months ahead.

Dr. Emmanuel Iyamulemye Niyibigira

Managing Director - Uganda Coffee Development Authority (UCDA)

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Dr. Emmanuel Iyamulemye, MD of UCDA conducting the EU officials around the UCDA premises at Lugogo. Left to right are Sofian Dahmani, Caroline Adriaensen, Myriam Ferran and Jan Sadek.

EU pledges continued support to Coffee, Cocoa Sub-sectors

The Deputy Director General, International Partnerships at the European Commission, Myriam Ferran, has pledged continued support to Uganda in the coffee and cocoa sub-sectors.

Ferran made the remarks during a visit to the Uganda Coffee Development Authority (UCDA) laboratory on Friday 31st March 2023 together with Ambassador Jan Sadek, Head of the European Union Delegation to Uganda, Caroline Adriaensen, Head of Cooperation and Sofian

Dahmani from the EC International Partnerships Directorate. The visit was important in kick-starting strengthened cooperation between the European Union and UCDA in implementing the comprehensive value chains approach as part of the coffee and cocoa priority value chains for the Global Gateway in Uganda.

The European Union has been supporting the Ugandan coffee and cocoa value chains through two major projects implemented by UCDA over the past five years. The EU-EAC Market Access Programme (MARKUP) worth EUR 3,638,000 and the Coffee and Cocoa Value Chain Development (CoCoDev) Project in Uganda worth EUR 8 million (UGX 32.8bn) have supported the value chain development from smallholder farmers to certification, among other areas. The implementing period for MARKUP was 2018 to 2021 (with a second phase in the pipeline) while that for CoCoDev is 2022 to 2026.

During the visit, Ferran commended UCDA's efforts in the coffee and cocoa sub-sectors and called on the Authority to involve refugee-hosting



Ambassador Jan Sadek

communities in coffee production. This, according to Ferran, would help to improve the lives of refugees and contribute to the inclusive growth of the coffee industry. Sixty-five percent of Uganda's coffee exports go to the EU, placing the country in a position to compete favorably with other producing countries.

The team was hosted by UCDA's Managing Director, Dr. Emmanuel Iyamulemye, who took them through a coffee cup-tasting session to appreciate the uniqueness of Uganda's coffee. Also on display were Ugandan cocoa and cocoa products.

Dr. Emmanuel Iyamulemye, applauded the EU for the financial support, which, he said, is consistent with the Authority's desire to strengthen cooperation with the EU in order to support the expansion of the coffee and cocoa sub-sectors.

"We have been supporting the private sector to improve their coffee and cocoa standards. [The CoCoDev] project will continue supporting the coffee and cocoa sub-sectors by

The European Union's support of the coffee and cocoa sub-sectors in Uganda is vital for the country's economic growth. Uganda is known for its high-quality coffee beans and the EU's continued support will enable the country to increase its production and expand its market reach.

focusing on commercialisation and providing grants to expand production," said Dr. Iyamulemye.

Dr. Iyamulemye added that the EU support is also going to improve the cocoa regulatory framework. "For the first time, we are going to have standards for cocoa, and this will enable producers to access even more markets so that they can continue fetching premium prices," he said.

The European Union's support of the coffee and cocoa sub-sectors in Uganda is vital for the country's economic growth. Uganda is known for its high-quality coffee beans and the EU's continued support will enable the country to increase its production and expand its market reach.

Uganda is the leading exporter of coffee in Africa and the 7th largest producer in the world. With 65% of the coffee exported to the European Union, it is clear that this is an important market for Uganda. ■



Myriam Ferran, Deputy Director General International Partnerships, European Commission

New EU directive may affect Uganda's coffee exports

The recently adopted European Union Corporate Sustainability Due Diligence Directive (CS3D) on human rights and environment practices could negatively impact on the coffee sub sector in Uganda and other producing countries in Africa, Asia, the Pacific and the Caribbean.



On 23rd February 2023, the European Commission adopted a proposal for a Directive on corporate sustainability due diligence.

The aim of the directive is to foster sustainable and responsible corporate behaviour and to anchor human rights and environmental considerations in companies' operations and corporate governance. This was disclosed at an information sharing and stakeholder consultation workshop in Kampala on

31st January 2023.

The new rules are expected to ensure that businesses address adverse impacts of their actions, including in their value chains inside and outside Europe. The final text of the directive is expected at the end of 2023. However, because of two years' transposition time, it will likely not enter into force before 2026.

The companies in the scope of

the Corporate Sustainability Due Diligence Directive are large EU and non-EU companies with more than 500 employees and over EUR 150 million turnover worldwide and in EU respectively, and mid-sized companies with over 250 employees and over EUR 40 million turnover worldwide operating in high-risk sectors (minerals, agriculture, garment). These companies, which potentially include EU companies sourcing coffee from Uganda, are required to implement



all 6 steps of the due diligence process for their own operations as well as established direct and indirect business relationships, to ensure that there is no element of human rights abuse, forced labour, child labour or degradation of the environment along the supply chain.

"This means that they have looked through the supply chain to see whether there are human rights abuses; child labour, or forced labour in the value chain. On the environment side, they are looking to see whether you are respecting the environment (cutting or burning trees to plant coffee), and anything with a negative impact on the environment. If the company cannot prove that it has done due diligence, identified the risks, and is working on them, then it



Dr. Emmanuel Iyamulemye, the Managing Director at Uganda Coffee Development Authority (UCDA) believes there is still time to have input in the legislation and customize the directive in the context of the coffee sub-sector in Uganda which is dominated by smallholder farmers.

can be fined. This is the regulation," Lawrence Attipoe at the workshop in Kampala. Mr. Attipoe is the National Coordinator, of Alliances for Action Programmes Ghana Sector and Enterprise Competitiveness in the Division of Enterprises and Institutions at the International Trade Centre.

Although the regulation is not directly targeting Africans, Attipoe clarified, there is an indirect effect.

"To the extent that we are supplying to that company, if that company is punished because human rights abuses are detected in our value chain, they will stop buying from us," he said.

Attipoe appealed to the coffee sector players to ensure that they protect the environment and respect human rights.

Dr. Emmanuel Iyamulemye, the Managing Director at Uganda Coffee Development Authority (UCDA) believes there is still time to have input in the legislation and customize the directive in the context of the coffee sub-sector in Uganda which is

dominated by smallholder farmers.

"How do you trace to see how a farmer is caring about the environment, climate change?" he asked rhetorically, before adding, "The good news for us in the coffee sub-sector is that we have been promoting coffee as a forest crop. We advise farmers to plant coffee [with shade trees and cover crops like beans and soybeans and to harvest water]. So it's something that we already know and we have been doing. We are not too worried about compliance to the directive."

Escipion Joaquin Oliveira Gomez from the Organization of Africa, Caribbean and Pacific States (OACPS) said Uganda may not be affected because it already has good systems in place including a government agency mandated to over the coffee sub-sector (UCDA) and its parent ministry, Ministry of Agriculture, Animal Industry and Fisheries (MAAIF).

However, Joseph Nkandu, the Executive Director of the National Union of Coffee Agribusiness and Farm Enterprises (NUCAFE) says the regulation is not new.

"If a farmer plants trees on his coffee farm, that is an example of environmental conservation. Such a farmer is concerned with sustainability," he said. When farmers band together, they form a cohesive unit, which he added, is what NUCAFE is promoting. He emphasised that the directive must work in tandem with the existing laws in the country.

He however warned of the cost associated with sustainability and the need for more time to implement sustainable projects. ●

Consular General tips Ugandan Coffee stakeholders on trading in China

China's coffee market is undergoing rapid change, quickly turning into one of the fastest-growing coffee markets worldwide. In 2022, the coffee segment generated US\$15.34 billion in revenue.

As the population of Chinese coffee consumers continues to grow, Uganda has laying strategies on how to capture the market.

Ambassador Judyth Nsababera, Consular General of the Republic of Uganda in Guangzhou, China has urged coffee stakeholders to do due diligence on the Chinese companies they intend to deal if they are to succeed in the Chinese market. She emphasised the need for Ugandans to partner with local traders, as this would assist in building trust between them and potential business partners. While pointing out the stiff competition for coffee in China, the ambassador pledged to support the coffee stakeholders who plan to do business there.

Ambassador Nsababera met with Ugandan coffee exporters, farmers, cooperatives, and roasters to discuss the opportunities for export of Ugandan coffee to China and how to access the Chinese market. The meeting, held at Serena Hotel in Kampala, was aimed at encouraging the coffee stakeholders to explore the immense potential of the Chinese market.

Dr. Emmanuel Iyamulemye, the UCDA Managing Director, said there are 72 registered coffee exporters who are able to export to China. Dr. Iyamulemye said the Authority is engaging digital platforms in China to be able to upload Ugandan products and urged stakeholders to make use of such platforms whose required subscriptions the government will pay.

Iyamulemye added that Government has put in place initiatives to support the private sector to penetrate the China market.

To address the issue of quality and trust, Dr. Iyamulemye said UCDA and Ugandan coffee players can do joint



Ambassador Judyth Nsababera, Consular General of the Republic of Uganda in Guangzhou, China, emphasised the need for Ugandans to partner with local traders, as this would assist in building trust between them and potential business partners.



Ambassador Judyth Nsababera.

cupping sessions in China to introduce the coffee to potential buyers. He added that the list of companies that have excelled in the annual Best of the Pearl competitions, conducted by UCDA and the private sector, will be shared with Chinese coffee buyers for purposes of building trust and quality assurance. He said the Best of the Pearl competitions have given Ugandan coffee great visibility around the world.

Responding to the issues raised about inadequate funding, Dr. Iyamulemye said the Authority had attempted to have a Coffee Fund but this was dropped because the government already has the Consolidated Fund. However, he appealed to sector players to brainstorm on innovative ways of identifying sources of funding.

A Ugandan exporter with experience in trading in the Chinese market, Aggrey Tumuhaira, told the meeting participants that traders often struggle with understanding the



Stakeholders pose for a group photo after the breakfast meeting.



Ambassador Judyth Nsababera and Dr. Emmanuel Iyamulemye.

market. He stressed that Chinese distributors usually accept a product that has brand awareness (is well-known in the market). The Chinese deal with people they trust and buy products they can physically see.

Nelson Tugume, the CEO of Inspire Africa, a coffee company exporting coffee to various markets, noted that while it is important to look at exports and international markets, it is also important to add value at

the local level for better prices for the farmer and to grow domestic coffee consumption. He suggested using hydrogen technology to boost export of roasted coffee. With this in place, he says, this would help the coffee last up to 12 months on the shelves without losing its quality.

While giving a vote of thanks to the Ambassador, the Executive Director of the Agribusiness Development Centre (ADC), Josephine Mukumbya, said the sector needs a holistic approach to the challenges it is facing. For example, she said, financing alone may not address all the issues around the value chain.

UCDA figures show that exports to China have been increasing over the years. In 2018, Uganda exported 33,000 bags of coffee to China, 66,000 bags in 2019, and 83,000 bags in 2020. This shows a steady increase in demand for Ugandan coffee in China.

The discussion highlighted the need for Ugandan coffee stakeholders to add value to their coffee products by branding them for international markets. This will help Ugandan coffee players to succeed as it differentiates their coffee from other products in the market and attracts potential buyers. By doing this, Uganda can position itself as a leading exporter of high-quality coffee to China.

The meeting was a great opportunity for Ugandan coffee stakeholders to learn about the potential of the Chinese market and how to access it. With the right strategies in place, Ugandan coffee can become a sought-after product in China. ●



Left to right: Hon. Ssekitoleko, Hon. Sendaula, Hon. Babalanda, Hon. Lugoloobi and Prof. Suruma

Coffee stakeholders make resolutions on developing the coffee value chain

Coffee stakeholders have highlighted the need for investment and financing of the value chain, coffee research, innovation and development, the right regulatory framework for the sub-sector and the strengthening of farmer groups and cooperatives.

The stakeholders had convened for a validation workshop following a national coffee dialogue attended by over 80 stakeholders including farmers, traders, processors, exporters, researchers, private sector and civil society actors and development partners among others. The dialogue sought to discuss the emerging issues in the coffee sub-sector, build consensus and generate interventions for an inclusive, transformative and sustainable coffee industry in

Uganda. The delegates also discussed key resolutions to enhance the development of the coffee value chain in Uganda.

National Dialogue on Developing the Coffee Value Chain

The dialogue, organised by the Office of the President in collaboration with the Uganda Coffee Development Authority (UCDA) from 10th to 11th January 2023 was addressed by the Minister for the Presidency Hon. Milly Babirye Babalanda who delivered

the welcome remarks and outlined the specific objectives of the national dialogue. The Minister explained that the Presidency was involved in the coffee sub-sector in accordance with Article 99(3) of the Constitution of the Republic of Uganda that describes the Office of the President's core mandate as taking overall "leadership in public policy management and promotion of good governance practices".

The dialogue was officially opened by the Rt. Hon. Justine Kasule Lumumba, Minister for General Duties in the Office

of the Prime Minister on behalf of the Rt. Hon. Prime Minister. In her remarks, she highlighted the progress and achievements in the implementation of the Coffee Roadmap which was launched by H.E the President in April 2017. She noted that there was need for a significant transformation in the coffee sub-sector with focus on the three pillars of the Coffee Roadmap namely: demand and value addition, production and enablers. This transformation will support Uganda's social and economic development through increased export earnings which are projected at US\$1.5 Billion by 2030, improved livelihoods for over 1.8 million households, attract financing and investment of US\$1.0 Billion and a premium price for Ugandan coffee of 15% due to strong branding. She also noted that H.E the President has been following the implementation of the Coffee Roadmap and in a letter to coffee stakeholders dated 2nd October 2022 entitled "Organizing Uganda's Coffee Value Chain" he raised questions on the coffee sub-sector regarding coffee value addition, industrial production and trade implications. She emphasized that it was important that the stakeholders should discuss and build consensus that responds to the questions raised by H.E. the President towards transformation of the coffee sub-sector.

The dialogue was also addressed by other distinguished personalities who included Prof. Ezra Suruma, Senior Presidential Advisor and Chancellor of Makerere University, Dr. Joseph Muvawala, the Executive Director National Planning Authority, Ambassador Solomon Rutega, Secretary General of Inter African Coffee Organization, Prof. Joseph Kieyah, Chairman of Coffee Subsector

Reforms Implementation Standing Committee in the Executive Office of the President of Kenya, Ms. Nancy Cheruiyot, the Executive Director of Africa Fine Coffees Association and Dr. Emmanuel Iyamulemye, the Managing Director Uganda Coffee Development Authority. At this dialogue, UCDA demonstrated achievement in regulation of not only the coffee sub-sector but also initiatives to organize the cocoa sub-sector using home-grown expertise. UCDA also exhibited innovations and finished products in both coffee and cocoa.

Validation Workshop on the National Coffee Dialogue

At the validation workshop, one of the major resolutions highlighted the need for investment and financing of the coffee value chain. The workshop, held from 21st to 23rd February, recommended that support should be given to investment and financing of value addition across the coffee sub-sector to increase incomes, foreign exchange earnings, and jobs. This can be achieved through the development and implementation of a demand creation strategy that includes domestic, regional, and global

demand for coffee as a fundamental ingredient for sustainable value addition and industrial processing. The workshop also proposed fast-tracking the development of regulations to operationalize the National Coffee Act 2021. In addition, the workshop suggested creating funding mechanisms within the appropriate financing institutions (e.g., UDB, UDC, etc.) to promote investment in the coffee sub-sector.

The workshop emphasized the need for coffee research, innovation, and development. The workshop recommended providing specific funding for continuous research, innovation, and development for sustainable production and processing of coffee. The workshop observed that there is a need for investment in high yielding, market-oriented, climate, and disease resilient varieties, and value addition, which leads to competitiveness and better revenues for the country and households. The workshop also highlighted the need to invest in rapid multiplication of planting materials and other technologies to enhance production and productivity. The workshop proposed developing innovations to support industrialization and commercialization of diverse coffee products for food, beverages, cosmetics, medicine, etc.

Another resolution was regarding the institutional, regulatory, and policy framework of the coffee sub-sector. The workshop concluded that the Uganda Coffee Development Authority (UCDA) should remain as an authority for effective governance, regulation, and development of the coffee sub-sector. The Authority is a self-sustaining agency whose core function is regulation and support of



Uganda is the only producer country to achieve such rapid growth. In FY2021/22, coffee exports were 6.3 million 60 kg bags valued at USD862 million which was about 22% of all export earnings and was second to gold.

research. The workshop observed that the specialized international business nature of the coffee value chain requires a quick and timely decision-making mechanism which may not be possible within the civil service protocols of its parent ministry. In view of the achievements attained by Uganda in the coffee sub-sector globally, the proposed mainstreaming of UCDA into the ministry is likely to significantly undermine the country's credibility, stability, and growth in the coffee sector.

Lastly, the workshop addressed the issue of strengthening farmers, farmer organizations, and cooperatives in the coffee sub-sector. The workshop recommended that farmers, farmer organizations, and cooperatives be strengthened to meaningfully and competitively participate in the coffee value chain within the framework of the coffee roadmap. This would address issues of easy mobilization, training and capacity building, access

to information, input distribution, access to affordable finance, collective bulking, processing, and marketing, and quality assurance and traceability.

The resolutions were presented by Hon. Gerald Ssendaula, Hon. Victoria

Ssekitoleko and Prof Ezra Suruma to the Minister, Office of the President, Hon. Milly Babalanda in the presence of the Permanent Secretary Ministry of Finance, Economic Planning and Development, Hon. Amos Lugolobi.



Phenomenal achievements

Uganda's coffee sub-sector has a historical perspective inter-twinned with the country's political economy. Stakeholders discussed the positioning of coffee in Uganda's socio-economic history from 1910 to 1992. They observed that most of the sector distortions were from inherited policies and institutions. Coffee is a strategic commodity that should be handled accordingly.

Stakeholders noted that government interventions over the last three decades have registered phenomenal achievements. Coffee production grew from approximately 2 million 60 kg

bags in FY 2005/6 to 8.4 million 60 kg bags in FY 2021/22. Uganda is the only producer country to achieve such rapid growth. In FY2021/22, coffee exports were 6.3 million 60 kg bags valued at USD862 million which was about 22% of all export earnings and was second to gold. Uganda is Africa's leading coffee exporter and is ranked 7th globally in terms of volume and 3rd globally in terms of quality.

Amidst these tremendous achievements, Uganda's coffee sub-sector faces numerous challenges such as limited access to affordable finance, which is edging out several local companies, limited investment in

value addition infrastructure for finished products and inconsistent government policies. These challenges are hindering the growth of this important sub sector.

Stakeholders also interrogated the key challenges of value addition and developed practical mitigation measures to enhance private sector investments into industrial processing of coffee products for domestic, regional and international markets under five key areas: investment in coffee production, domestic consumption, regulation of the sub-sector, financing value addition and research.

UCDA, Kyambogo University partner to skill youth, promote value addition and domestic coffee consumption

Dr. Emmanuel Iyamulemye, MD UCDA and Eli Katunguka, Vice Chancellor, Kyambogo University signed a Memorandum of Cooperation to promote domestic coffee consumption and skill youth to take up jobs in the coffee sub sector.



With funding from the Inter Africa Coffee Organisation (IACO), UCDA will set up a café, provide brewing equipment, train youth and promote coffee health benefits. Under the MoC, Kyambogo coffee club will receive support to upgrade to a medium scale skills training hub with a coffee shop at the university. The MoC aims to promote domestic coffee consumption by creating awareness of the benefits of coffee consumption, conducting behaviour change communication among the youth and the public and capacity building of coffee brewers, baristas and other stakeholders.

During the signing ceremony, the Vice Chancellor Kyambogo University, Prof. Eli Katunguka expressed his appreciation to UCDA for the partnership.

"We are happy that UCDA will support us to set up a coffee shop, provide coffee brewing equipment, promote coffee and train students and staff," Prof. Katunguka said.

The Managing Director of UCDA, Dr. Emmanuel Iyamulemye, said Kyambogo University is a strategic partner. It is one of the 10 universities where UCDA has established a coffee club to promote coffee as a business and domestic coffee consumption among the youth.



Dr. Emmanuel Iyamulemye and Prof. Eli Katunguka

"Kyambogo University has been chosen to spearhead a campaign to promote coffee among the youth," he added. "Through this venture, IACO will promote coffee among youth in Uganda as they have done in Kenya and Abidjan. We look forward to training and sensitizing the students about the benefits of coffee consumption and coffee as a business."

The Managing Director explained that the Authority anticipates to complete the set-up of the café and training hub this year. "In anticipation of this, we have procured commercial brewing equipment," he noted.

UCDA is a public entity whose mandate is to regulate, promote and oversee the activities along the coffee value chain. The Authority trains stakeholders in best practices along the coffee value chain, including primary, secondary and tertiary coffee processing, brewing and roasting to improve the quality of green and

finished products. UCDA also conducts public sensitisation on the benefits of drinking coffee to increase domestic coffee consumption.

The main objective of the project is to establish a mutual cooperation in the coffee sub-sector by providing support to the Kyambogo University coffee club and upgrade it into a medium-scale coffee skills training hub. This support will include setting up a coffee shop at the university to serve as a formal training centre.

The Authority is responsible for planning, budgeting, promoting research and training students in coffee brewing, capacity building, promoting domestic coffee consumption, conducting surveys, and providing internship opportunities for students and staff. They will also sensitize students and the community about the health benefits of drinking coffee and develop promotional materials.

Kyambogo University will provide land for the coffee shop, appoint and supervise the team that will run it, be responsible for day-to-day activities, keep records of revenue and expenditure, publicize the importance of coffee consumption, and provide an appropriate office for project coordination. They will also promote domestic coffee consumption, provide monthly reports on the coffee shop's performance, and collaborate with stakeholders along the coffee value chain. ●

Kisoro Coffee farmers set to tap into the specialty market

Kisoro, a coffee growing region with potential to produce some of the best Arabica in the country and enable farmers earn big from the lucrative coffee business still lags behind because of bottlenecks such as lack of processing equipment.

This is set to change as UCDA gave out four wet mills to coffee farming communities to support coffee processing, thus increasing the quality and volumes produced.

In March, UCDA Technical Extension Manager, Robert Tumwesigye oversaw the successful installation and operationalisation of a wet mill on Mr. Gerald Ngarama's coffee farm in Murora sub-county, Kisoro district. The engine-driven wet mill has capacity to process 800kgs of red cherry per hour and will be accessed for free by other coffee farmers in the community.

Ngarama, is one of the recipients of the 35 wet mills procured by UCDA for distribution to coffee farmers across the country in a bid to improve coffee quality and promote production of specialty coffee which fetches a premium price.

Speaking at the launch, Tumwesigye noted that while access to the power grid remains a major challenge in rural areas, the engine-driven wet mill will ensure uninterrupted coffee processing.

Three other recipients of the wet mills are Festus Bahinyuza from Nyabwishenya sub-county, Winnie Bavuga from Nyakabande sub-county and Kenneth Barigye, Nyakabande sub-county.



UCDA is installing wet mills in Arabica coffee growing regions to improve quality and increase volumes of specialty coffee.

Memory Akajjuka, the UCDA Regional Extension Officer for Kisoro says that coffee farmers in Kisoro have long struggled to process coffee to the right standard. This has often resulted in poorly processed coffee which fetches low prices on the market.

The installation of the wet mills will make it easy for farmers to pulp the coffee, store it in bulk as parchment and then, later, market it to buyers while maintaining its quality.

Kisoro Arabica coffee is grown on the slopes of Mt. Muhavura in south western Uganda. It has lively acidity,

creamy mouthfeel and a sweet flavour with pleasantly lingering aftertaste.

In Kisoro district, about 80,000 farmers are involved in coffee growing with an estimated 4.3 million coffee trees planted mainly in the sub-counties of Nyabwishenya, Nyundo, Nyakabande, Busanza, Murora, Kirundo and Kisoro.

UCDA and the Ministry of Agriculture, Animal Industry and Fisheries last year commenced on a program to scale up wet processing to produce commercial volumes in Arabica and Robusta growing areas to attract premium prices. ●

Manage the Black Coffee Twig Borer with these easy steps

The Black Coffee Twig Borer (BCTB) attacks crop-bearing branches of mainly Robusta trees causing them to dry. A farmer can lose up to 50% of the coffee yield if they do not manage BCTB on the farm.

The resultant damage from the beetle is higher during the dry season, especially in coffee trees under shade trees, closely planted coffee trees or inadequately pruned or de-suckered coffee.

Damage to coffee

Only female beetles cause damage to the plants by boring into the tissue of the host. They bore through the xylem into the twig pitch where they chew along the axis of the twig to make a common brood chamber for the eggs. The males live up to 6 days and are flightless while the females live up to 58 days.

The entire life cycle, from egg to mature adult, takes 29 days. On the 29th day, the new females exit the parental galleries to establish new ones. Each female hatches between 10 and 30 eggs. The larvae and adults of the borer get food from the symbiosis developed with the ambrosia fungus.

How to Control the Spread of BCTB

Regularly inspect the coffee field to check for any infestation. As soon as the pest is sighted, cut, chop and burn the affected plant parts. Farmers should avoid using *musizi* and *musambya* as shade trees. These are alternate host trees of the BCTB.

It is important that farmers use pest-free planting materials from UCDA-certified coffee nurseries only.



: A coffee plant infested by BCTB.



The beetle trap developed by the National Coffee Research Institute (NaCORI) is highly effective in fighting the Black Coffee Twig Borer. The trap is composed of a transparent plastic bottle, a smaller pharmaceutical bottle, ethanol and a wire or string.

The plastic bottle has two windows on opposite sides. It holds water which drowns and kills the beetle. The

Controlling BCTB

- Cut, chop and burn affected plant parts.
- Avoid using shade trees such as *musizi* and *musambya*. These are alternate host trees for the BCTB.
- Use pest-free planting materials from certified coffee nurseries.
- Inspect your field regularly to identify any infestation.

smaller bottle, with ethanol in it, is tied with a string and placed in the plastic bottle. The ethanol scent attracts the insect. Once inside the plastic bottle they are trapped by the water in it.

Community approach required

The pests can fly over a very long distance so it will not be helpful if one farmer uses the BCTB traps and others do not. The entire community must take up the technology. ●



Uganda Coffee at Harvest Money Expo 2023

The 7th Edition of the Harvest Money Expo took place from 10th to 12th February 2023 at Kololo Independence Grounds under the theme **Farming as a Business – Post-Harvest Handling and Value Addition.**

The Uganda Coffee Development Authority (UCDA) exhibited along with other Ministry of Agriculture departments, agencies and projects, the interventions along the value chain with specific emphasis

on priority crops of the Parish Development Model.

During the 3-day Expo, UCDA staff engaged and trained the public on key aspects of the coffee value chain namely how the coffee value

chain works, the right skills to build a coffee farming business and harvesting money from coffee. UCDA also promoted domestic coffee consumption serving over 1,000 coffee cups excited expo attendees. ●



UCDA staff used the Harvest Money Expo to sensitise the public about the coffee/ cocoa value chains and promote domestic coffee consumption.

Uganda to open coffee shops in Germany, Denmark

Uganda will soon open coffee shops in Germany and Denmark in a move aimed at growing the market for the country's coffee.

Dr. Emmanuel Iyamulemye, the Managing Director at Uganda Coffee Development Authority (UCDA) made the revelation after having a fruitful meeting with Amb. Phoebe Ojala on promoting Uganda coffee in Germany and Denmark.

Iyamulemye says UCDA in collaboration with Uganda's Ministry of Foreign Affairs "will launch the Uganda coffee shops in Germany and Denmark soon."

"Germany is one of the top destinations of Uganda coffee in Europe. In December 2022, Germany imported 48,879 60-kg bags of coffee, and Denmark, on the other hand, is the [world's fourth largest coffee consumer]," Iyamulemye said, adding



Uganda through UCDA has embarked on a deliberate campaign to build the nation's coffee demand in growing markets. Efforts are ongoing to have Uganda coffee sold in the United Kingdom, China, Turkey and the United States of America among others.

that opening coffee shops in both countries is a commendable effort that offers huge market opportunities for Uganda coffee.

"They (coffee shops) will also support Ugandan entrepreneurs in sourcing for markets," Iyamulemye said, adding that the move to open coffee shops in Germany and Denmark is in line with the Coffee Roadmap launched by President Yoweri Museveni in 2017 with the aim of building structured demand for Uganda coffee through country-to-country deals.

Uganda through UCDA has embarked on a deliberate campaign to build the nation's coffee demand in growing markets. Efforts are ongoing to have Uganda coffee sold in the United Kingdom, China, Turkey and the United States of America among others. Globally, Uganda is ranked 3rd with the best coffee quality. ●



Dr. Emmanuel Iyamulemye and Ambassador Phoebe Ojala.

19th African Fine Coffees Conference and exhibition held in Kigali

Dr. Emmanuel Iyamulemye is joined by fellow panelists Peter Kileme, PS for Cooperatives and MSME – Kenya, Juan Esteban Orduz, Chair of World Coffee Producers Forum, Fred Kawuma former IACO SG and Claude Bizimana, CEO National Agricultural Export Development Board to discuss how to support coffee farmers to increase profitability at AFCA2023.

Africa's coffee actors and global coffee buyers converged in Kigali, Rwanda for the 19th African Fine Coffee Conference and Exhibition (AFCC&E) held from February 15th to 17th 2023.

Dr. Ildephonse Musafiri, Minister of State in Rwanda's Ministry of Agriculture and Animal Resources (MINAGRI), officiated at the opening ceremony of Africa's largest coffee conference.

"This conference offers us a timely opportunity to pause and reflect on the economic, environmental and social challenges we have faced and apply the lessons learned as we chart the way in the midst of the growing coffee demand worldwide," noted Dr. Musafiri.

The event, themed "**Shared Value for Sustainability in the African Coffee Industry**," drew delegates and exhibitors from around the world to discuss actions that will improve the quality and competitiveness of coffee from member countries, while also helping to grow existing coffee markets and secure new opportunities.

The event organisers lined-up regional and internationally acclaimed speakers to address key issues affecting the industry such as climate



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change and the future of coffee, the role of women and youth in coffee, mechanisation of the coffee value chain, coffee sustainability, domestic coffee consumption, access to finance among others.

Ambassador Solomon Rutega, the Secretary General of Inter Africa Coffee Organisation (IACO), called for continued advocacy for an enabling policy environment to facilitate

inter-regional trade, domestic coffee consumption, harmonised standards, access to finance and digitalisation and traceability.

He noted that to achieve shared value for sustainability in the African coffee Industry, a multi-stakeholder approach must be adopted where all players in the value chain are committed and share the same dream to transform and create lasting impact.



Amir Hamza, Chairman of AFCA

According to Mr. Amir Hamza, Chairman of African Fine Coffees Association (AFCA), Africa's coffee industry is full of opportunity amidst the challenges. African producers have an opportunity to increase market share as other origins suffer diminishing productivity due to severe adverse impacts of climate change.

Amir called on businesses to adapt new ways of doing business to ensure the sustainable production of coffee. He also emphasised the need to increase domestic coffee consumption, stressing that Africa must learn to consume its own coffee because this is the true story of sustainability.

"Many developments have taken place which seek to expand the inter-Africa coffee trade hence assuring producers of more market and more business opportunities. Coffee in particular is poised to reap big in this new development, but we must, as African countries, consume our own coffees and export surplus to create shared value and sustainability," Amir Hamza urged the delegates.

In a panel discussion, Dr. Emmanuel Iyamulemye, the Managing Director of Uganda Coffee Development Authority (UCDA) noted that for coffee



Ambassador. Solomon Rutega, Secretary General Inter Africa Coffee Organisation

farmers to enjoy a decent living, they must be supported to earn premium prices and develop supply chains that are economically, socially, and environmentally viable for both producers and coffee buyers. In line with this, UCDA has been at the forefront calling on farmers to produce high-quality coffee to earn more.

The Authority led a contingent of farmers, cooperatives, local processors, and exporters to take part in the AFCA conference and exhibition. These included Mountain Harvest, Kashari Coffee, JKCC Coffee, Rubanga Coffee, Ankole Coffee Producers Cooperative Union, Kibinge Coffee Farmers' Cooperative Society, ZIGOTI Coffee Works, Rwandaro Coffee,



UCDA also supported a team of baristas to compete in the AFCA Barista championship 2023 and Uganda's Ibra Kiganda scooped the top prize.

National Coffee Research Institute, International Women's Coffee Alliance - Uganda Chapter among others.

UCDA also supported a team of baristas to compete in the AFCA Barista championship 2023 and Uganda's Ibra Kiganda scooped the top prize.

The annual conference and exhibition, hosted in rotation among its 12 member countries, is Africa's largest coffee trade platform that brings over 1,000 regional and international coffee roasters, traders, producers, professionals and connoisseurs under one roof. The dialogue included leveraging regional integration to improve intra-regional trade within AFCA countries and strengthening farmer organisations and exporters.

It is expected that this conference and exhibition will be an opportunity for member countries to adopt policies that encourage transparency in coffee marketing and to establish long-term partnerships between private and public sectors, leading to the establishment of more efficient production and trade in African coffees.

African Fine Coffees Association (AFCA) is a regional coffee association with its Headquarters in Kampala, Uganda. Member countries include Burundi, Cameroon, the Democratic Republic of Congo, Ethiopia, Kenya, Malawi, Rwanda, South Africa, Tanzania, Uganda, Zambia, and Zimbabwe. Membership consists of private and public sector specialty coffee stakeholders including producers, exporters, importers, roasters, policy makers, transporters, and trade representatives among others. ●

Ugandan scoops AFCA barista award

Ibra Kiganda, an employee of Mountain Harvest SMC Ltd, won the Africa Barista Championship in Kigali, Rwanda. This is the second time a Ugandan wins the continental top prize. The first Ugandan to win the accolade was Godfrey Batte. Uganda's other participants at the championships were the country's current national barista champion, Michael Wokorach (who came 2nd), Simon Ochen, and Isaac Ntambi.



(Left) Ibra Kiganda is congratulated by one of the judges for his exciting presentation. (Right) The winner poses with his fellow winners of the night.

Ugandan coffee companies woo buyers at AFCA

A big contingent of Ugandan coffee companies participated in AFCA 2023 showcasing Arabica and Robusta coffee to international buyers. Here are some of them.



Mountain Harvest - Winner Best of the Pearl (Washed Arabica) 2021



JKCC coffee - Fine Robusta



Rubanga Coffee - Fine Robusta from Mitooma, Uganda



Ankole Coffee Producers Cooperative Union - Winner Best of the Pearl (Robusta)



Zigoti Coffee Works - Winner Best of the Pearl (Robusta)



Kibinge Coffee - Fine Robusta from central Uganda

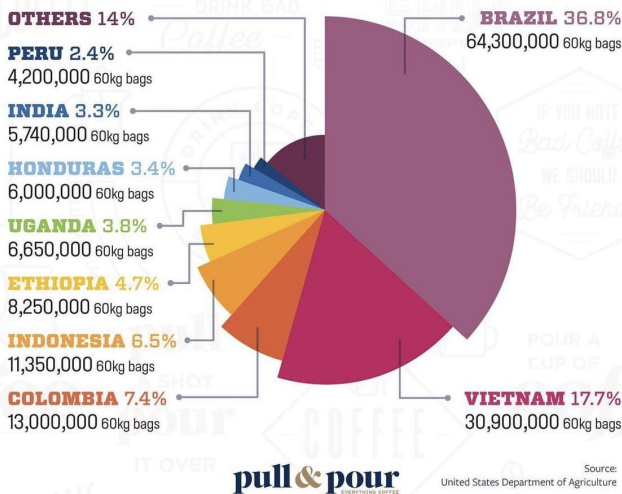


Kashari Coffee - Winner Best of the Pearl (Washed Robusta) 2022

Uganda Climbs to 6th largest coffee producer in the world

Uganda has surpassed Honduras to become the world's sixth largest coffee producer, according to the latest figures published by the United States Department of Agriculture. Uganda accounts for 3.8% of global coffee production with 6,650,000 60kg bags. Brazil is the leading producer, accounting for 36.8% of global output with 64,300,000 60kg bags. Uganda is Africa's second largest producer, trailing only Ethiopia.

COFFEE PRODUCTION BY COUNTRY (EST. 2023)



Karangura Community reaps benefits of geographic origin certification

In January, Karangura Peak Community and NUCAFE exported the first container of WUGAR with certification of geographic origin from the Rwenzori Mountains.



Uganda's Nakakono Robusta wins Gold in Japan

Uganda's Nakakono Fine Robusta coffee from Luweero won Gold at the Japan Food and Beverage Awards 2022. The Jury, comprised of international coffee buyers, food and beverage experts, awarded this Ugandan coffee the highest honor for its exceptional quality. Industry experts lauded Lourado Ltd, producers of the award winning coffee, for flying the Uganda coffee flag high and opening new market opportunities in Japan and Asia.

Competitor Number	Product	Type	Company Brand	Country
90	Blanc de Blancs Grand Cru	Champagne	SAS COLLERY	France
91	EmpyreumatiC 2014 Grand Cru	Sparkling Wine	SAS COLLERY	France
92	Château Gontet Robin 2020 Puisseguin Sa...	Red Wine	Château Gontet	France
93	Château de Laussac Cuvée Fleur/ Cupidon...	Red Wine	Château Gontet	France
94	Château de Laussac Cuvée Dame 2019 Ca...	Red Wine	Château Gontet	France
95	Château Angelot Robin 2020 Montagne S...	Red Wine	Château Gontet	France
96	L'ENDORMI (RHUM METISS- REUNI RHU...	Spirit Liquor	REUNIRHUMS	France
97	KAFRINE DOFE (REUNI RHUMS) 74° - WHI...	Spirit Liquor	REUNIRHUMS	France
98	RHUM METISS VANILLE BOURBON - CAFE...	Spirit Liquor	REUNIRHUMS	France
99	Nakakono Fine Robusta Coffee	Coffee	Lourado Limited	Uganda
100	L'Odobees Honey Nakakono Vintage	Honey	Lourado Limited	Uganda
101	Côte de Brouilly 2021, Nicole et Romain C...	Red Wine	Nicole et Romain CHANRION	France
102	UNO MALBEC 2019	Red Wine	ANTIGAL WINERY & ESTATES	Argentina
103	UNO CHARDONNAY 2021	White Wine	ANTIGAL WINERY & ESTATES	Argentina



Coffee purist George Howell, pictured in Ethiopia, doesn't sell Robusta. Photo: George Howell Coffee

The Underdog Coffee Bean that Java Snobs Hate Is Finally Getting Some Respect

Coffee geeks are trying to elevate scorned Robusta from the instant-coffee market to premium status

For decades the lowly Robusta coffee bean has been anathema to many American coffee companies. Though less expensive than the cherished Arabica bean, Robusta has a bitter taste that has been likened to burned rubber.

No wonder that Peet's Coffee notes on its website that Robusta has "never been on the menu," and that Dunkin doesn't serve it in the U.S. or most international markets. Starbucks says the bean's

"less refined flavor is absolutely the reason we don't even touch it."

A younger generation of coffee geeks, though, thinks the time is ripe for a Robusta reputation reboot. They want to elevate the humble bean from the

instant-coffee market to the premium-coffee universe. Old-school coffee snobs are highly dubious.

Nguyen Coffee Supply, a Brooklyn-based importer of coffee from Vietnam, sells Robusta beans and

drinks online and in grocery stores around the U.S. Last year it launched the Robusta Pledge, calling on coffee companies to stop positioning Arabica as inherently superior, and to proclaim with pride when they add cheaper Robusta to blends.

More than 100 coffee drinkers and professionals have signed the pledge, including coffee luminaries such as James Freeman, founder of specialty roaster Blue Bottle Coffee. In January, Blue Bottle launched Robusta Blend #1, which the company said has opening tasting notes of dark chocolate, middle notes of raspberry and finishing notes of Scotch.

That's fancy lingo for Robusta, whose generally bitter, earthy taste has long been scorned by the coffee cognoscenti. Unlike Arabica, which is mainly grown in the highlands of Latin America, Robusta is cultivated at lower elevations, largely in Asian countries such as Vietnam. Robusta plants have much higher yields than Arabica and are naturally pest-resistant, but Robusta growers have tended to invest less in quality because their beans were relegated to low-margin instant coffee.

The revisionist crowd argues that Robusta can be good if grown and processed with the same care as Arabica. They say premium Robustas are nutty and creamy—and lack the rubbery taste that characterizes the cheaper stuff. Even better, Robusta is less than half of the price of Arabica, although for premium beans the prices are closer.

Nguyen Coffee Supply founder Sahra Nguyen persuaded Whole Foods to carry her Robusta.

Nguyen Coffee Supply founder Sahra



More than 100 coffee drinkers and professionals have signed the pledge, including coffee luminaries such as James Freeman, founder of specialty roaster Blue Bottle Coffee

Nguyen said she persuaded Whole Foods to carry her 100% Robusta. "I feel like definitely the tide has turned, and now Robusta is the coolest bean on the block," she said. "Everyone's like, 'Yeah, Robusta, let's take down the hierarchy!'"

Corby Kummer, a food critic and executive director of Food & Society at the Aspen Institute, once referred to Robusta's taste, in a New York Times interview, as being like an a "child's unvarnished building block."

In a recent interview, he said he was "completely schooled in that hatred of Robusta." He now believes that a small proportion of Robusta adds oomph to espresso-based drinks, but that he never would drink Robusta straight, he said. "There's a certain grit and tang, I would say. It is pretty awful on its own."

Suedhang, a boutique cafe and roaster in Tübingen, Germany, started serving Robusta in 2021. "We want to dispel bad stigmas and stereotypes towards this plant," it said on its website.

It wasn't love at first taste. Managers there weren't impressed when they sampled a dark-roasted Robusta. "It

was just not what you wanted coffee to taste like," said Mikolaj Pocięcha, Suedhang's head roaster. They switched to a lighter roast and have been selling Robusta since.

Peet's Coffee, the chain that helped kick off the American specialty coffee movement when it was founded in 1966, is reconsidering its decision to serve only Arabica. Doug Welsh, its vice president of coffee and roastmaster, said finding a sufficient supply of high-quality Robusta beans is getting easier. "We're very bullish on it," he said.

The industry shift started a decade ago, but has accelerated in recent years. In 2013, the U.K.'s Black Sheep Coffee launched its Robusta Revival single-origin espresso. Company co-founder Gabriel Shohet remembers attending a London coffee festival with a stand advertising "100% Robusta" and being banned from certain tasting sessions. "The whole specialty coffee scene was so stuck in its ways that they would really look down on us," he said.

He sees his nutty, chocolaty Robustas as a corrective for a specialty coffee culture that prizes acidic Arabica. "You would taste a coffee and it would taste like lemon juice," he said of Arabica. "Your average person would not enjoy it, and you'd have a super-geek barista who would tell you that, actually, no, that's the way real coffee is supposed to taste."

Black Sheep now has more than 70 cafes and plans to open its first U.S. outlet, in Dallas later this year.

As published on the Wall Street Journal at <https://www.wsj.com>

COFFEE TRENDS

March 2023



Key Highlights



A total of **487,797 60-kilo bags** of coffee valued at **US\$ 71.54 million** were exported in **March 2023** at an average price of **US\$ 2.44/kilo US cents 14** higher than **US\$ 2.30 /kilo** in **February 2023**, and **US cents 38** lower than **US\$ 2.83/kilo** in **March 2022**.

This was an increase of **2%** in quantity and a decrease of **12%** in value compared to the same month last year.



Farm-gate prices for **Robusta Kiboko** averaged **UGX 2,450 per kilo**;

FAQ UGX 6,450 per kilo, Arabica parchment UGX 9,000 per kilo and **Drugar UGX 8,000 per kilo**.



Coffee exports for 12 months (**April 2022-March 2023**) totaled **5.76 million bags** worth **US\$ 849.48 million** compared to **6.51 million bags** worth **US\$ 790.31 million** the previous year (**March 2021-February 2023**).

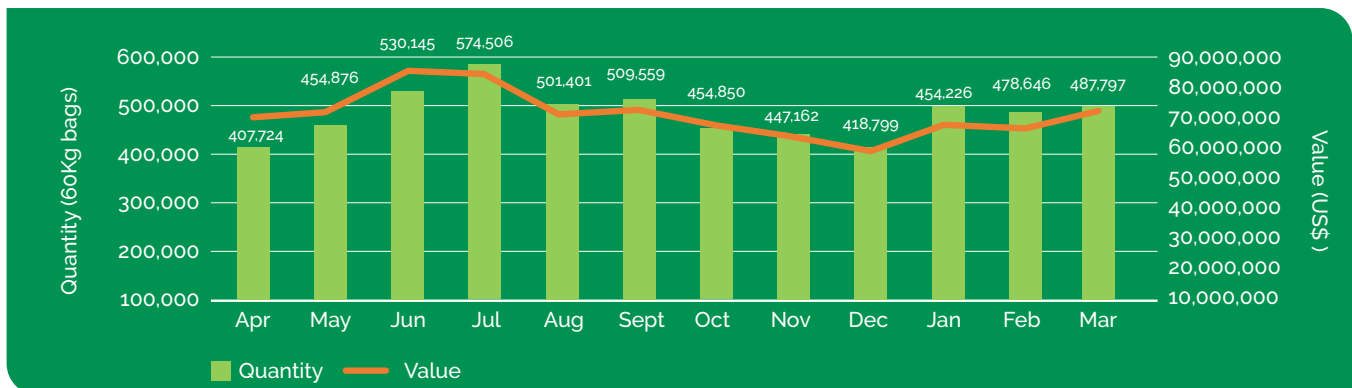
This represents a decrease of **12%** in quantity but an increase of **7%** in value.



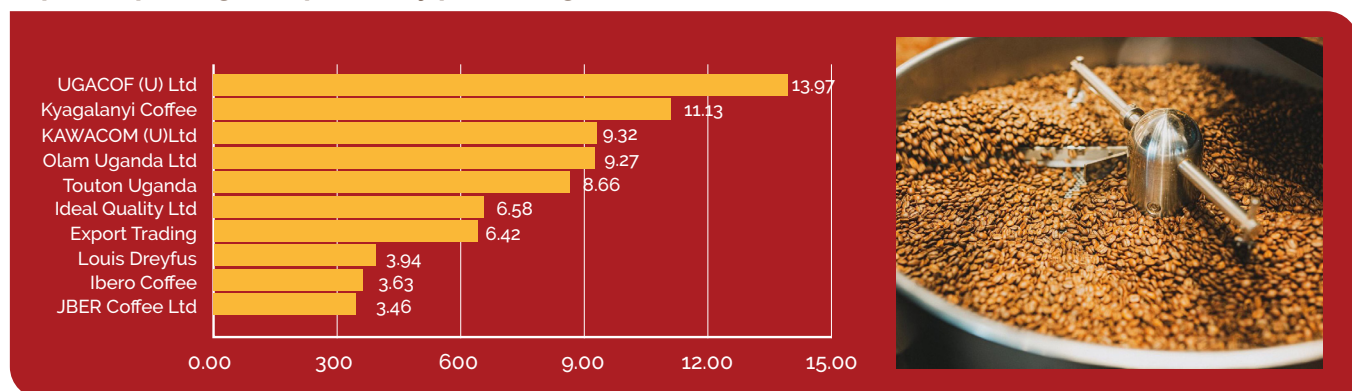
76% of the total volume was **exported by 10 exporters, out of 58 companies** that performed during the month, compared to **72%** in **February 2023**.

Mt. Bugisu PB fetched the highest price at **US \$ 7.28 per kilo**.

Trend of Total Quantity and Value of Coffee Exported: March 2022- March 2023



Top 10 Exporting Companies by percentage market share - March 2023

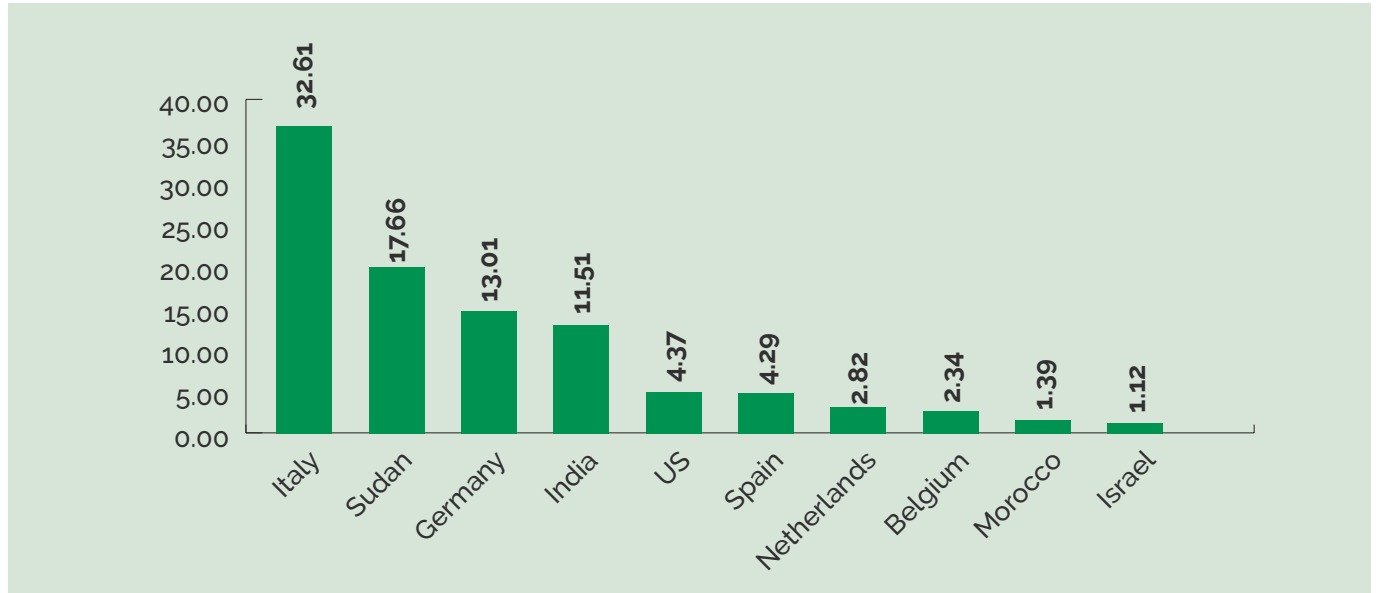


COFFEE TRENDS

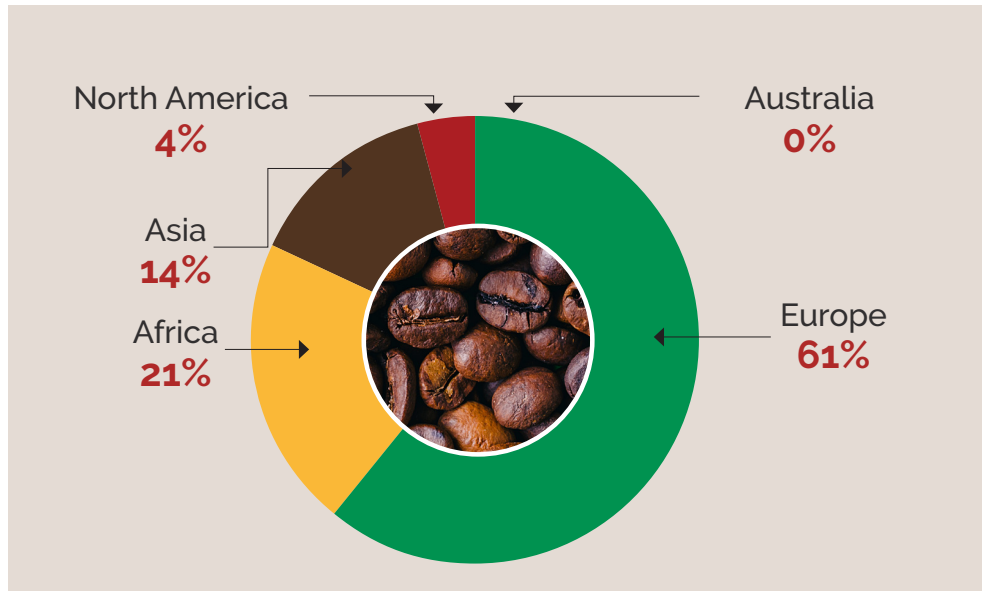
March 2022



Coffee Destination by market share for March 2023



Percentage of Coffee export share by continent for March 2023



Quantity of Coffee exported by type for March 2023 (60Kg-bags)



Total: Quantity: 487,797 60Kg-bags | Value: US\$ 71,543,744

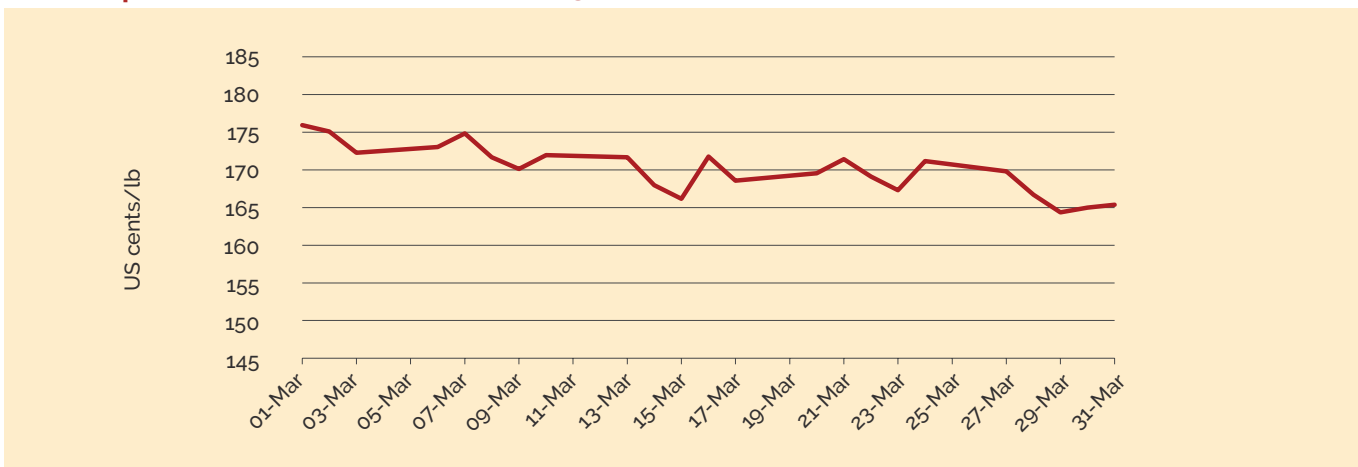


ICO Indicator Prices - March 2023

In US cents/lb

	ICO composite indicator	Colombian Milds	Other Milds	Brazilian Naturals	Robustas
01-Mar	175.93	234.63	230.69	195.40	107.65
02-Mar	175.08	232.62	229.73	193.63	108.05
03-Mar	172.26	228.55	225.58	189.86	107.25
06-Mar	173.04	228.40	229.01	190.63	106.78
07-Mar	174.83	232.32	228.06	195.15	107.13
08-Mar	171.66	227.12	222.86	189.90	107.59
09-Mar	170.11	224.55	220.75	187.12	107.78
10-Mar	171.96	227.72	223.46	190.66	107.24
13-Mar	171.67	228.93	224.33	190.82	105.38
14-Mar	167.97	223.86	220.89	185.08	103.73
15-Mar	166.16	220.97	219.35	182.30	102.96
16-Mar	171.76	228.32	226.25	190.18	105.26
17-Mar	168.56	224.74	221.82	186.67	103.17
20-Mar	169.55	226.27	224.07	187.20	103.65
21-Mar	171.41	227.74	226.09	188.54	105.97
22-Mar	169.11	224.45	222.25	185.80	105.28
23-Mar	167.31	221.34	219.14	182.64	105.86
24-Mar	171.17	225.63	222.88	187.42	108.85
27-Mar	169.80	223.03	220.86	184.35	109.74
28-Mar	166.69	219.80	216.67	182.12	106.56
29-Mar	164.36	216.02	212.89	178.45	106.69
30-Mar	164.99	216.34	212.69	178.79	108.16
31-Mar	165.37	216.93	213.87	178.63	108.48
Average	170.03	225.23	222.36	187.02	106.49
High	175.93	234.63	230.69	195.40	109.74
Low	164.36	216.02	212.69	178.45	102.96

ICO Composite Indicator Price - March 2023



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Uganda Coffee Development Authority

WE WILL BE AT THE
SPECIALTY COFFEE
EXPO 2023

APRIL 21-23 2023

AT THE OREGON CONVENTION CENTRE
BOOTH NO.: 901

