UCDA

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MAAIF
Ministry of Agriculture Animal Industry and Fisheries

UCDA
Uganda Coffee Development Authority

MONTHLY REPORT-OCTOBER 2022

Key Highlights

A total of 457,244 60-kilo bags of coffee valued at US$ 67.10 million were exported in October 2022 at an average weighted price of US$ 2.45 /kilo, 9 cents higher than US$ 2.36 /kilo in September 2022 and US cents 36 higher than US$ 2.10/kilo in October 2021. This was a decrease of 6% in quantity but an increase of 10% in value compared to the same month last year.

Farm-gate prices for Robusta Kiboko averaged UGX **2,600** per kilo; FAQ UGX **6,550 per** kilo, Arabica parchment UGX **10,500** per kilo and Drugar UGX **9,500** per kilo.

Coffee exports for 12 months (November 2021-October 2022) totaled 5.83 million bags worth US$ 883.24 million compared to 6.55 million bags worth US$ 652.50 million the previous year (November 2020 – October 2021). This represents a decrease of 11% in quantity but an increase of 35% in value.

75% of the total volume was exported by 10 exporters, out of 47 companies which performed during the month , compared to 79% in September 2022.

Sustainable Arabica Rwenzori A fetched the highest price at US $ 6.67 per kilo.

1. Coffee exports

Coffee exports in October 2022 amounted to 457,244 60-kilo bags worth US$ 67.10 million as shown in **Fig 1**. This comprised 398,592 bags of Robusta valued at US $53.25 million and 58,652 bags of Arabica valued at US$ 13.85 million (*see Table 1 and Annex 1)*. This was a decrease of 5.71% in quantity but an increase of 9.82% in value compared to the same month last year.

By comparing quantity of coffee exported by type in the same month of last Coffee Year (October 2021), Robusta decreased by 6.47% in quantity but increased by 7.51% in in value. Arabica exports slightly decreased by 0.25% in quantity but increased by 19.75% in value.

The decrease in exports was mainly attributed to lower yields this year that were characterized 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.

Coffee exports for 12 months (November 2021-October 2022) totaled 5.83 million bags worth US$ 883.24 million compared to 6.55 million bags worth US$ 652.10 million the previous year (November 2020- October 2021). This represents a decrease of 11.02% in quantity but an increase of 35.36 % in value.

Fig 1: Trend of Total Quantity and Value of Coffee Exported: November 2021- October 2022

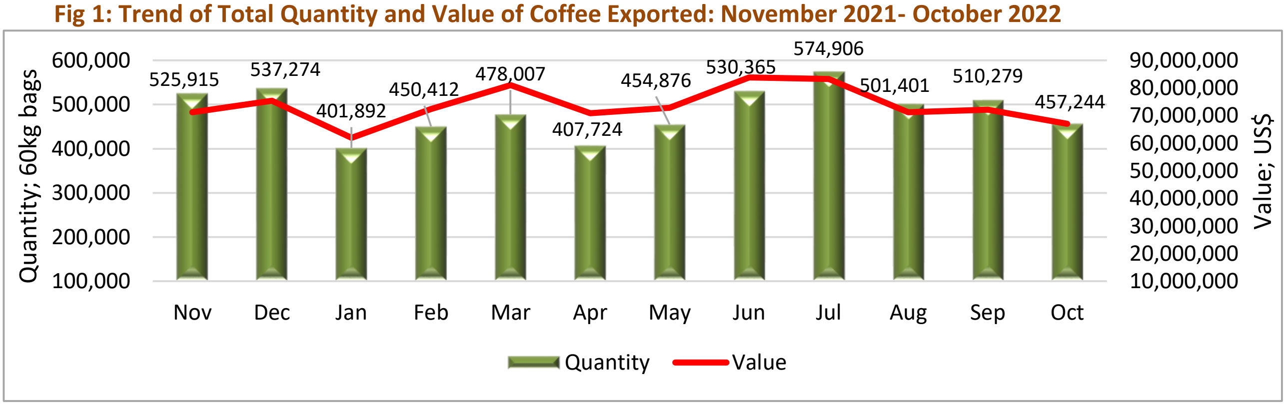

Table1: Comparison of Coffee Exports of October 2021/22 and 2022/23 Coffee Years

Period/Coffee Type	2021/22		2022/23		%age Change	
	Qty(60-kgbag)	Value (US $)	Qty(60-kgbag)	Value (US $)	Qty(60-kgbag)	Value (US $)
October Total	**484,959**	**61,097,766**	**457,244**	**67,099,501**	↓ **-5.71**	↑ **9.82**
Robusta	426,158	49,531,541	398,592	53,248,899	↓ -6.47	↑ 7.51
Arabica	58,801	11,566,224	58,652	13,850,603	↓ -0.25	↑ 19.75

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2. Exports by Type and Grade

Table 2 shows coffee exports by type, grade and average realized price for each grade during the month of October 2022. The average export price was US$ 2.45 per kilo, 9 U.S cent higher than US$ 2.36 per kilo realized in September 2022. It was 35 US cents higher than in October 2021 (US $ 2.10/kilo). Robusta exports accounted for 87% of total exports lower than 92% in September 2022. The average Robusta price was US$ 2.23 per kilo, the same as the previous month. Organic Robusta fetched the highest price of US$ 2.54 per kilo. It was followed by Washed Robusta at US$ 2.49 per kilo. The share of Sustainable/washed coffee to total Robusta exports was only 1.95% lower than 2.47% in September 2022.

Arabica fetched an average price of US$ 3.94 per kilo, 25 cents lower than US$ 3.80 per kilo in September 2022. The highest price was Sustainable Arabica (Rwenzori) sold at US$ 6.67 per kilo a premium of US$ 2 over conventional Bugisu AA, and was followed by Bugisu A+ sold at US$ 5.72 per kilo, a premium of US$ 1.04 over Conventional Bugisu AA. Drugar was sold at US$ 3.91 per kilo, a discount of US cents 77 from Bugisu AA. Drugar exports were 49% of total Arabica exports compared to 55% the previous month. There was generally low global natural Arabica demand during the month which led o low Arabica export prices. The share of sustainable Arabica exports to total Arabica exports was 4% compared to 7% last month.

Table 2: Coffee Exports by Type, Grade & Unit Price in October 2022

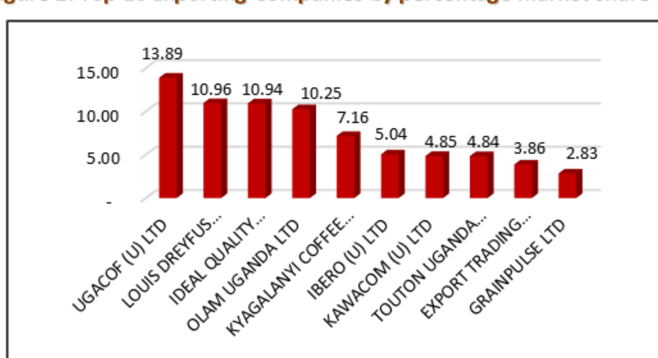
Coffee type	Quantity 60-Kilo Bags	%-age Quantity	Value in US $	%-age Value	Unit Price US$/Kilo
Total	**457,244**		**67,099,502**		**2.45**
Organic Robusta	1,160	0.29	176,537	0.33	2.54
Washed Robusta	1,670	0.42	249,208	0.47	2.49
Screen 18 Organic	720	0.18	96,191	0.18	2.23
Screen 18 Fair Trade	300	0.08	40,080	0.08	2.23
Screen 15 Organic	720	0.18	96,191	0.18	2.23
Screen 15 Fair Trade	5,610	1.41	749,489	1.41	2.23
Screen 18	66,302	16.63	9,511,593	17.86	2.39
Screen 17	26,432	6.63	3,617,453	6.79	2.28
Screen 15	155,398	38.99	21,534,914	40.44	2.31
Screen 14	3,980	1.00	580,263	1.09	2.43
Screen 12	71,773	18.01	9,560,616	17.95	2.22
BHP 1199	37,258	9.35	3,884,722	7.30	1.74
Other Robustas	27,269	6.84	3,151,643	5.92	1.93
Total Robusta	**398,592**	**100.00**	**53,248,899**	**100.00**	**2.23**
Sustainable Arabica (Rwenzori A)	720	1.23	288,240	2.08	6.67
Okoro C/PB	40	0.07	11,961	0.09	4.98
Organic Drugar	320	0.55	84,758	0.61	4.41
Mt Elgon A+	1,223	2.09	419,467	3.03	5.72
Mt Elgon B	94	0.16	29,841	0.22	5.29
Mt Elgon PB	24	0.04	7,619	0.06	5.29
Mt Elgon C/PB	4	0.01	1,270	0.01	5.29
Bugisu A+	2,640	4.50	742,068	5.36	4.68
Bugisu AA	6,820	11.63	1,911,714	13.80	4.67
Bugisu AB	3,843	6.55	1,029,671	7.43	4.47
Wugar	4,375	7.46	1,341,492	9.69	5.11
Drugar	28,807	49.12	6,751,254	48.74	3.91
Other Arabicas	9,742	16.61	1,231,246	8.89	2.11
Total Arabicas	**58,652**	**100.00**	**13,850,603**	**100.00**	**3.94**

3. Individual Exporter Performance

Figure 2 shows the top 10 export companies in the month of October 2022. Ugacof (U) Ltd had the highest market share of 13.89% compared to 15.91% in September 2022. It was followed by Louis Dreyfus Company (U) Ltd 10.96% (10.37%); Ideal Quality Commodities Ltd 10.94% (9.81%) Olam Uganda Ltd 10.25% (6.46%); Kyagalanyi Coffee Ltd 7.16% (10.31%),Ibero (U) Ltd 5.04% (4.36%); Kawacom (U) Ltd 4.85% (8.91%); Touton Uganda Limited 4.84% (5.86%); Export Trading Company (U) Ltd 3.86% (3.55%); and Grainpulse Ltd 2.83% (3.82%) **The figures in brackets represent percentage market share held in September 2022.*

The top 10 exporters held a market share of 75% lower than 79% the previous month reflecting reduced concentration. Changes in exporter positions compared to last month show competition at this level. Out of the 47 exporters that performed, 20 exported Robusta Coffee only while 9 exported Arabica coffee only. **Annex 2** shows a detailed list of exporters' performance in October 2022.

Figure 2: Top 10 Exporting Companies by percentage market share



4. Coffee Exports By Destination

The destinations of Uganda's coffee exports during the month of October 2022 are shown in **Fig 3** (details in **Annex 3**). Italy maintained the highest market share with 33.04% compared with 36.15% last month. It was followed by Germany 11.44% (11.46%), India 9.10% (6.69%) Belgium 6.16% (5.05%) and Sudan 5.96% (12.86%). **The figures in brackets represent percentage market share held in September 2022.* The first 10 major destinations of Uganda coffee took a market share of 85.7% compared to 88.69 % last month. Worth noting was coffee exported to Mexico as a new and emerging market. Coffee exports to Africa amounted to 63,899 bags, a market share of 14% compared to 120,295 bags (24%) the previous month. African countries that imported Uganda coffee included Sudan, Morocco, Tunisia, Cape Verde, Egypt, Tanzania and Kenya. Europe remained the main destination for Uganda's coffees with a 66% imports share, higher than 61% in September 2022.

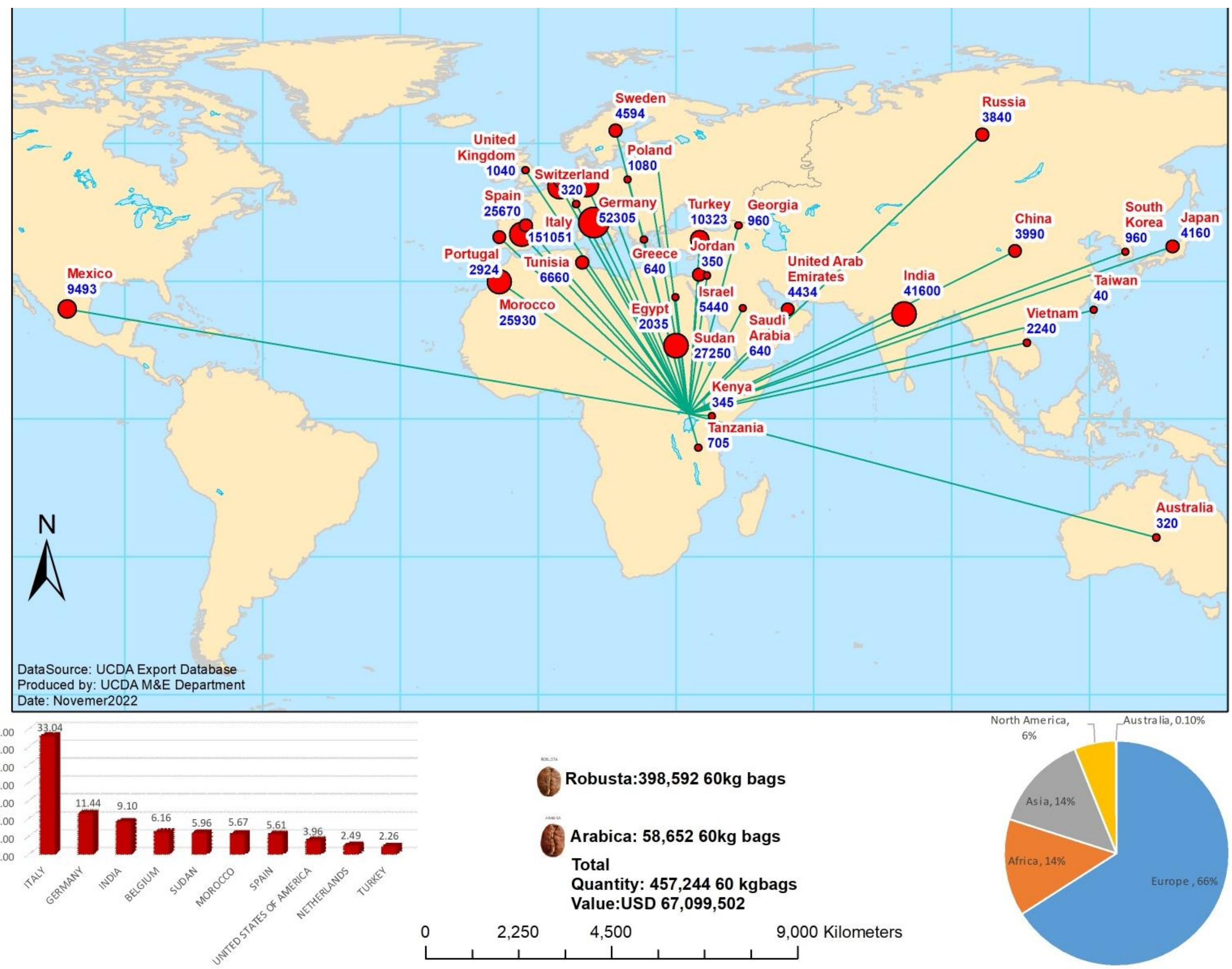
5. Foreign buyers of Uganda Coffee

Annex 4 shows a list of Ugandan coffee foreign buyers in October 2022. The top 10 buyers held a market share of 67% of total exports lower than 72% the previous month. Sucafina led with a market share of 13.35% compared to 13.72% in September 2022. It was followed by Louis Dreyfus 11.38% (10.30%); Olam International 10.74%;(8.74%); Volcafe 5.52% (8.14%) Ecom Agro Industrialist 5.15% (8.34%); Bernhard Rothfos 5.04% (4.42%); Touton Geneve 4.84%; (5.86%) Hamburg Coffee 3.88% (3.64%), Altasheel Import & Export Enterprises 6.46% (3.44%) and Icona Cafe 3.26% (1.85%).

Note: *The figures in brackets represent percentage performance in the previous month – September 2022.*

There were changes in relative position of the first ten major buyers reflecting increasing demand for Uganda coffee abroad.

Fig 3: Map showing Uganda's coffee destinations for October 2022.



6. Global Situation

World coffee production for 2022/23 is forecast to increase by 7.8 million bags to reach 175 million bags, as Brazil's Arabica crop enters the on year of the biennial production cycle. Global consumption is expected to increase by 1.81 million bags to 167 million with the largest increase expected in European, U.S.A, Japan and Brazil. World exports are forecast to be higher on gains in Brazil and Indonesia. Ending stocks are expected to be 2.1 million bags higher than last year to 34.7 million bags following last year's sharp drawdown. A new global outlook will be released in December 2022 (United States Department of Agriculture, Coffee: World Markets and Trade report).

7. Local Situation

During the month of October 2022, farm gate prices ranged from Sh.2,400-2,800/= per kilo of Kiboko (Robusta dry cherries); Shs. 6,300-6,800/= for FAQ (Fair Average Quality); Sh. 10,000- 11,000/= for Arabica parchment; and Sh. 9,000-10,000/= per kilo for Drugar from Kasese. Robusta Kiboko averaged UGX 2,600/= per kilo; FAQ UGX 6,550/= per kilo, Arabica parchment UGX 10,500/= per kilo and Drugar UGX 9,500/= per kilo.

8. Coffee Development and Promotional Activities

During the month of October 2022, most coffee regions received near average rainfall. The weather pattern favored coffee farming activities such as coffee planting, fertilizer application and spraying. The common pests/diseases observed included; the Red Blister Disease (RBD), Coffee Leaf Rust (CLR) and Coffee Berry Disease (CBD) The notorious Black Coffee Twig Borer (BCTB) was reported high in all the Robusta growing districts. Through local media and coffee farm visits, farmers were advised on the control and /or management strategies. Across the month, a total of 57 trainings were conducted on coffee seedlings planting, farm establishment, rehabilitation of old coffee fields, fertilizer application, pest and disease control and Post-harvest handling practices, reaching 2,011 coffee farmers of whom 1,201 were male and 810 female. The trainings on coffee quality and compliance to standards were mainly carried out in Bushenyi, Sheema Mitooma, Rubirizi, Kiruhura and Kitagwenda districts. The coffee processors and traders were trained on the best coffee post-harvest handling practices such as hulling of dry coffee of 13% moisture content, rejecting wet coffee from farmers, good store hygiene and to avoid coffee adulteration. Routine factory inspection and monitoring were carried out in all the regions and a total 67 factories which belonged to 57 males, 10 females and 10 youth were inspected with none of the facilities sealed since they were meeting minimum quality and hygiene standards. The four newly distributed wet processing facilities for Kanungu district were inspected to assess progress on construction and their readiness for machine installation. The greatest milestone during the month was the completion of coffee seedlings distributions across all the regions with the exception of Elgon and Northern regions where planting was differed to March – May 2023 season. A total of 8,697,741 seedlings were distributed to 1,546 farmer beneficiaries of whom 3,625 are female, 11,856 Male and 1880 youth.

9. Outlook for November 2022

Coffee exports are projected to be 500,000 bags. The main harvesting season in Central and Eastern regions started in November and will peak in December and January. The Arabica season in South West and Eastern regions (including Mt. Elgon) started in October 2022.

Annex 2: List of Coffee Exporters and their Market Shares: October 2022

	EXPORTING COMPANY	POSITION HELD IN SEPTEMBER	QUANTITY (Bags)			PERCENTAGE MARKET SHARE	
			Robusta	Arabica	Total	Individual	Cumulative
	Total		**398,592**	**58,652**	**457,244**	**100.00**	
1	Ugacof (U) Ltd	1	55,378	8,150	63,528	13.89	13.89
2	Louis Dreyfus Company (U) Ltd	2	49,208	920	50,128	10.96	24.86
3	Ideal Quality Commodities Ltd	4	47,458	2,553	50,011	10.94	35.79
4	Olam Uganda Ltd	6	39,760	7,103	46,863	10.25	46.04
5	Kyagalanyi Coffee Ltd	3	31,781	960	32,741	7.16	53.20
6	Ibero (U) Ltd	8	23,050		23,050	5.04	58.24
7	Kawacom (U) Ltd	5	19,438	2,740	22,178	4.85	63.10
8	Touton Uganda Limited	7	17,596	4,550	22,146	4.84	67.94
9	Export Trading Company (U) Ltd	10	17,638		17,638	3.86	71.80
10	Grainpulse Ltd	9	10,945	1,980	12,925	2.83	74.62
11	Commodity Solutions (U) Ltd	11	11,321		11,321	2.48	77.10
12	Coffee World Ltd	14	9,931		9,931	2.17	79.27
13	Bakhsons Trading Co. (U) Ltd	17	6,504	3,200	9,704	2.12	81.39
14	JKCC General Supplies Ltd	16	7,042	2,254	9,296	2.03	83.43
15	Ankole Coffee Producers Coop Union Ltd	12	8,030	20	8,050	1.76	85.19
16	Darley Investments Ltd	18	5,020	2,360	7,380	1.61	86.80
17	Besmark Coffee Company Limited	15	3,288	4,018	7,306	1.60	88.40
18	Sena Indo Uganda Limited	13	4,965	1,920	6,885	1.51	89.90
19	Abbarci Industries Limited	21	5,306		5,306	1.16	91.06
20	The Edge Trading (U) Ltd	19	1,680	3,320	5,000	1.09	92.16
21	Tata Uganda Limited	20	4,500		4,500	0.98	93.14
22	Discovery Trading Limited	25	3,136	286	3,422	0.75	93.89
23	Kampala Domestic Store Ltd	34	3,396		3,396	0.74	94.63
24	Agri Evolve			2,720	2,720	0.59	95.23
25	Great Lakes Coffee Company Ltd	35	1,001	1,384	2,385	0.52	95.75
26	Kibinge Coffee Farmers' Coop Soc Ltd	27	2,260		2,260	0.49	96.24
27	Mbale Importers & Exporters Ltd	23		2,240	2,240	0.49	96.73

Annex 2: List of Coffee Exporters and their Market Shares: October 2022

	Exporting Company	POSITION HELD IN SEPTEMBER	QUANTITY (Bags) Robusta	Arabica	Total	Percentage Market Share Individual	Cumulative
28	Xag Coffee Exporters	22	2,052		2,052	0.45	97.18
29	Bakwanye Trading Co. Ltd	30		1,920	1,920	0.42	97.60
30	Kaweri Coffee Plantation	24	1,670		1,670	0.37	97.97
31	Gisha Coffee Ltd	38		1,308	1,308	0.29	98.25
32	Superbia International Coffee Trade Ltd	42	578	640	1,218	0.27	98.52
33	Bukonzo Joint Co-operative Union Ltd			960	960	0.21	98.73
34	Nakana Coffee Factory Ltd	28	954		954	0.21	98.94
35	Karaz Coffee Factory	36	668		668	0.15	99.08
36	Kayunga Nile Coffee Farmer's Co-operative Society Ltd	44	668		668	0.15	99.23
37	Rezlex Investment Ltd	31		668	668	0.15	99.38
38	Rubanga Cooperative Society Ltd	46	668		668	0.15	99.52
39	Ishaka Quality Commodities Ltd	37	360		360	0.08	99.60
40	Nucafe		350		350	0.08	99.68
41	Zigoti Coffee Works Ltd	29	334		334	0.07	99.75
42	Prime African Coffee Initiative	39	333		333	0.07	99.82
43	Mountain Harvest Smc Limited			320	320	0.07	99.89
44	Uganda Tea Corporation Ltd	33	300		300	0.07	99.96
45	Mt Elgon Agroforestry Communities			150	150	0.03	99.99
46	Bowi Logistics Ltd		25		25	0.01	100.00
47	Chanzo Coffee Ltd			8	8	0.00	100.00

Annex 3: Main Destinations of Uganda Coffee by Type in October 2022

	DESTINATION	POSITION HELD IN SEPTEMBER	QUANTITY (60kg bags) Robusta	Arabica	Total	%AGE MARKET SHARE Individual	Cumulative
	Total		398,592	58,652	457,244	100.00	
1	Italy	1	139,870	11,181	151,051	33.04	33.04
2	Germany	3	38,366	13,939	52,305	11.44	44.47
3	India	4	39,228	2,372	41,600	9.10	53.57
4	Belgium	6	24,954	3,228	28,182	6.16	59.74
5	Sudan	2	27,250		27,250	5.96	65.70
6	Morocco	5	25,290	640	25,930	5.67	71.37
7	Spain	8	25,350	320	25,670	5.61	76.98
8	U.S.A	9	7,320	10,795	18,115	3.96	80.94
9	Netherlands	13	6,554	4,854	11,408	2.49	83.44
10	Turkey	10	10,323		10,323	2.26	85.69
11	Mexico	30	9,493		9,493	2.08	87.77
12	Tunisia	7	6,660		6,660	1.46	89.23
13	France	24	3,212	2,254	5,466	1.20	90.42
14	Israel	19	4,480	960	5,440	1.19	91.61
15	Sweden	25	1,404	3,190	4,594	1.00	92.62
16	United Arab Emirates	16	4,220	214	4,434	0.97	93.59
17	Japan	11	3,520	640	4,160	0.91	94.50
18	China	12	3,990		3,990	0.87	95.37
19	Russia	14	3,520	320	3,840	0.84	96.21
20	Portugal	15	2,284	640	2,924	0.64	96.85
21	Vietnam		2,240		2,240	0.49	97.34
22	Egypt	26	2,035		2,035	0.45	97.78
23	Croatia	28	1,080		1,080	0.24	98.02
24	Poland	23		1,080	1,080	0.24	98.26
25	United Kingdom	36	1,040		1,040	0.23	98.48
26	Cape Verde	25	974		974	0.21	98.70
27	Georgia		960		960	0.21	98.91

Annex 3: Main Destinations of Uganda Coffee by Type in October 2022

	Destination	POSITION HELD IN SEPTEMBER	QUANTITY (60kg Bags)			%Age Market Share	
			Robusta	Arabica	Total	Individual	Cumulative
28	South Korea	17	320	640	960	0.21	99.12
29	Tanzania			705	705	0.15	99.27
30	Greece		640		640	0.14	99.41
31	Saudi Arabia	22		640	640	0.14	99.55
32	Romania		360		360	0.08	99.63
33	Jordan	37	350		350	0.08	99.71
34	Kenya	31	345		345	0.08	99.78
35	Australia	39	320		320	0.07	99.85
36	Estonia	18	320		320	0.07	99.92
37	Switzerland	20	320		320	0.07	99.99
38	Taiwan			40	40	0.01	100.00

Annex 4: List of Foreign Coffee Buyers during the Month of October 2022

	BUYERS	POSITION HELD SEPTEMBER	QUANTITY (60kg BAGS) Robusta	Arabica	Total	%AGE MARKET SHARE Individual	Cumulative
	Total		**398,592**	**58,652**	**457,244**	**100.00**	
1	Sucafina	1	52,902	8,150	61,052	13.35	13.35
2	Louis Dreyfus	2	49,208	2,840	52,048	11.38	24.74
3	Olam International	3	41,680	7,423	49,103	10.74	35.47
4	Volcafe	5	24,596	640	25,236	5.52	40.99
5	Ecom Agro Industrialist	4	20,174	3,368	23,542	5.15	46.14
6	Bernhard Rothfos	8	23,050		23,050	5.04	51.18
7	Touton Geneve	7	17,596	4,550	22,146	4.84	56.03
8	Hamburg Coffee	9	15,088	2,661	17,749	3.88	59.91
9	Altasheel Import & Export	6	15,750		15,750	3.44	63.35
10	Icona Café	12	14,601	320	14,921	3.26	66.62
11	Walter Matter	17	12,020		12,020	2.63	69.24
12	Strauss	15	7,585	1,080	8,665	1.90	71.14
13	Eurocaf Sas	28	6,592		6,592	1.44	72.58
14	Jacobs Douwe Egberts	11	6,480		6,480	1.42	74.00
15	Vidya Herbs	13	6,100		6,100	1.33	75.33
16	Ste Habycaf S.A	23	4,996		4,996	1.09	76.43
17	Bijdendijk	18	4,000	988	4,988	1.09	77.52
18	Trasgo S.R.L		4,900		4,900	1.07	78.59
19	Lanco Comercio		4,845		4,845	1.06	79.65
20	American Coffee			4,800	4,800	1.05	80.70
21	Tata Coffee Ltd	19	4,500		4,500	0.98	81.68
22	Café River		4,358		4,358	0.95	82.63
23	Geprocor S.A		3,006	640	3,646	0.80	83.43
24	Vayhan Coffee India		3,488		3,488	0.76	84.19
25	Alois Dallmayr			2,640	2,640	0.58	84.77
26	Almathahib		2,450		2,450	0.54	85.31
27	Cofftea (Sudan)	10	2,450		2,450	0.54	85.84
28	Societe Des Cafes	27	2,388		2,388	0.52	86.37
29	Sucden Coffee	21	668	1,600	2,268	0.50	86.86
30	Others		43,121	16,952	60,073	13.14	100.00

Compiled by: Directorate of Strategy and Business Development
Uganda Coffee Development Authority
Tel: +256 312-260470 UCDA toll free no. 0800353530
Email: info@ugandacoffee.go.ug ; www.ugandacoffee.go.ug
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