



MAAIF

Ministry of Agriculture,
Animal Industry and Fisheries



Uganda Coffee Development Authority



UGANDA COFFEE DEVELOPMENT LIMITED

ANNUAL REPORT

FY2021/2022



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Uganda Coffee Development Authority

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List of Abbreviations and Acronyms

aBi	Agri Business Development
AFCA	Africa Fine Coffees Association
AGM	Annual General Meeting
ASSP	Agricultural Sector Strategic Plan
BCTB	Black Coffee Twig Borer
BQC	Basic Quality Control
CWDr	Coffee Wilt Disease Resistant
CLR	Coffee Leaf Rust
CURAD	Consortium of University's Responsiveness to Agribusiness Development
DGAL	Directorate of Government Analytical Laboratory
EU	European Union
FAQ	Fair Average Quality
FLO	Fair Trade Labelling Organization
FSS	Food Safety Standards
FY	Financial Year
GAPs	Good Agricultural Practices
GMPs	Good Manufacturing Practices
HR	Highland Ranges
IACO	Inter African Coffee Organisation
ICO	International Coffee Organisation
IGCU	Institute of Corporate Governance
ITC	International Trade Centre
IUBC	Inter University Barista Championship
IWCA	International Women's Coffee Alliance
LVC	Lake Victoria Crescent
MAAIF	Ministry of Agriculture, Animal Industry and Fisheries
MIS	Management Information System
MT	Metric Tonnes
NaCORI	National Coffee Research Institute
NDP	National Development Plan
NESGL	North Eastern Savannah Grasslands

NTOH	National Taste of Harvest
NUCAFE	National Union of Coffee Agribusinesses and Farm Enterprises
NWSGL	North Western Savannah Grasslands
OWC	Operation Wealth Creation
PRAU	Public Relations Association of Uganda
PRL	Pastoral Range Lands
QAO	Quality Assurance Officer
RCEO	Regional Coffee Extension Officer
RCTO	Regional Coffee Technical Officer
RITA	Temporary Immersion Bioreactor System in vitro plant culture
SCA	Specialty Coffee Association
SCAA	Specialty Coffee Association of America
SCAE	Specialty Coffee Association of Europe
SSMO	Sudanese Standards and Metrology Organisation
SWFL	South Western Farmlands
TC	Tissue Culture
TDZ	Thidiazuron
UBOS	Uganda Bureau of Statistics
UCFA	Uganda Coffee Farmer's Alliance
UESW	Uganda Electronic Single Window
UGC	Uganda Green Coffee
UMA	Uganda Manufacturers Association
UNBC	Uganda National Barista Championship
UNBS	Uganda National Bureau of Standards
UBOS	Uganda Bureau of Statistics
PHHPs	Post Harvesting Handling Practices
UQCPTA	Uganda Quality Coffee Traders and Processors Association
URA	Uganda Revenue Authority
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USS	Uganda Statistical Society
WSGL	Western Savannah Grasslands

UCDA BOARD OF DIRECTORS



Dr. Charles Francis Mugoya
Board Chairman



Maris Wanyera
Member (Ministry of Finance,
Planning & Economic
Development)



Connie Masaba Magomu
Member (Ministry of Agriculture,
Animal Industry & Fisheries)



Okot Okello Richard
Member (Ministry of Trade, Industry
and Cooperatives)



Dr. Sadik Kasiim
Member (National Agriculture
Research Organisation)



Michael Nuwagaba
Member (Coffee Processors)



John Nuwagaba
Member (Coffee Farmers)



Martha Nalubega Wandera
Member (Coffee Roasters)



Fred Luzinda-Mukasa
Member (Coffee Exporters)



**Dr. Emmanuel Iyamulemye
Niyibigira**
Member (Managing Director - UCDA)



Eunice Kabibi
Board Secretary/ Director Legal
Services

UCDA MANAGEMENT

Executive Directorate



**Dr. Emmanuel Iyamulemye
Niyibigira**
Managing Director



Laura Walusimbi
Corporate Communications
Manager



Alex Rugonde
Ag. Head, Procurement and
Disposal Unit



Ms. Priscilla Ndozireho
Ag. Audit & Compliance Manager

Board Secretary's Office & Corporate Services Directorate



Eunice Kabibi
Board Secretary/Director
Legal Services



Nina L. Nassuna
Director Corporate
Services/Head Finance



Angelita Musimenta
Human Resource
Manager



Edwin Agaba
Administration Manager



Valentine Bette
Ag. Management
Information Systems
Manager

Quality and Regulatory Services Directorate



Doreen Rweihangwe
Director Quality and Regulatory
Services



Betty Namwagala
Marketing and Promotion
Coordinator - China Office



Mr. Gordon Katwirenabo
Ag. Coffee Sustainability
Manager/Coordinator Mark UP
Project



Veronica Najjemba
Ag. Value Addition and
Promotion Manager

Directorate of Development Services



Apollo T. Kamugisha
Director Development Services



Dr. Gerald Kyalo
Technology Development
Manager



Robert Tumwesigye
Technical Extension Manager



Robert Nangatsa
Extension Manager



Liza M. Luseesa
Regional Manager (Central
Region)



Jimmy Baluku
Regional Manager (Eastern
Region)



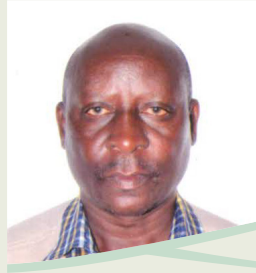
Mike Butseya Maliro
Regional Manager (Elgon
Region)



Edward Lutaakome-Ssentamu
Regional Manager (Greater Masaka
Region)



Isaac Chepkruai
Regional Manager (Northern
Region)



Emmanuel Tumwizere
Regional Manager (Rwenzori
Region)



Moses Asimwe
Regional Manager (South-
Western Region)



Mr. Mathew Katash Kwikiriza,
Ag. Regional Manager, Western
Region

Strategy and Business Development Directorate



David Katungi
Director Strategy and Business
Development



James Rogers Kizito-Mayanja
Market Intelligence and Information
Manager



Paddy Namurebire
Monitoring and Evaluation Manager



Alfred Dan Okwir
Ag. Business Development & Innovation
Manager

Foreword

As enshrined in the National Coffee Act (NCA) 2021, UCDA's mandate is to regulate, promote, and oversee the coffee sub-sector, and its' Mission is "To increase quality coffee production, productivity, value-addition, marketing and consumption".

This report entails the interventions and achievements of the Authority in the FY 2021/22 which are aligned with the UCDA's Strategic Plan FY 2020/21-2024/25, the National Coffee Roadmap 2030, the Agro-industrialization Programme Implementation Plan of the National Development Plan III and the NRM Manifesto 2021-2026. The interventions focused on promoting sustainable coffee production and productivity, modernizing post-harvest handling and storage, promoting value-addition as well as boosting both domestic and international consumption of Ugandan coffee. Other focus areas included increasing access to agricultural finance for value chain actors and strengthening UCDA's institutional capacity to serve its clients.

Coffee production increased from 8.1 million bags in FY 2020/21 to 8.4 million bags in FY 2021/22 while coffee exports increased from 6.0 million bags valued at US\$ 559 million to 6.3 million bags valued at US\$ 862 million in the same period. This represented an increase of 5% and 54% in quantity and value respectively. In 2021, Uganda was ranked the seventh biggest coffee exporter globally and the first in Africa.

The rise in production is attributed to key strategic interventions implemented by UCDA which included intensifying research efforts in the generation and multiplication of improved planting materials, distribution of farm inputs like seedlings, fertilizers, and pesticides to farmers, rehabilitation of aged and unproductive trees, provision of coffee-specific extension services to farmers, and enforcement of coffee quality standards at all levels of the value chain.

One of the major milestones achieved in the Financial Year was the enactment of the National Coffee Act No. 7 of 2021 which was passed by Parliament on 5th August 2020 and assented to by H.E. the President of



Uganda on 31st August 2021.

I extend my sincere appreciation to coffee value chain actors, Government Ministries, Departments and Agencies (MDAs), Development Partners, the UCDA Board of Directors, and the Management and staff of UCDA for their contribution towards the achievements registered in the financial year.

Lastly, I urge all stakeholders in the coffee sub-sector to continue contributing to realizing more results and achieving an inclusive, transformative, and sustainable coffee industry.

Charles F. Mugoya

Dr. Charles Francis Mugoya,
BOARD CHAIRMAN, UCDA

Message from the Managing Director

I am pleased to report that in the Financial Year 2021/2022, Uganda achieved a historic milestone in coffee exports, reaching the highest level since the liberalization of the coffee industry in 1991. Despite the challenges posed by the COVID-19 pandemic, Uganda exported an impressive 6.26 million 60kg bags of coffee, valued at US\$ 863 million, as of June 2022.

This outstanding achievement is attributed to the collective efforts of various stakeholders along the value chain, to whom I extend my sincere gratitude.

Specifically, I thank the farmers for their enthusiasm in adopting coffee production and expanding their coffee acreage; the buyers and processors for their partnership with UCDA, facilitating seamless coffee trade and adhering to the National Coffee Regulations, thereby contributing to Uganda's coffee reputation as the world's 3rd best quality coffee, after Ethiopia and Kenya; and the exporters for their role in connecting our high-quality coffee to the global market.

I would also like to express my sincere gratitude to the UCDA Board of Directors for their exceptional leadership, guidance, and oversight, which has enabled Management to excel in its mandate. Additionally, I extend my appreciation to the Management and Staff for their outstanding teamwork, dedication, and resilience in the face of the COVID-19 pandemic. Their tireless efforts have ensured the seamless delivery of services to value chain actors, from farm to export, demonstrating an unwavering commitment to excellence.

I also extend my heartfelt appreciation to our esteemed implementation partners, comprising Government MDAs, development partners, private sector entities, non-governmental organizations (NGOs), religious institutions, and cultural institutions. Your collaboration has been invaluable, providing essential financial, technical, and supportive roles in delivering services to coffee value chain actors and promoting coffee awareness. Your contributions have been instrumental in advancing our shared vision of "An Inclusive, Transformative, and Sustainable Coffee Industry."



In conclusion, I wish to express my deepest gratitude to His Excellency the President of Uganda and the Minister of Agriculture, Animal Industry and Fisheries for the trust placed in me through my re-appointment as Managing Director of UCDA, effective I am honored to lead the Coffee Subsector towards achieving the Coffee Roadmap target producing 20 Million Bags by 2030. I pledge my unwavering commitment and dedication to driving the sub-sector's growth, working closely with all stakeholders to ensure a prosperous and sustainable coffee industry for the benefit of all Ugandans.

A handwritten signature in dark ink, appearing to read 'E. Iyamulemye'.

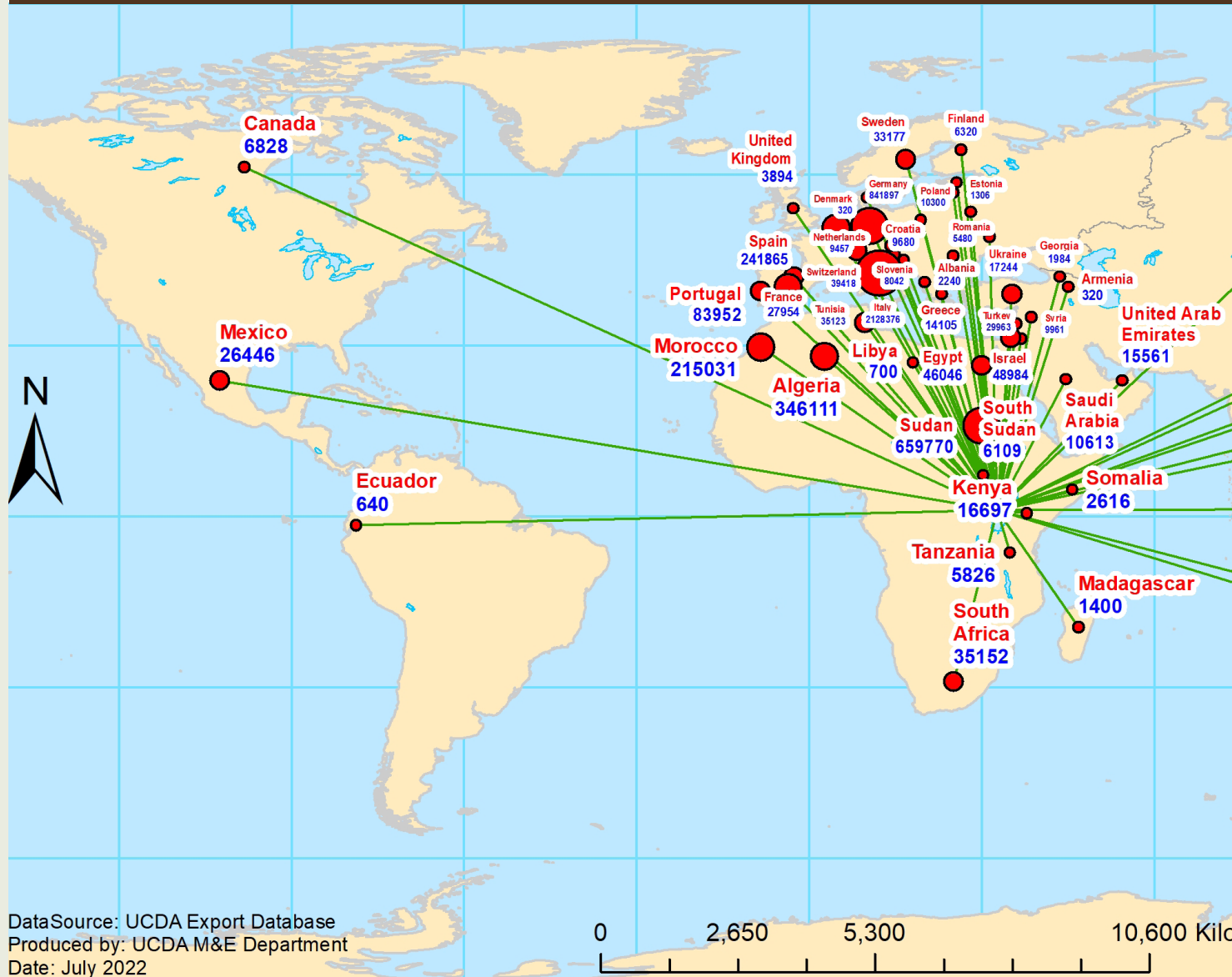
Dr. Emmanuel Iyamulemye Niyibigira,
MANAGING DIRECTOR, UCDA

PROGRESS ON KEY PERFORMANCE INDICATORS OF THE UCDA STRATEGIC PLAN FOR THE FY 2021/22

Indicator	Actual FY2020/21	Targets FY2021/22	Actual FY2021/22
Goal: Increase export earnings, incomes of farmers and inclusive employment			
Total volume of coffee produced (Millions. of 60kg bags)	7.05	9.61	8.45
Value of total annual coffee export earnings (USD million)	559	950	862
Foreign exchange earnings, %	16	18	20
Objective 1: Increase Coffee production and productivity			
Percentage of farmers enrolled in Farmer's Organizations	23	35	28
Total acreage under coffee in 1000 Ha.	583	606.4	589.1
Percentage of Rejuvenated trees per year (%)	4	11	6
Yield (Clean Coffee) in Kg/tree (Robusta)	0.79	0.9	1.0
Yield (Clean Coffee) in Kg/tree (Arabica)	0.6	0.7	0.7
Percentage of sustainable/certified coffees to total coffee production	5	6	4.3
Objective 2: Modernize post-harvest handling and storage			
Coffee post-harvest losses (%)	20	32	20
Objective 3: Increase coffee processing and value-addition			
Percentage of coffee exported as speciality coffee	9	11.2	10
Percentage of coffee exported as fine Robusta	0.5	1.4	1
Objective 4: Increase consumption of Ugandan Coffee and its products, locally and internationally			
Volume of coffee exports: (Million bags)	6.1	7.3	6.3
Value of total annual coffee export earnings (USD mil.)	559	766	862
Local per capita coffee consumption (kg)	0.8	0.96	0.8
Percentage of sustainable/certified coffees to total coffee exports	5	6	5
Objective 5: Increase Mobilization and Access to Agricultural Finance			
Percentage of coffee FOs/Cooperatives having access to financial support	40	44	42
Objective 6: Strengthen the legal, regulatory framework and institutional capacities for an enhanced coordinated delivery of targeted results			
A new National Coffee Law in place	1	1	1

FINANCIAL YEAR 2021/2022 AT A GLANCE

Uganda Coffee Export Destinations of Uganda Coffee in FY 2021/22



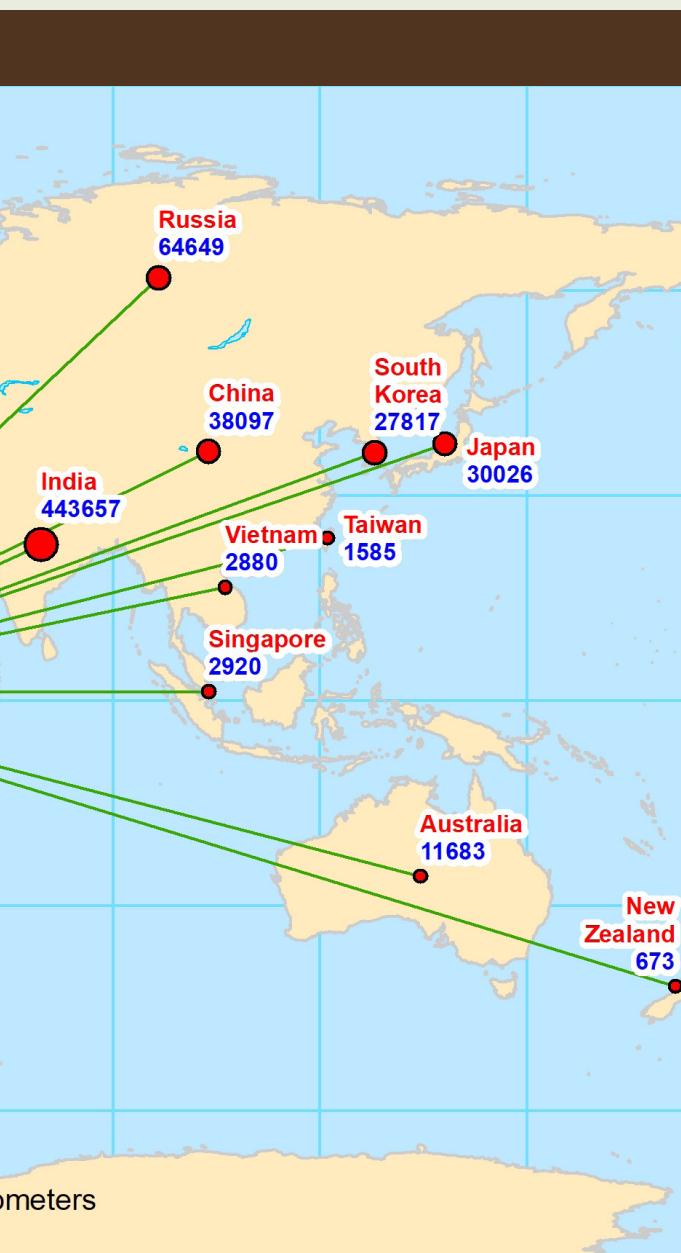
Quantity of Coffee exported by type for FY 2021/2022 2024 (60Kg-bags)



Robusta: 5.2M 60Kg-bags



Arabica: 1.00M 60Kg-bags

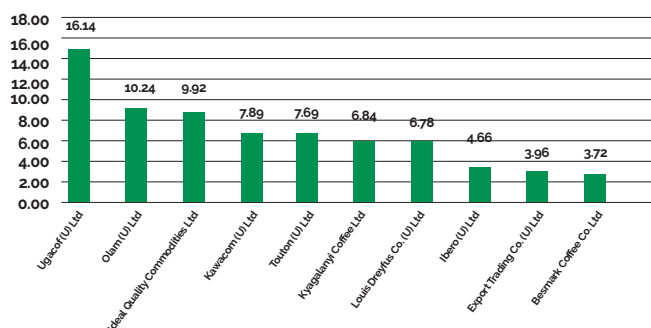


Total Exports and value

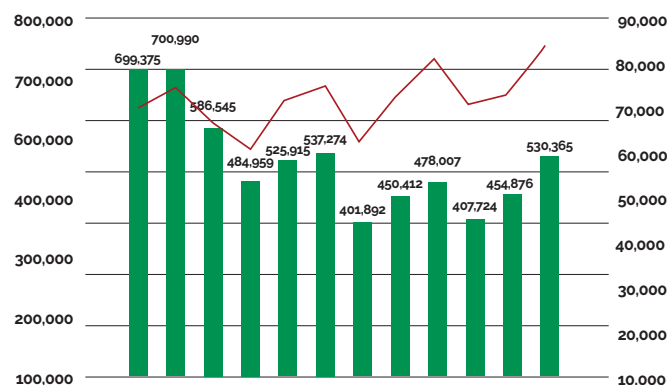
Quantity: 6.26M 60Kg-bags

Value: 862.28M (US\$)

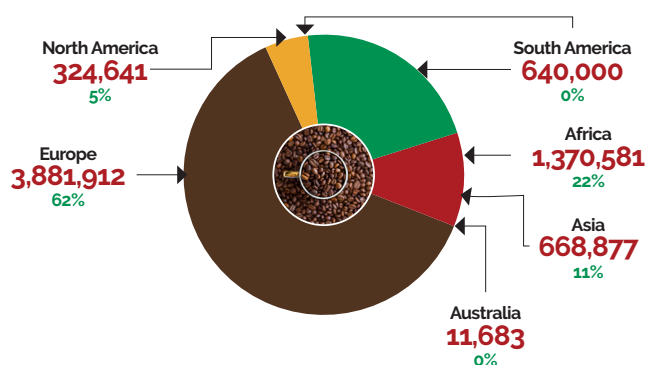
Coffee Exporters Performance in FY 2021/22 by Market Share



Coffee exports Quantity and Value for FY 2021/22



Major Coffee Export Destinations for FY 2021/22





President of the Republic of Uganda, H.E. Yoweri Kaguta Museveni launching the Coffee Roadmap on April 13, 2017. The Coffee Roadmaps aims at ensuring that Uganda achieves its coffee production target of producing 20 million bags annually by 2025.

CHAPTER ONE

OVERVIEW OF UCDA: MANDATE, OBJECTIVES, AND FUNCTIONS

1.0 Introduction

Uganda Coffee Development Authority is a government agency under the Ministry of Agriculture Animal Industry and Fisheries (MAAIF) established by an act of Parliament in 1991 repealed by the National Coffee Act 2021 to oversee the development, regulation and promotion of the coffee industry in Uganda (both on-farm and off-farm activities).



Our Vision

An Inclusive, Transformative and Sustainable Coffee Industry



Our Mission

To increase quality coffee production, productivity, value-addition, marketing and consumption.



Goal

To increase coffee earnings and create inclusive employment along the value chain.

1.1 Strategic Objectives

- Increase coffee production and productivity.
- Modernize post-harvest handling and storage.
- Increase coffee processing and value-addition.
- Increase consumption of Ugandan Coffee and its products, locally and internationally
- Increase mobilization and access to agricultural finance.
- Strengthen UCDA institutional capacity to deliver on its mandate.

1.2 Alignment of UCDA Objectives to the NDP and Agro-Industrialization Program

The UCDA interventions under each Directorate are guided by its strategic objectives as well as the objectives of the Agro-Industrialization Programme and the National Development Plan III (NDP III). The alignment is illustrated in the table below:

Table 1: Alignment of UCDA Interventions to the NDP III Program Implementation Action Plan (PIAP)

Directorate: • Development Services	Directorate: • Development Services	Directorate: • Quality and Regulatory Services	Directorate: • Strategy and Business Development Services • Executive and Corporate Services
AGRO-PIAP Objective 1: Increase coffee production and productivity	AGRO-PIAP Objective 2: Modernize post-harvest handling and storage	AGRO-PIAP Objective 3: Increase coffee processing and Value Addition AGRO-PIAP Objective 5: Increase consumption of Uganda Coffee and its products, locally and internationally	AGRO-PIAP Objective 4: Increase mobilization and access to agricultural finance AGRO-PIAP Objective 6: Strengthen UCDA's Institutional Capacity to deliver its mandate

Directorate: • Development Services	Directorate: • Development Services	Directorate: • Quality and Regulatory Services	Directorate: • Strategy and Business Development Services • Executive and Corporate Services
NDP Objective 1: Increase Agricultural production and productivity	NDP Objective 2: Improve post-harvest handling and storage	NDP Objective 3: Improve agro-processing and value-addition NDP Objective 4: Increase Market access and Competitiveness of agricultural products in domestic and international markets	NDP Objective 5: Increase Mobilization and equitable access and utilization of agricultural finance NDP Objective 6: Strengthen the Institutional Coordination for Improved Service Delivery

1.3 Implementation Arrangements

UCDA is governed by a Board of Directors, which oversees the conduct of business and supervises management. The role of the Board is to preserve UCDA's institutional competitiveness as well as ensure that the Authority operates reliably and safely. It comprises nine (09) members who are representatives of; MAAIF, National Coffee Resources Research Institute (NaCORI), Ministry of Finance, Planning and Economic Development (MOFPED); Ministry of Trade Industry and Corporative (MTIC); one representative of each level of the value chain - Coffee Farmers, Coffee Exporters, Coffee Roasters, Coffee Processors and it is headed by the Chairman of the Board.

The Managing Director is responsible for the day-to-day operations and management of the Authority and is an Ex-Officio member of the Board. The mandate of the authority is delivered through five (5) directorates - three (3) technical and two (2) support directorates. The technical ones include:

- Development Services;
- Quality and Regulatory Services; and
- Strategy and Business Development.

The support Directorates are;

- Executive Services
- Corporate Services.

1.4 Implementation Partners and Value Chain Actors

UCDA oversees and regulates the coffee sub-sector,

and ensures the achievement of coffee sub-sector goals through strategic collaboration and implementation partnerships with various stakeholders in both the public and private sectors. Key stakeholders include an estimated 1.8 million coffee farmers, 1,214 coffee buyers and traders, 953 coffee processors, 104 exporters, 26 Coffee graders, and 39 coffee roasters, among others. Additionally, the development of the coffee value chain is supported by coffee farmer organizations, Community Based Organizations, Coffee Certification Organizations, and Development Partners.

At Government level, service delivery was also strongly supported by Ministries Departments, Agencies, and Local Governments (MDALGs) including, the Office of the President (OP), Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), Ministry of Finance, Planning and Economic Development (MoFPED), Ministry of Trade, Industry and Cooperatives (MTIC), National Coffee Resources Research Institute (NaCORI), Uganda Revenue Authority (URA), Office of the Prime Minister (OPM), National Planning Authority (NPA), Operation Wealth Creation (OWC), Uganda National Bureau of Standards (UNBS), Ministry of Foreign Affairs (MoFA), among others. This collaborative approach has fostered a robust and inclusive coffee value chain, promoting growth and development in the sector."

1.5 Geographical Scope

UCDA Activities span 120 coffee-growing districts stratified into Eight (08) regions:

Uganda Coffee Growing Districts by Type

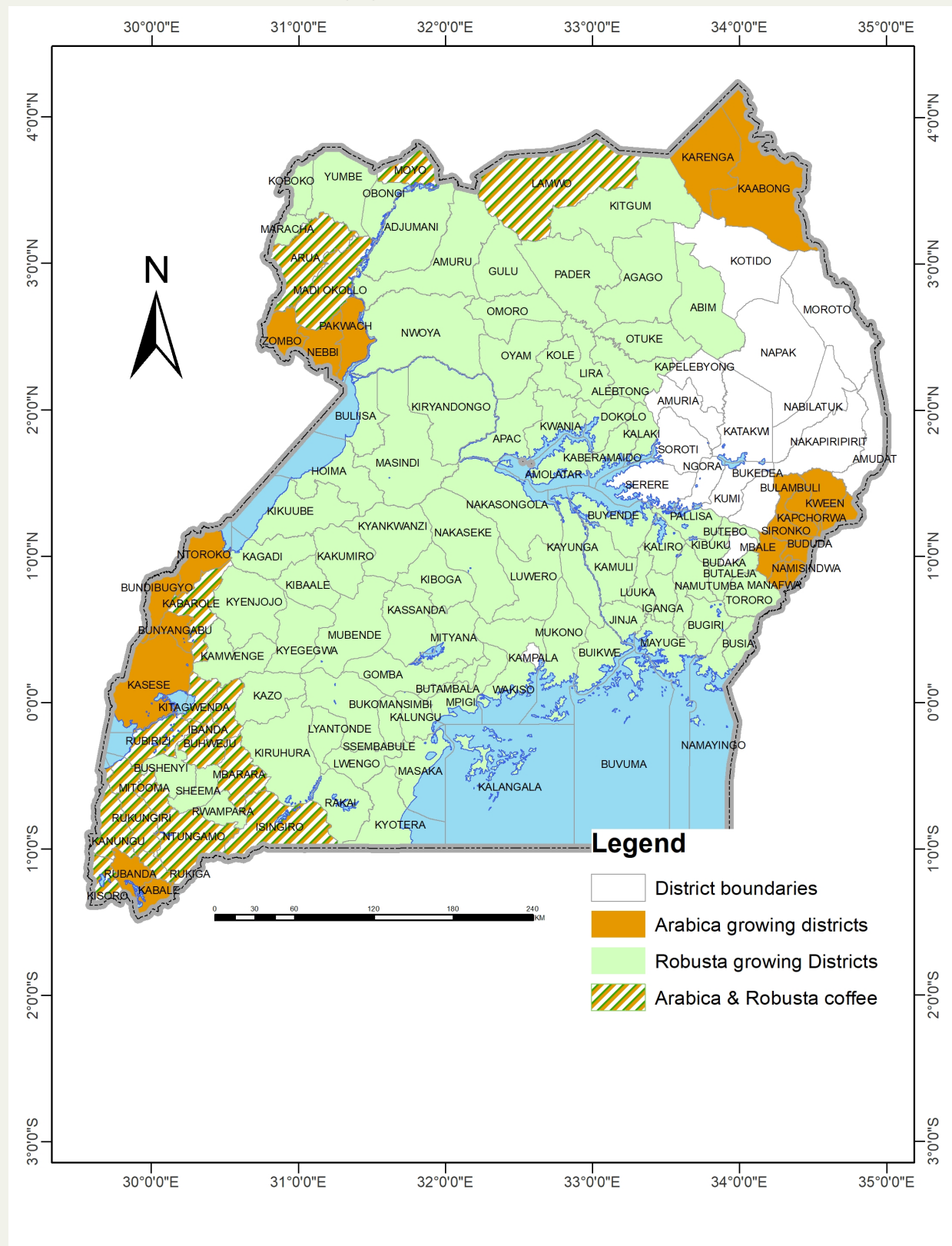


Table 2: A List of Coffee Growing Regions and Districts in Uganda and Type of Coffee Grown

Sn	Region	Districts	Coffee Type (s)
1.	Central	Mukono, Kayunga, Buikwe, Buvuma, Luwero, Nakaseke, Nakasongola, Mpigi, Butambala, Wakiso, Gomba, Mityana	Robusta
2.	Eastern	Budaka, Pallisa, Butebo, Kibuku, Butaleja, Tororo, Busia, Bugiri, Namayingo, Namutumba, Iganga, Bugweri, Jinja, Mayuge, Luuka, Kaliro, Kamuli, Buyende	Robusta
3.	Elgon	Bududa, Bukwo, Bulambuli, Kapchorwa, Kween, Manafwa, Mbale, Namisindwa, Sironko	Arabica
4.	Greater Masaka	Masaka, Kalangala, Kalungu, Rakai, Kyotera, Lwengo, Lyantonde, Bukomansimbi, Sembabule	Robusta
5.	Rwenzori	Kyenjojo, Kyegegwa, Kagadi, Kamwenge, Bundibugyo, Bunyangabo, Kabarole, Kasese, Kitagwenda, Ntoroko	Robusta and Arabica
6.	South Western	Buhweju, Bushenyi, Sheema, Ibanda, Isingiro, Kiruhura, Kazo, Rwampara, Mbarara, Mitooma, Ntungamo, Rubirizi	Robusta and Arabica
7.	Kigezi	Kabale, Kanungu, Kisoro, Rubanda, Rukiga, Rukungiri	Robusta and Arabica
8.	Western	Mubende, Kassanda, Hoima, Kikuube, Kyankwanzi, Kiboga, Masindi, Kiryandongo, Bulisa, Kibaale, Kakumiro	Robusta
9.	Northern	Kaabong, karenga, Lamwo, Gulu, Omoro, Nwoya, Kitgum, Agago, Amuru, Adjumani, Oyam, Apac, Kole, Lira, Aleptong, Otuke, Kwanja, Pader, Dokolo, Amolatar, Kaberamaido, Kalaki, Abim	Robusta
10.	West-Nile	Arua, Madi – Okolo, Moyo, Nebbi, Maracha, Terego, Koboko, Yumbe, Obongi, Zombo	Robusta and Arabica

1.8 Strategic Focus for the FY 2021/22

Implementation in FY 2021/22 was focused on the implementation of the following key interventions:

1. Support Coffee Research to generate 400,000 improved varieties of the CWDR plantlets (KR1-10) and avail them to nursery operators for multiplication.
2. Support to NaCORI to identify five candidate Arabica Coffee varieties with yields above 2 tonnes cc/ha and four Robusta hybrids compared to the current Arabica Coffee varieties), and cup quality scores above 80%.
3. Support farmers with seedlings in line with the strategy to expand acreage under coffee and increase access to good quality planting materials.
4. Support farmers with organic fertilizers as incentives for the rehabilitation of aged coffee trees, and fungicides and pesticides for demonstration of pests and disease control.
5. Operationalize the Parish Coffee Development Advisor approach to increasing access to coffee-specific extension services.
6. Deliver specialized coffee extension services to farmers on best practices in sustainable coffee production, post-harvest handling, processing, and value-addition.
7. Develop a digital App for farmer registration and geospatial Extension M&E reporting system.
8. Support initiatives to introduce and promote coffee cultivation in Northern Uganda
9. Quality assurance, promotion, and marketing of Ugandan Coffee on both the local and international markets.
10. Capacity building of value chain actors on quality

control processes and ISO international coffee quality standards.

11. Develop the UCDA Strategic Plan in line with the Agro-industrialization Programme of the National Development Plan 3.
12. Periodic surveys and routine monitoring and evaluation exercises to assess the implementation
- and performance of UCDA interventions and key production and market indicators.
13. Finalize repeal of the National Coffee Act, 1991, and review and update the Coffee Regulations.
14. Provision of Corporate Administrative and Logistical Services and increased visibility of UCDA.



Shakira Kaganda harvesting coffee in her Harugongo, Mugamba Village, in Fortportal.



CHAPTER TWO

SUSTAINABLE COFFEE PRODUCTION AND PRODUCTIVITY

2.0 Introduction

This chapter highlights the achievements of the organization in FY 2021/22 in line with the UCDA Strategic Plan 2020/21-2024/25.

2.1 Strategic Objective 1: Increase Coffee Production and Productivity

In line with the Coffee Road Map Target to increase annual production to 20 million bags (60-KGS) by 2025, the Directorate of Development Services supported activities geared at increasing coffee production and productivity. The interventions were guided by the following objectives;

- i. To strengthen agricultural research and technology development
- ii. To improve access to quality planting materials
- iii. To strengthen coffee extension systems
- iv. To incentivize small-holder farmers to increase acreage and density through coffee rehabilitation and renovation.
- v. To strengthen the management and control of coffee pests and diseases
- vi. To promote sustainable land and environment management practices

2.2 Performance and Achievements in the FY 2021/22

2.2.1 Strengthen Agricultural Research and Technology Development

In order to promote production and productivity, UCDA is mandated to promote research and innovation of disease-resistant and high-yielding varieties. UCDA collaboratively works with the National Agriculture Research Organization (NARO) under the National Coffee Research Institute (NaCORI) to promote research and innovation that guarantees resistant

and high-yielding varieties. A total of UGX 1.52 billion was allocated and utilized by NaCORI to implement activities under coffee research.

Generation of improved planting materials:

Generated 400,000 ready-to-plant cuttings of CWD-r planting materials (KR1-10) of which 108,669 were availed to farmers while the rest were used to expand the Mother Garden of CWD-r starter materials at NaCORI to make a total of 10 acres.

Development of improved varieties of coffee:

Identified five candidate Arabica Coffee varieties with yields above 2 tonnes /ha and cup quality scores above 80% compared to the current Arabica Coffee varieties as well as four Robusta hybrids for advancement to Advanced Yield Trials (AYT).

Product Innovation and Development:

Developed four prototypes of coffee-cocoa byproducts: cosmetic cream with ripe cherry extract for management of Tinea capitis (ringworm of the scalp), lotion of mildly processed coffee for melanogenesis inhibition, facial scrub for skin rejuvenation and coffee oil for delayed skin aging. Cream, lotion and facial scrub prototypes are under final quality validation by the Uganda National Bureau of Standards (UNBS).

Specialized Studies

1. **The impact of Tree Spacing on Coffee Yields:** With the objective enhancing the efficiency, sustainability, and profitability of coffee production, UCDA through NaCORI conducted a study to assess the determinants of coffee production and productivity under varying plant densities. Findings indicated that;

Table 5: Advantages and Disadvantages of Reduced Tree Spacing in Robusta Coffee

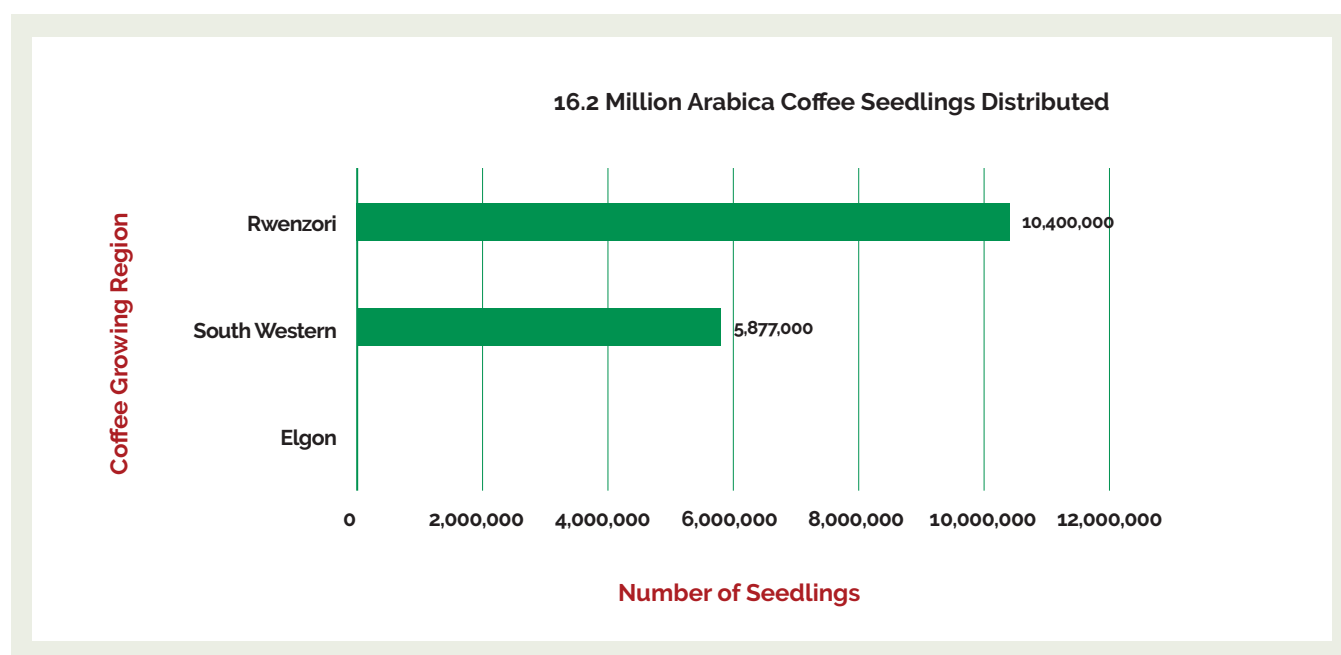
Pros	Cons
Increased yield potential <ul style="list-style-type: none"> Reduced Spacing of 3*1m - 5.82 tonnes cc/ha Regular spacing of 3*3m - 4.80 tonnes cc/ha). 	Increased Pest Incidences of Black Coffee Twig Borer (BCTB) <ul style="list-style-type: none"> Reduced Spacing of 3*1m - 8.8 % incidence rate Regular spacing of 3*3m - 7.9 % incidence rate
Recommendation <p>More trials are required with specific varieties, nutrient regimes and incorporation of the recently developed BCTB trap, which was not available during setup of the former experiments. The findings were published in the Australian Journal of Crop Science: AJCS 15(04):494-503. Available at: https://www.cropj.com/sermba_15_4_2021_494_503.pdf and https://www.ccrjournal.com/index.php/ccrj/article/download/477/430</p>	

- 2. Post-harvest Losses along the Value Chain:** A study was undertaken to establish the level of the coffee value chain where the highest percentage of postharvest losses are incurred within the value chain. Case studies undertaken in the Elgon area, Rwenzori, and Central Uganda indicated that in wet processing the heightened losses are incurred at pulping due to the breakage of beans and during the initial stages of drying due to moulding and quality loss.
- 3. Pest and Disease Outbreaks:** Pests and disease surveillance identified the Black Coffee Twig Borer (BCTB) most prevalent pest affecting coffee production and productivity.

2.2.2 Increase Access to Quality Planting Materials

In this FY, UCDA supported stakeholders in the production of quality planting materials by nursery bed operators, mother gardens & seed gardens. Some of the key interventions included the following;

- UCDA procured and distributed 15,809 kg of Arabica seed to 454 nursery operators belonging to (318 Males, 136 Females & 25 youth) in Elgon (8,559Kg), West Nile (2,850Kg), Rwenzori (2,200Kg) and South Western (2,200Kg). As a result, Nursery Operators generated 16,284,000 Arabica seedlings that were distributed to farmers to expand acreage under coffee and replace aged trees.

**Figure 2: Number of Arabica Coffee Seedlings Distributed to Farmers**

- ii. Through coffee research, UCDA supported the production and multiplication of Coffee Wilt Disease Resistant (CWD-R) in order to fast-track the replacement of elite varieties that are susceptible to the Coffee Wilt Disease. A total of 5.5 million CWDR plantlets were procured and distributed including;
- 4,796,691 plantlets to 639 medium to large-

- scale coffee farmers to establish coffee gardens (5 acres and above),
- 139,300 to eight Religious Institutions for the establishment of 309 acres of coffee
 - 528,546 plantlets to 423 demo host farmers
 - 40,500 plantlets to 22 Nursery Operators to establish mother gardens.

4.8 Million CWDR Plantlets Distributed to Medium to Large Scale Farmers

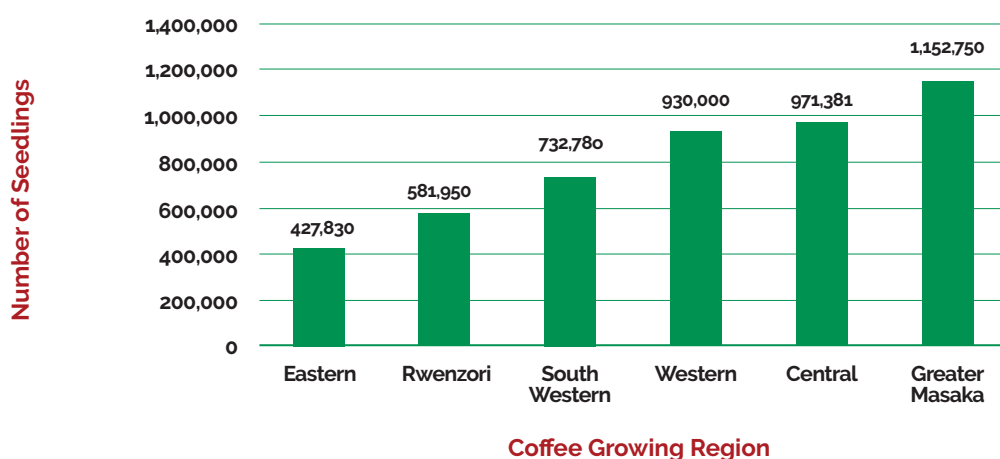


Figure 3: CWDR Plantlets Distributed Farmers

2.2.3 Coffee Rehabilitation Program

In order to boost yields for smallholder farmers, farmers were mobilized to rehabilitate aged and unproductive coffee trees. Approximately 50% of all coffee trees in Uganda are eight years or older which is a significant hindrance to yield improvement. To incentivize farmers to stump these trees,

UCDA distributed 153,333 bags of fertilizer to 20,804 farmers stumped 8,041,385 coffee trees. This mobilization campaign resulted in the stumping of 13,828,341 unproductive trees by 36,800 farmers (29,296 males, and 6,963 Females) across eight coffee-growing regions. This effort is expected to significantly increase yields, with the rejuvenated trees coming into production within 18 months. Over the last three financial years, a total of 398,275 bags of fertilizer have

been distributed, benefiting 30,225 farmers and driving progress towards improved coffee productivity.



The Minister of State for Agriculture, Animal Industry and Fisheries (Animal Industry), Lt. Col. (Rtd) Bright Rwamirama Kanyontore (2nd L), launching the fertiliser distribution programme in Hoima on December 15, 2021.

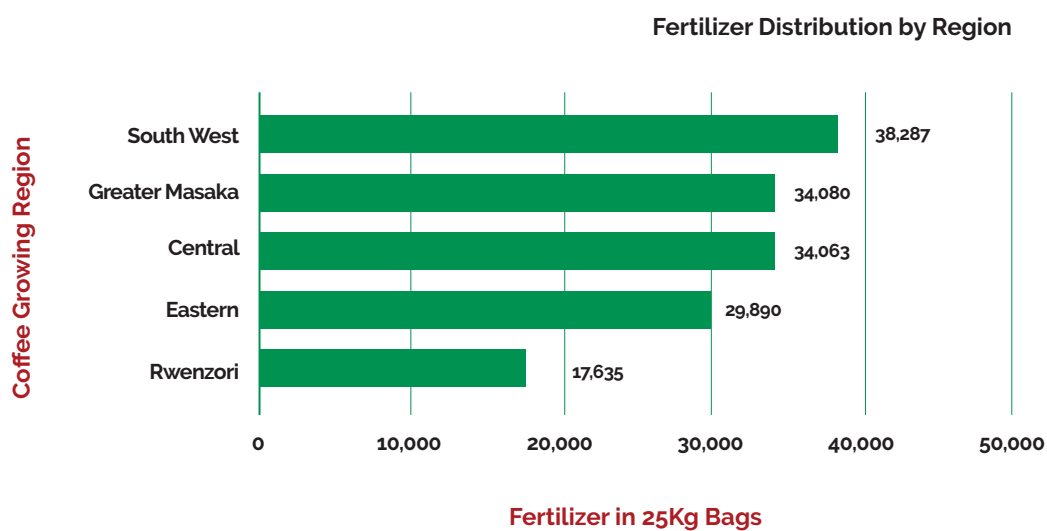
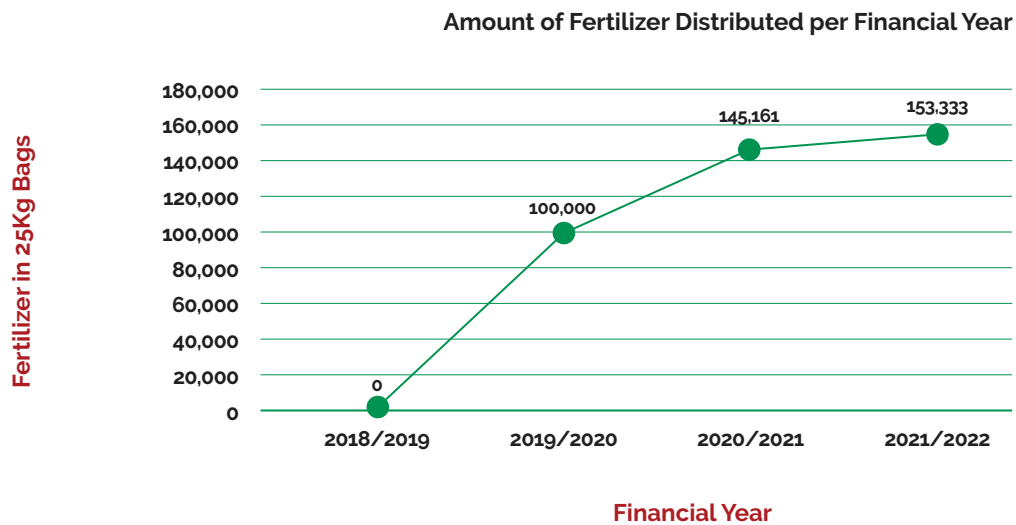


Figure 4: Fertilizer distributed between FY 2018/19-2021/22

2.2.4 Pest and Disease Management

Pest and disease surveillance revealed that in arabica-growing areas, Coffee Leaf Rust and Coffee Berry Disease were widespread, while the Black Coffee Twig Borer was prevalent in Robusta-growing areas, significantly impacting productivity. To address this, UCDA supported 20,931 farmers with fungicides and pesticides to demonstrate effective pest and disease management. This included:

- 19,500 kg of Copper Nordox, benefiting 4,605 farmers
- 571,400 packets of Imidacloprid (25g each), reaching 16,326 farmers

These interventions aimed to enhance farmers' capacity to control pests and diseases, ultimately improving coffee yields and quality.

2.2.5 Strengthen Coffee Extension Systems

UCDA supports and coordinates coffee extension management through Regional Coffee Extension Officers (RCEOs). Through extension systems, UCDA promotes good agricultural practices, monitors

post-harvesting practices, and provides technical support concerning disease and pest management, and fertilizer application among others. In the FY report under review, UCDA provided coffee-specific extension services through the following activities;

- Trained 44,772 farmers which comprised 32,002 Males, 12,889 Females, and 6,349 Youth. Farmer training was through farm visits (15,217 farmers) and farmer training (29,555 farmers).
- In order to operationalize the Parish Development Model and increase extension reach up to the Parish level, were held with ?? District Local Government (DLG) stakeholders and 3,250 Parish Coffee Development Advisor PCDAs (2,746M, 504F, 466Y) jointly identified to operationalize the approach. The roles of PCDAs will include coffee farmer registration and support in extension management. Training of the PCDAs is expected to commence in the Financial Year 2022/23.



Sister Goretti Birungi of Banyatereza Sisters under Fort Portal Archdiocese in Kabarole District. Banyatereza Sisters were supported with coffee seedlings and extension services which has improved coffee production and productivity on the farm.

Table 6: Farmers trained through Farm Visits

S/n	Region	No. of Farm Visits	No. of Farmers Reached	Male	Female	Youth
1.	Central	360	1,219	875	544	59
2.	Rwenzori	1,195	2,537	1,613	924	-
3.	Greater Masaka	109	305	181	124	27
4.	South Western	772	1,054	818	236	160
5.	Western	710	4,094	3,306	788	521
6.	Eastern	678	5,810	4,119	1,691	5,221
7.	Elgon	47	198	147	51	13
	Total	3,871	15,217	11,059	4,158	3,801

Table 7: Farmers trained through farmer training

S/n	Region	No. of Farm Visits	No. of Farmers Reached	Male	Female	Youth
1.	Central	64	2,322	1,729	593	1
2.	Rwenzori	131	4,242	2,969	4,861	781
3.	Greater Masaka	72	210	121	89	30
4.	South Western	269	14,133	9,272	4,861	594
5.	Western	128	4,064	3,188	877	474
6.	Eastern	788	4,130	3,215	915	398
7.	Elgon	59	573	449	123	54
	Total	1,511	29,675	20,943	12,319	2,331

2.2.6 Northern Uganda Programme

The Northern Uganda Programme is an affirmative programme intended to introduce coffee as a cash

crop in the Northern Region of Uganda. It aims at improving household incomes and livelihoods. The deliverables for the FY included the following:

Table 8: Number of Beneficiaries of Interventions Implemented in Northern Uganda

S/N	Intervention	No. of farmers	Male	Female	Youth
1	Conducted farm visits to train farmers on GAPs, PHHPs and awareness creation on the National Coffee Act, 2021	3,077	2,271	506	404
2	Conducted farmer training on Good Agronomic Practices	1,954	1,518	439	327
3	Conducted individual farmer training on GAPs	1,495	1,173	322	229
4	Farmer study tours/field visits in Omoro, Gulu, Kole, Oyam, Pader, Lira and Apac and Mid Northern of Acholi and Lango	99	85	14	12
5	Establishment of demonstration farms using cover crops (Indigofera spp, Mucuna spp) to mitigate climate change	62	50	4	8
6	Procurement and distribution of 375 kg shade tree seed (Albizia coriaria)	60	56	4	8
7	Distributed and allocated 9,388 Elite Robusta Coffee seedlings in Abim	42	31	11	11
8	Procured and distributed 66,000 banana suckers to provide shade in coffee and for food security in 20 districts.	473	394	79	89

Karamoja, a New Coffee Frontier

Farmers in the Karamoja region were traditionally growing cereals but despite their efforts, poverty and vulnerability remain a huge challenge in the Karamoja sub-region. The Uganda National Household Survey, 2019/20 shows that 65.7 of people in Karamoja are poor.

When UCDA introduced coffee, farmers embraced it being a cash and a perennial crop. The farmers appreciate Government and Hon. Janet Grace Akech Okori Moe, Woman Member of Parliament for Abim district who has championed the promotion of coffee production in the Karamoja sub-region and for this strategic move.

Although they are challenged by severe and prolonged drought through training they are adopting climate-smart practices to maintain their gardens and eagerly look forward to their first harvest.



New Coffee Farmers in Abim District. (A) Mathias Abokalam , (B) Michael Obonyo, (C) Doreen Awili and (D) Robert Owili.

2.3 Conclusion

UCDA's Strategic Objective of increasing production and productivity was pursued through various initiatives aligned to the Coffee Roadmap interventions.

These included the distribution of planting material, strengthening coffee research, rehabilitation of aged coffee trees, control and management of pests and diseases, and enhancing the coffee extension system.



Hon. Frank Tumwebaze, the Minister for Agriculture, Animal Industry and Fisheries and Peter Munya, Kenya's Cabinet Secretary, Ministry of Agriculture, Livestock, Fisheries and Cooperatives, signed the Nairobi Declaration to have coffee anchored as a strategic commodity under the African Union.

CHAPTER THREE

VALUE ADDITION, STORAGE AND DOMESTIC COFFEE CONSUMPTION

3.0 Introduction

This chapter highlights the immediate outcomes of the UCDA Strategic Plan Objectives 2 and 3 which hinge on modernizing post-harvest handling and storage, increasing coffee processing and value-addition as well as increasing consumption of Ugandan Coffee and its products domestically and internationally.

3.1 Strategic Objective 2: Modernize Post Harvest Handling And Storage

3.1.1 Training and Registration of Industry Players

Interventions implemented to enhance post-harvest

handling, storage, and processing included training of 2,853 stakeholders on good post-harvest handling practices and quality standards as seen in Figure 5.

The promoted practices that preserve quality after harvesting include the use of solar driers and tarpaulins to avoid contamination from drying on bare ground. Solar driers are particularly promoted since they shorten drying periods (on average from 17 to nine days for red cherries and from 12 to five days for parchment) as well as prevent disruptions by rains during the harvest season.

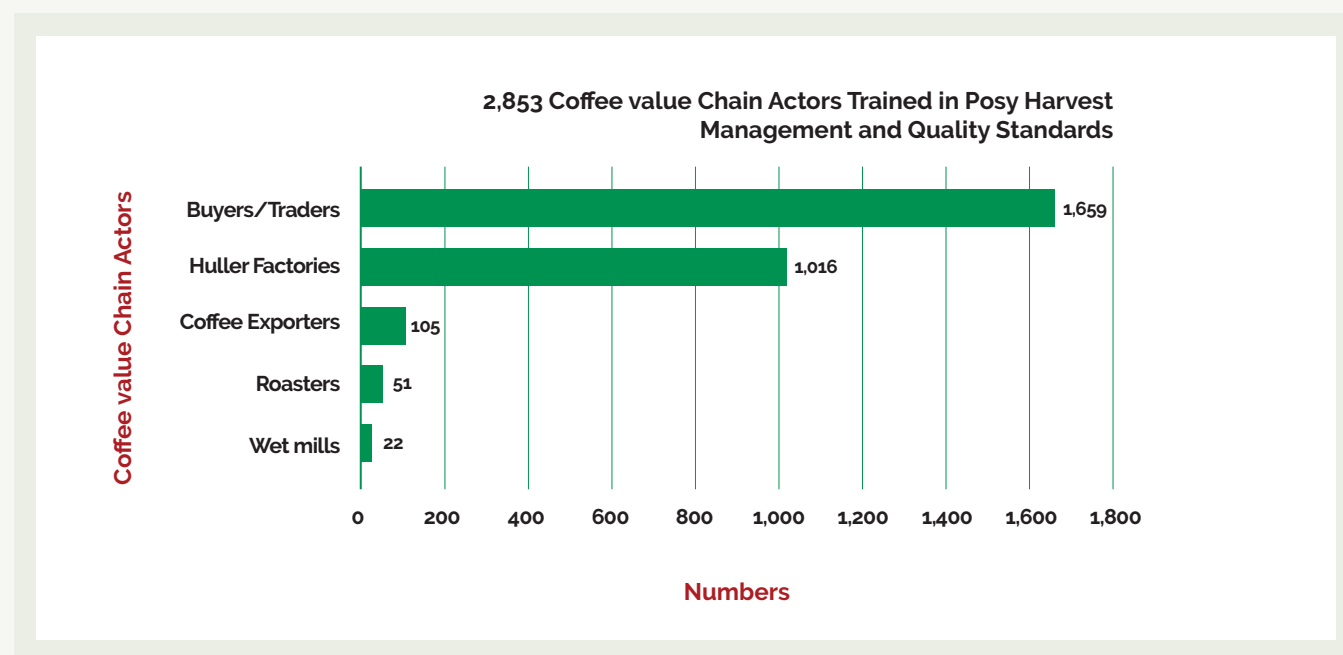


Figure 5: Coffee Value Chain Actors trained in Post Harvest Management and Quality Standards



UCDA Officer inspecting a Solar Drier.

3.1.2 Inspection and Licensing of Value Chain Actors

In addition, UCDA Coffee Technical Officers inspected and licensed 1,122 value-addition facilities and 1,214

buyers that were compliant with Coffee Regulations as detailed in Figure 6. These efforts aimed to promote quality standards throughout the coffee value chain, aligning with international standards.

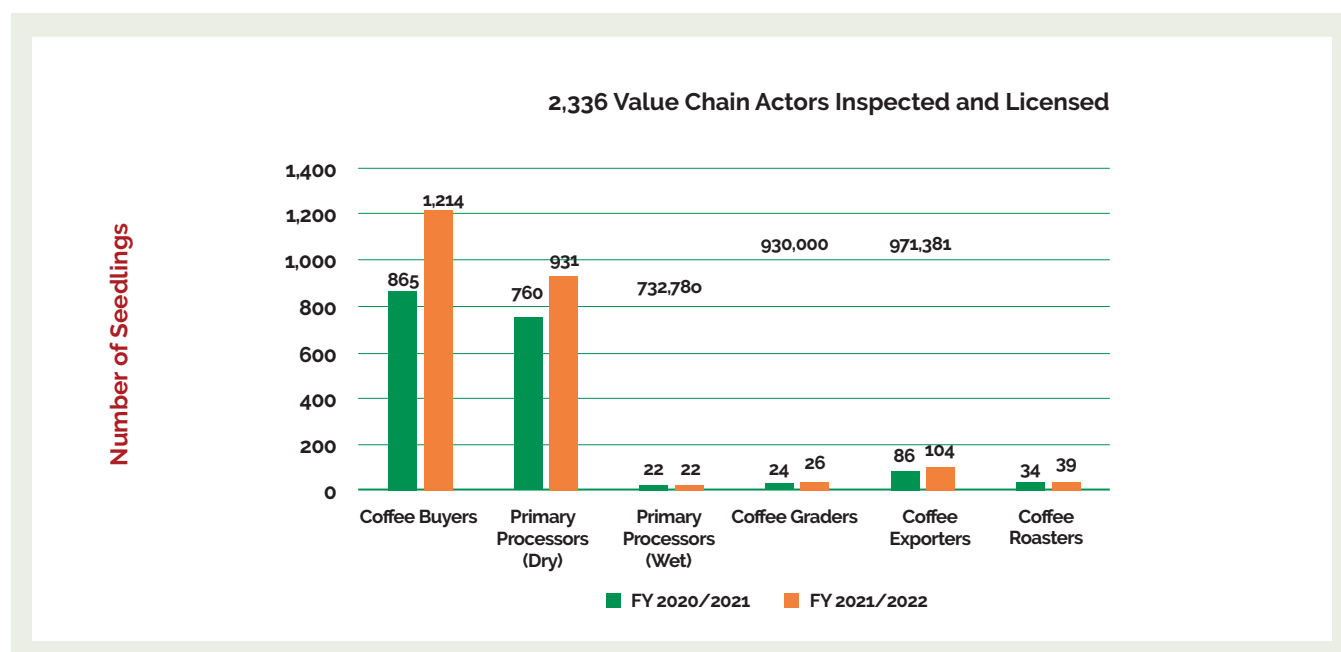


Figure 6: Number of Value Chain Actors Inspected and Licensed.

3.1.3 Enforcement of Coffee Regulations on Coffee Quality Standards

In line with the parameters set in the National Coffee Act 2021 to ensure adherence to coffee quality standards, prevent malpractices and encourage good manufacturing practices, the UCDA team implemented the following intervention;

- Inspected and certified 6.256 Million 60-kg bags for export to various global destinations
- 1,846 sensitization campaigns were disseminated through 243 Radio Talk Shows on coffee quality management, good post-harvest handling practices, GAPs, and popularizing the National Coffee Act, 2021.
- Implemented 40 taskforce operations in collaboration with Agriculture Police to enforce coffee regulations and combat

poor post-harvest handling practices. These exercises apprehended and punished offenders engaging in coffee malpractices, such as:

- Harvesting of immature coffee cherries
- Illegal marketing of coffee across borders without proper documentation
- Adulteration of coffee
- Inadequate drying practices, such as drying of coffee on bare ground and FAQ coffee in direct sunlight

These taskforce operations have significantly enhanced post-harvest management practices among value chain actors, promoting compliance with coffee regulations and improving overall coffee quality.



UCDA Coffee Quality Inspectors conduct a quality inspection at an exporter's premise to ensure compliance with coffee regulations and the signed contractual agreement with the buyer before export.



Recommended Drying of Coffee on Tarpaulins has been adopted as a result of intensified enforcement of Coffee Regulations by UCDA.

3.2 Strategic Objective 3: Increase coffee processing and value-addition

3.2.1 Improving the efficiency of the existing dry hulling factories

UCDA introduced new factory structure standards where the factory built must use permanent materials thus eliminating the use of iron sheet structures to promote hygiene at the processing level. In addition, UCDA introduced the use of bucket elevators to replace manual labour within machine rooms and enhance the efficiency of the hulling factories.

3.2.2 Promoting wet processing of coffee

To improve coffee quality and increase the share of washed coffees in both Robusta and Arabica in export market share, UCDA promoted the use of wet processing technology. This technology produces parchment that has a superior cup taste, attracts a better premium, and has a shorter drying time. In line with this goal, UCDA procured and distributed 35 wet mills to selected farmers and farmer groups within Arabica-growing regions.



One of the wet mills distributed by UCDA



Beneficiaries of the Coffee wet mills pose for a photo with Hon. Fred Kyakulaga Bwino at the launch of the distribution exercise in Kampala.

3.2.3 Seasonal taste of harvest competitions for coffee producers and farmers

UCDA organized two successful "Taste of Harvest" competitions, showcasing the best coffee beans from local producers and farmers. This initiative identifies top cup-quality coffee samples from each harvest season, which are then featured on the Coffee Quality Institute (CQI) website, attracting premium prices and global recognition. UCDA also supports the producers by shipping the award-winning coffees to interested buyers worldwide and showcasing them at international coffee expos, further

boosting the producers' reputation and market visibility. In the FY 2021/22, the winning categories were as follows;

- 3 Arabica Winning Samples; Bros Coffee score -86.75%, Great Lakes Coffee score - 85.50%, Funzo Coffee score - 85.0% and
- 3 Robusta Winning Samples - Zigoti coffee score - 86.15% (Washed category), Ankole Coffee Producers Cooperative Union (ACPCU) score -85.85% (Naturals category) and UMOJA Zulu Kigongi garden coffee -84.55% (Naturals category).



One of the wet mills distributed by UCDA

Success Story by Ankole Coffee Producers Cooperative Union ACPCU

The UCDA "Taste of Harvest" Competition has been a magic bullet for us as ACPCU. Having our winning coffee popularized by UCDA through the CQI Website and international exhibitions made our existing buyers gain more confidence in our coffee by increasing orders and also gained new buyers" a representative of ACPCU.

The competition also built visibility for Uganda Robusta Coffee as a Single Origin Specialty Coffee. Previously it was overshadowed by Arabica and many buyers bought robusta coffee to use as a blend for Arabica. "We have buyers from Korea, Germany and Belgium who come to taste and buy our coffee directly and then sell it as a single

origin under the label of "Ankole Coffee Producers Cooperative Union Coffee" which was never the case before" she added.

Financially, the specialty coffee fetches a better price on the market of about 20 cents (equivalent to approximately UGX 1,655 per kilogram) higher per pound/lb compared to conventional coffee. For organic coffees, premiums can go as high as 40 cents per pound/lb equivalent to UGX 3,309 per kilogram.

Within the organization, this price increment convinced management to invest in more equipment like drying beds to produce the honey-processed coffee.



International buyers cupping coffee at the ACPCU laboratory in Sheema District.

Honey-processed coffee is specialty coffee achieved by pulping red cherries which are then semi-washed and fermented with the mucilage for about 34 hours after which it is sun-dried on drying beds and milled to remove the parchment. Additionally, the premium price is an incentive for the farmers in the organization to improve quality so as to meet this standard as well as increase the tonnage sold as specialty.

ACPCU has so far sold about 50 bags of honey-processed coffee and we plan to increase the tonnage in subsequent years. We greatly appreciate the Government of Uganda and UCDA for supporting us and giving us this visibility through the taste of Harvest competition which has gained us many international buyers and the recognition of our coffee as a single origin.



A package of ACPCU Coffee which is available on supermarket shelves in Uganda

3.2.4 Quality Assurance at Tertiary Level – Roasting and Brewing

Roasting Level: 57 coffee roasters and brewers were inspected for compliance with coffee regulations and received training on Roasting techniques, Good Manufacturing Practices (GMPs), Good Hygienic Practices (GHPs), Food Safety Standards (FSS) and Infrastructure and equipment suitability. The goal was to foster a quality culture in the coffee processing value chain. While there has been an increase in registered coffee roasters (15) and roasted brands (103), challenges persist, including:

- Access to affordable, quality packaging materials
- Poor labeling of coffee packages, and
- Substandard coffee quality with high levels of extraneous matter (e.g. husks) in coffee products

These issues hinder efforts to promote domestic coffee

consumption and undermine the quality of local coffee products on the market.

Brewing Level: Compliance checks in Kampala business district were conducted to ensure Hotels, Restaurants, and Cafes (HORECA) meet coffee quality standards. Out of 19 establishments surveyed:

- 20% used espresso machines to serve brewed coffee, with customers preferring medium roast from local suppliers.
- 80% used instant coffee from supermarkets, lacking equipment to prepare espresso-based drinks.

In summary, only a few establishments in Kampala district use espresso machines, while most rely on instant coffee due to limited equipment. This reveals a significant gap in the industry, where limited access to specialized brewing equipment like espresso machines hinders the efforts to promote and support domestic coffee consumption, stifling the growth of the local coffee industry.



UCDA Quality Assurance Officers with the Senior Superintendent of Agro Police Personnel at a coffee roaster at Bugisu Cooperative Union



Some of the Finished coffee products on the market. UCDA working with UNBS is supporting value-addition and also supports coffee roasters to get a UNBS Q – Mark to ease access to markets

3.2.5 Support to Youth and Women at Tertiary Level

The UBOS Statistical Abstract 2022 projected the population of Uganda to be 44.2 million with the youth comprising 70% of the demographic. To empower this demographic, UCDA supports youth and women-owned enterprises by providing training in coffee brewing and supporting coffee clubs in higher institutions of learning to encourage the youth to drink coffee and acquire skills along the coffee value chain.

UCDA through this initiative trained up to 373 baristas in FY 2018/19 and FY 2019/20 however the training in FY 2019/20 and FY 202/21 were halted due to COVID-19 Pandemic restrictions. A tracer study by UCDA

revealed that as a result of the skills acquired, the youth who were beneficiaries of the training have gained employment in top exporting companies in Uganda, others secured jobs in the UAE, and top Ugandan hotels and restaurants. The program also sponsors the Youth to participate in the Uganda National Barista Championship, with winners advancing to the World Barista Championship. UCDA will continue to build capacity among youth and women in the coffee industry through resumed barista training courses in the next financial year. Below is a beneficiary change story from one of the youths that benefitted from barista training during the financial year 2019/20.

Barista Training Beneficiary Success Story

The UCDA Team talked to **Ondhoro Alexaus** a Quality Controller at Ibero (U) Ltd, one of the leading Coffee Exporting Companies in Uganda. He was narrating how the Barista Training received from UCDA in September 2019 transformed his life.



Alexaus got to know about UCDA while at Kyambogo University where he was a member of a Coffee Club. In his Second Year, he applied and was admitted for a three months internship programme at UCDA from June to August 2019 where he got to know about the Barista Trainings offered by UCDA to the Youth. In September 2019, he applied to, was admitted and attended a one- month in a Barista Training at the UCDA Laboratory in Lugogo. He acknowledged that his initial interest in coffee was sparked by participating in the Coffee Club at Kyambogo University, however ultimately it was the Barista Training that influenced his decision to pursue a career in the coffee industry.

Through the training received at UCDA he gained skills and exposure to coffee including coffee

cupping, brewing, and coffee quality assessment. He reported that;

"After completing University in 2021, I saw an advert and applied at Ibero (U) Ltd. The interview was a walk over because of the skills I gained during the training at UCDA. I was recruited as a Coffee Quality Controller and some of my duties involve Coffee Cupping to determine its taste profile, and quality analysis in the laboratory. UCDA did not only change my life but also other students that were in the same cohort of the Barista Training who proceeded to get jobs at coffee exporting companies including Kyagalanyi Coffee Ltd, Ugacof (U) Ltd and Ibero (U) Ltd)".

He acknowledged UCDA for the comprehensive training which not only equipped him with skills but also kick started his career in the coffee industry. In the future he aspires to advance professionally in his organization to managerial level and ultimately envisions founding his own business in the coffee industry.



3.2.6 Building capacity of sector players to analyse specialty and fine coffees

In collaboration with the Coffee Quality Institute of America (CQI), UCDA trained and certified 22 Q-Robusta and 13 Q-Arabica graders selected from sector players and UCDA staff. Q-Robusta and Q-Arabica graders are certified coffee sensory analysis experts trained to assess the quality attributes of coffee such as the fragrance, Aroma and flavor consistently in compliance with the international protocols for fine Robusta and Arabica specialty coffees.

3.2.7 Promoting Production of Specialty and Sustainable Coffees

UCDA promotes specialty and fine Robustas to enhance farm value and secure better prices for producers. This focus on specialty coffees has a positive impact on overall coffee quality throughout the value chain. The volume of coffee exported as specialty and sustainable increased by 25% from 321,979 60 Kg bags in FY 2018/19 to 403,699 60Kg bags in FY 2021/22. However, this increment is still modest as a proportion of total coffee exports in the FY. Therefore, to support

high-value coffee production, UCDA distributed 35 wet mills to farmers and organizations in a bid to boost these volumes. This intervention aims to increase specialty and sustainable coffee production and improve farmer livelihoods.

3.3 Strategic Objective 4: Increase consumption of Ugandan Coffee and its products

3.3.1 Promotion of Domestic Coffee Consumption

Domestic coffee consumption is estimated at just over 5% of the total Uganda Coffee production which is still lower than other coffee-producing countries such as Ethiopia which consumes 50% of its production. In an effort to promote domestic coffee consumption, UCDA participated in 33 local coffee events to promote domestic coffee consumption and undertook eight coffee-on-the-road shows. During the shows, coffee was provided for tasting, Information on the health benefits of drinking coffee was disseminated and myths demystified, showcasing the uniqueness of Uganda coffee to participants to interest the population into drinking coffee.



UCDA staff at one of the local coffee promotion drives. The drive gives a chance to Ugandans to taste coffee and appreciate its unique flavor which promotes local coffee consumption.

3.3.2 Identification, mapping and analysis of new markets

Two market pointers were developed for the United Kingdom (UK) and the United Arab Emirates. A Market pointer is a 4-pager that reflects the product, and its potential production (quantity) to be offered to the market. It shows the national tariff line, the geographic location

of the destination market, its Gross Domestic Product (GDP), Per capita GDP, the market's demographic characteristics, major cities, market access requirements such as the tariff regime, the total import requirements, Uganda's competitors in the destination market and their market shares, trade partners in the destination market, labeling and packaging requirements as well as distribution channels are also reflected in the market pointer. The market pointer also includes major Uganda coffee exporters who supply the destination market.

3.3.3 Development of Uganda Coffee Profiles

UCDA profiled Uganda's coffees to link origin and agro-ecological zones, creating a coffee profile map for marketing and differentiation. Up to 778 samples from major Arabica and Robusta regions were analyzed for physical, sensory, and biochemical attributes. Results showed distinct flavor profiles for each agro-ecological zone, with Robusta exhibiting spicy, dried fruit, and chocolaty notes, and Arabica showing flowery, fruity, and sugar browning notes. A coffee profile map for Uganda is being developed, which documents the unique coffee attributes and flavor profiles for each agro-ecological zone. This map will be used as a marketing tool to differentiate and brand Uganda's coffee by origin and agro-ecological zone.

3.3.4 Promote Uganda coffee at international, Regional and local coffee exhibitions

UCDA promoted Ugandan coffee at various international, regional, and local exhibitions, including:

- Uganda Independence Week celebrations in Nairobi, Kenya
- Joint UK-UG specialty coffee virtual cupping competition with UK buyers. The three winners (Bros Coffee, Great Lakes Coffee and Funzo Coffee) received a coffee branding contract in the UK.
- Dubai Expo in the UAE, under the theme "Connecting Minds, Creating the Future"

These events aimed to promote Ugandan coffee, attract investors, and increase exports to emerging markets like the UAE, in line with the National Development Plan III's strategic objectives.



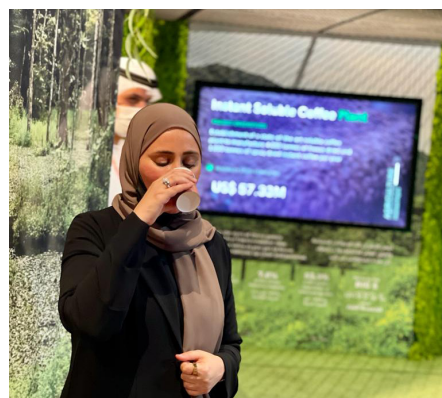
MD UCDA Dr. Emmanuel Iyamulemye makes a presentation on Uganda coffee at the Uganda-UAE tourism, trade, and investment roadshow, at the Hyatt Regency Hotel Dubai, Deira, UAE.



Visitors receive a briefing on investment opportunities in the coffee sector by the UCDA Quality Assurance Officer at the Dubai Expo.



On the Left, QAO Bwengye explaining the flavor profile of Uganda coffees to Her Excellency Ohood Al Roumi, the Minister of Government Development and the Future in U.A.E and on the right H.E enjoys a cup of Uganda Coffee for the First appreciating its Uniqueness.



3.3.5 1st IACO Annual General Assembly and G25 African Summit

The Inter-African Coffee Organization (IACO) held the 1st African Coffee Summit in Nairobi, Kenya, with 25 African coffee-producing countries, including Uganda, to discuss sustainable development and economic growth in the African coffee sector. The summit aimed to address challenges facing coffee farmers, such as low profitability and poverty, exacerbated by COVID-19 and climate change. The Hon. Minister of Agriculture, Animal Industry and Fisheries, Hon. Frank Tumwebaze assented to the Nairobi Declaration, 2022.

The Nairobi Declaration 2022 adopted "Coffee" as a strategic agricultural crop in the AU AGENDA 2063 and to urgently develop an evaluation framework to track down the socio-economic impact of coffee farmers about alleviating poverty and enact the AfCFTA to facilitate cooperation between African countries to encourage inter-African trade to explore the untapped coffee markets within Africa. The African countries will undertake to carry out initiatives that will improve "Production and Research, Access to Finance, and Value Addition & Promotion of domestic consumption."



Hon. Frank Tumwebaze, the Minister for Agriculture, Animal Industry and Fisheries and Peter Munya, Kenya's Cabinet Secretary, Ministry of Agriculture, Livestock, Fisheries and Cooperatives, signed the Nairobi Declaration to have coffee anchored as a strategic commodity under the African Union.

3.3.6 Uganda ranked 3rd country with the best coffee globally

Uganda coffee was ranked 3rd best in the world behind Ethiopia and Kenya by professional coffee tasters in a survey of the top 16 coffee-growing countries in the world. The coffee tasters graded 1,229 coffees from around the world that was harvested from 2010 to 2018 with the top three spots going to African countries. The professional coffee tasters are certified by the Coffee Quality Institute, a non-profit organization that works internationally to improve the quality of coffee and the lives of the people who produce it. The CQI-certified coffee graders must pass 22 tests to prove they can grade coffee accurately and consistently by its aroma, flavour, acidity, body, balance and more. A grading scale with a maximum score of 100 was used to score coffees from each of the 16 countries. Ethiopia scored the highest average rating with 84.88, followed by Kenya with an average rating of 84.31 and Uganda came third with an average rating of 84.05. Out of the Uganda coffees that were tested, Arabica Coffee owned by Kabum Trading Company in Kapchorwa, Eastern Uganda came top with a score of 86.83. The

quality of Ugandan coffee has been improving over the years following massive sensitization conducted by UCDA among coffee farmers.

3.4 Promotion and marketing of Uganda coffee to China and Far-East countries

3.4.1 China Representative Office

China is one of the key emerging coffee Markets and therefore UCDA established an office in China to promote Uganda coffee. The activities of the China Office were however severely affected by the COVID-19 Pandemic Lockdown leading to a decrease in the volumes exported to China from 80,549 bags in FY 2020/21 to 38,097 bags in FY 2021/22.

Two hybrid coffee cupping events were conducted in Guangzhou and Hunan, receiving extensive online media coverage.

Fifty (50) Uganda coffee exporters were registered on the General Administration of Customs in China portal to facilitate the export process in the Chinese market.



MD-UCDA minister of state foreign affairs Hon. Okello Oryema talking to the Chinese envoy during a visit to UCDA labs in Lugogo on China Uganda Day. Uganda is committed to increasing coffee exports to China



Uganda Coffee Day: The cross country event was organised to promote Uganda coffee in China.

3.4.2 Promotion of Uganda Coffee in Other Emerging Markets

In addition, Uganda coffee was also promoted in South East Asia using various Fora and media including scripts, stories, news articles and presentations to the Taiwanese Business Association and Changsha.

3.5 Conclusion

The chapter highlights progress in storage, value-addition, and consumption of Uganda coffee, with improvements in post-harvest handling, storage, and domestic consumption. Uganda coffee was showcased in various exhibitions, and value-addition initiatives like wet processing and solar dryers enhanced coffee quality.



Uganda Coffee Development Authority

Uganda Fine Robusta

Screen 1200



Uganda Coffee Development Authority

Uganda Fine Robusta

Screen 1500



Uganda Coffee Development Authority

Natural Uganda Robusta

Screen 1800

Web: www.ugandacoffee.go.ug



CHAPTER FOUR

MARKET DEVELOPMENT AND INTELLIGENCE

4.0 Introduction

This chapter reflects how the Ugandan coffee market performed during the FY 2021/22, the fundamental factors that led to the export performance, where Uganda coffee is destined and the key other interventions undertaken by UCDA during the year. Key results of the Coffee Production Indicator Survey, local market prices are highlighted as well as the call centre performance.

Coffee export performance during FY 2021/22 amounted to 6.3 million bags worth US\$ 863 million compared to only 6.1 million bags valued at US\$ 559 million last financial year, 2020/21, an increase of 3% and 54% in quantity and value, respectively.

The following were achieved during the year:

- i. Conducted three Quarterly stock verifications at the exporter and processor level. At the end of June 2020, stocks at the exporter level stood at 1.27 million bags whereas at the end of June 2021, they stood at 1.36 million bags, a slight increase at the export level.
- ii. Conducted two production surveys which estimated gross production at 10 million 60-kilo bags with production in Greater Masaka region at 3.6 million of clean coffee; Busoga Region at two million bags (main harvest at 1.0 million bags and Fly crop stood at 0.7 million bags); Central Region at four million; and Rwenzori Region at 0.95 million bags.
- iii. Carried out a coffee production indicator Survey in 12 districts where 1,200 farmers were interviewed. Baseline values for key production indicators were determined.
- iv. Conducted monitoring of field activities in 40 districts in Rwenzori, Mid-North, West-Nile, Greater Masaka, South Western, Eastern, Elgon, Central and Western. The findings indicated that coffee farmers from the distribution of coffee seedlings, training in post-harvest handling, and good agronomic practices. The findings revealed that 76% of trained farmers adopted Good Agricultural Practices (GAPs); 13% applied fertilizers and 60% dried coffee on tarpaulins reflecting the adoption of good post-harvest handling practices.

4.1 Coffee Export Performance for the FY 2021/22

4.1.1 Comparative Coffee Export Performance

Figure 7 illustrates the comparative monthly coffee export performance for Financial Years, 2020/21 and 2021/22 in terms of quantities exported and values. In the first half of the year, both quantities exported and their values were higher than the corresponding months the previous year which was attributed to good weather that saw a good harvest in South Western and Masaka regions. Coffee exports in the second half of the year however dropped due to low Robusta yield in Central and Eastern regions due to drought that led to a shorter harvest season.

The value of coffee increased due to supply concerns as a result of drought and frost that affected coffee farms in Brazil, and shortage of containers in Vietnam. Total exports amounted to 6.26 million bags worth US \$ 863 million compared to 6.08 million worth US\$ 559 million the previous year, an increase of 3% and 54% in quantity and value, respectively

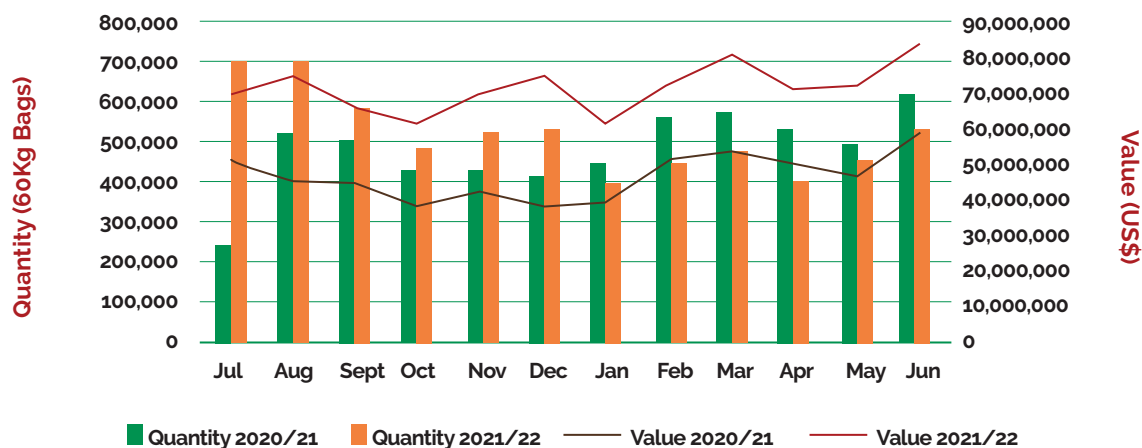


Figure 7: comparative exports for FY 2020/21 and 2021/22

Figure 8 Illustrates coffee exports by type. There was a negative trend in both quantities exported and value from the beginning of the FY in line with the harvesting calendar up to December. The trend reversed up to April then recovered in June at the tail end of the

financial year on account of the main harvest in Masaka and the South-western regions. For Arabica, it was an off-year biennial period and exports kept on reducing from July to January, recovered briefly up to March before continuing with its negative trend up to June.

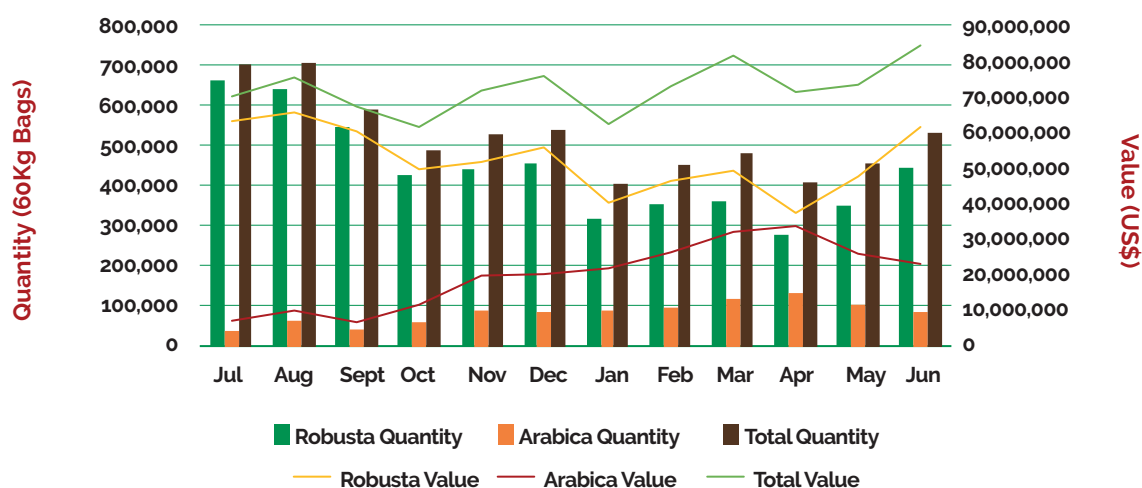


Figure 8: Coffee exports by type for FY 2021/22

4.1.2 Unit Export Prices

Weighted monthly unit export prices ranged between US\$ 1.66 per kg to US\$ 2.90 in FY 2021/22 compared to US\$ 1.47 per kg to US\$ 1.66 per kg in the previous year (Figure 9). This was on account of higher global coffee prices driving global supplies as a result of weather-related

conditions that affected Brazil's coffee production. The high price was also attributed to a change in consumption for consumers as people started consuming coffee from outdoors as COVID-19 pandemic restrictions eased. The weighted average price for FY 2021/22 was US \$ 2.3 per kg compared to US \$ 1.53 per kg in the previous year.

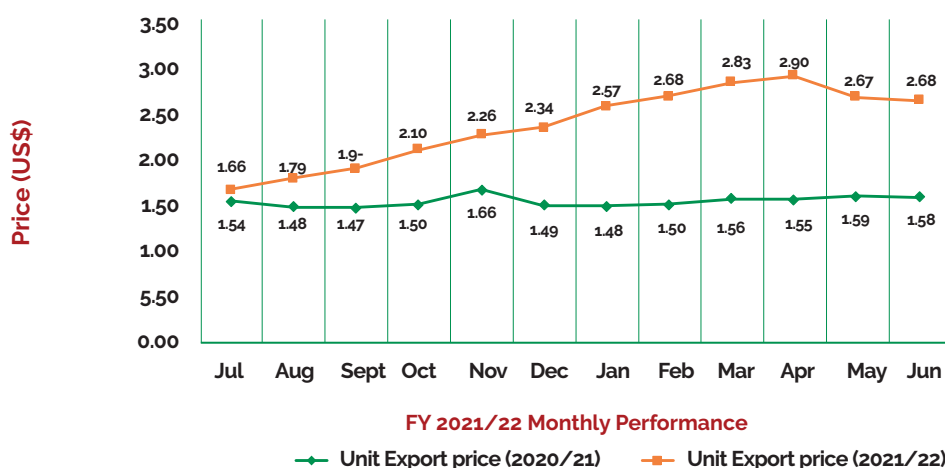


Figure 9: Comparative Weighted Monthly Coffee Export Prices in Financial Years 2020/21 and 2021/22 in US \$/kilo

4.1.3 Coffee Performance by Grade

Figure 10 on coffee exports by grade for Financial Years 2019/20 and 2020/21. The figure clearly shows that there was an appreciable increase in global Arabica Coffee prices on account of supply concerns in Europe and the lack of containers which disrupted the flow of coffee on top of easing border restrictions in Vietnam.

Comparative exports for Sustainable Grades and selected Conventional Robusta grades

There was an increase in Screen 18 exports from 0.67 million bags in FY 2020/21 to 0.83 million bags in FY 2021/22, a 29% increase and a corresponding value of US\$ 102.67 Million in FY 2021/22 compared to US \$ 60.67 million in FY 2020/21. The percentage share of Screen 18 of total Robusta exports increased from 13% in FY 2020/21 to 16% in 2021/22.

Similarly, there was a slight increment in Screen 17 exports of 8% from 422,907 60-kg bags in FY 2020/21

to 457,225 bags. The corresponding values were US \$ 38.64 and US \$ 56.20 in Financial years 2020/21 and 2021/22 respectively. On the other hand, although Screen 12 grade increased too during the year by 1.4%. Incremental is not as high compared to the three higher grades (large bean sizes). This is attributed majorly to improved agronomic practices, post-harvest handling, and favourable weather.

During the year, the sustainable/fine coffee exports increased slightly. Organic Robusta exports increased from 15,605 bags to 32,951 bags (111% increase) while Washed Robusta increased by 41% from 22,148 bags to 31,309 bags in FY 2021/22. The same trend is exhibited in Figure 10 which compares Arabica's sustainable/ specialty coffees with selected conventional coffees. The major determinant of the low Arabica Coffee exports was the off-cycle biennial cycle characteristic of Arabica production which saw Arabica exports reach the lowest levels in the last five years.

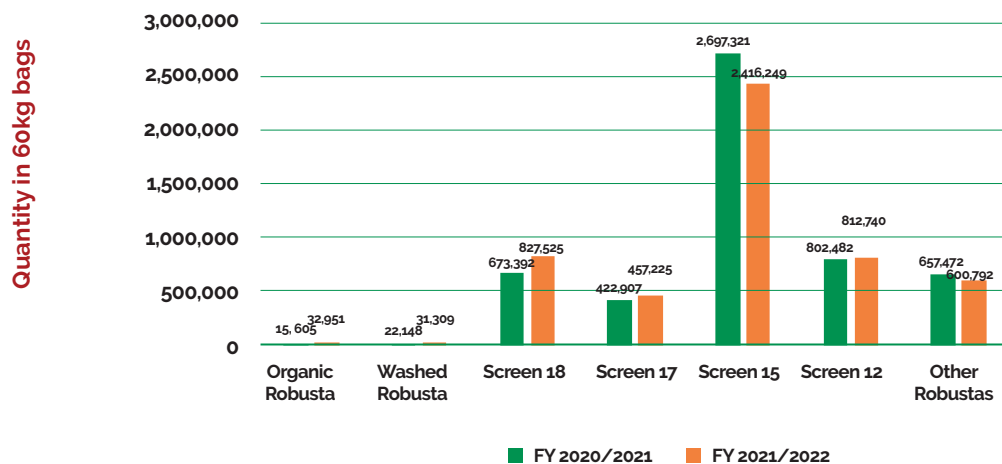


Figure 10: Comparative exports for Sustainable Grades and selected Conventional Robusta grades for FY 2020/21 and 2021/22

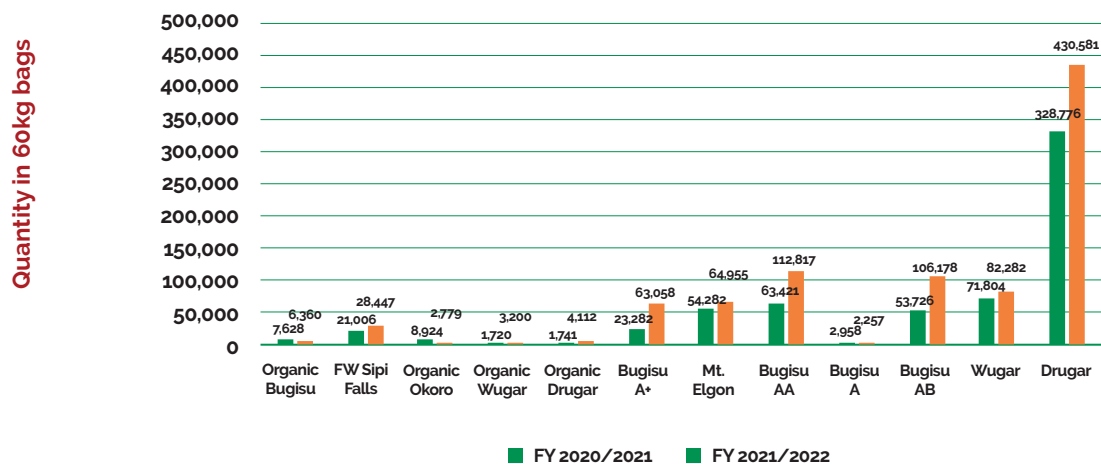


Figure 11: Comparative exports for Selected Arabica grades for FY 2020/21 and 2021/22

Comparative Exports for Selected Arabica Grades

Figure 11 shows exports for selected Arabica grades. Apart from Bugisu AA, Organic Bugisu and Organic Okoro, other grades had substantial increments in coffee exports compared to the previous year. Bugisu AA increased from 63,421 bags in FY 2020/21 to 112,817

bags in FY 2021/22. Similarly, Bugisu AB increased from 53,726 bags to 106,178 bags in the same period. A significant reduction in Drugar and Wugar exports during the year was observed. Although Drugar exports increased from 328,778 bags in FY 2020/21 to 430,581 bags in the same period, the percentage

share of Drugar to total Arabica exports however marginally dropped from 44% in FY 2020/21 to 42%. All sustainable/specialty coffee exportable grades increased in FY 2021/22 compared to the previous year. Mt. Elgon increased from 54,284 bags to 64,955 bags; Bugisu A+ from 23,286 bags to 63,058 bags; Fully Washed Sipi Falls from 21,006 to 28,477 bags; Organic Wugar from 1,720 bags to 3,200 bags and Organic Drugar from 1,741 bags to 4,112 bags from FY 2020/21 and FY 2021/22 respectively.

4.1.4 Percentage Share of Different Coffee Grades to Total Exports

A comparison was sought to ascertain whether there was an appreciable improvement in the grade share

compared to total Robusta and Arabica Coffee types separately in the percentages in the two financial years.

Robusta Grades

The appreciable impact is from Screen 18, Screen 17 and Screen 12, the former two depicting higher proportion in the concluded year compared to the previous one. Screen 18 proportion increased from 12.6 % to 15.7%; Screen 17 from 7.9% to 8.7%.

There was a reduction in the percentage of Screen 15 to total coffee exports from 50.5% in FY 2020/21 to 46% in FY 2021/22. Screen 12 proportion reduced slightly from 15.5% in FY 2020/21 to 15% in FY 201/22.

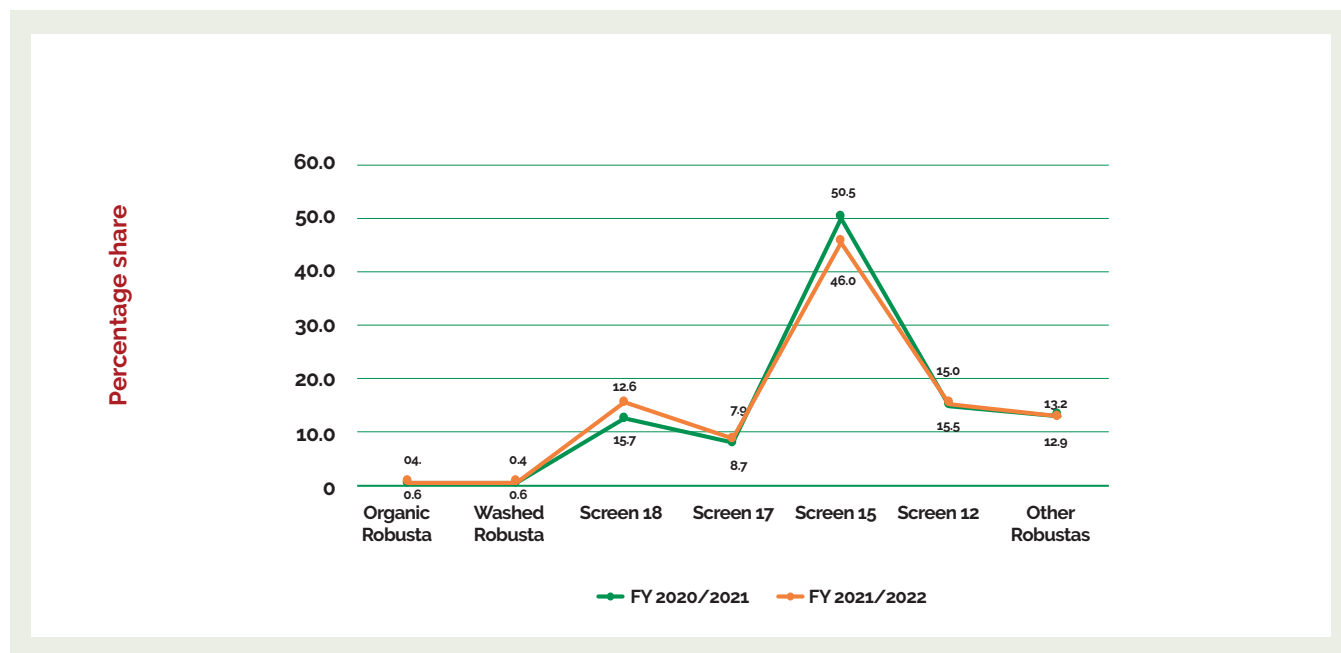


Figure 12: Comparative exports for Sustainable Robusta grades for FY 2020/21 and 2021/22 in Percentages

Arabica Grades

For sustainable/specialty coffees in addition to high-grade Conventional Bugisu AA, Bugisu A+ percentage increased from 3.1% of Arabica Coffee exports in FY 2020/21 to 6.3% in FY 2021/22. Similarly, Bugisu AA's proportion increased from 8.6% the previous year

to 11.3% while Bugisu AB increased from 7.3% in FY 2020/21 to 10.6% in FY 2021/22. On the other hand, Drugar exports' proportion of total Arabica exports reduced from 44.4% to 43%, a reflection of increased investment in washed coffees in Arabica-growing regions (see figure 12 below).

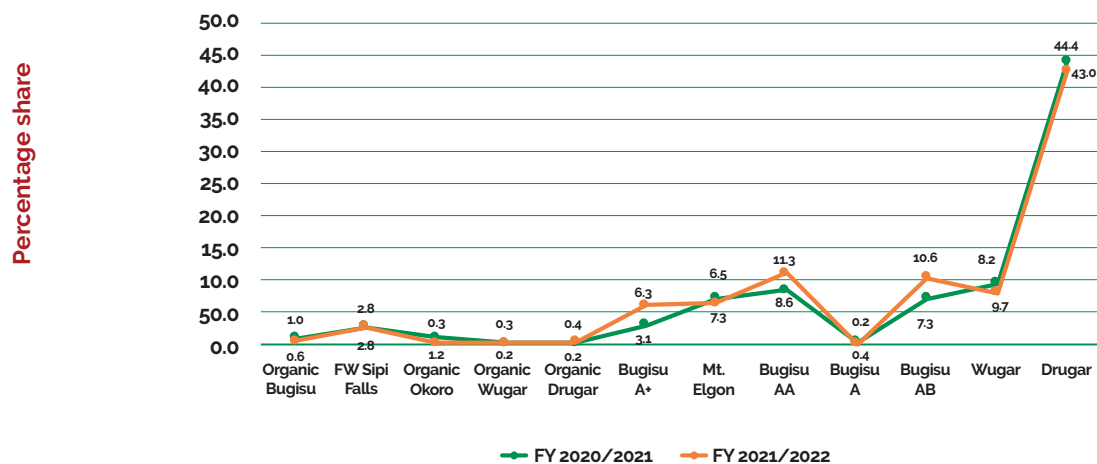


Figure 13: Comparative exports for Sustainable/Specialty Arabica grades for FY 2020/21 and 2021/22 in Percentages

4.1.5 Coffee Exports by Grades

Table 2 shows the different grades sold abroad, their quantities exported, value and unit value. A total of 6.26 million bags were exported worth USD 862 million in FY 2021/22 compared with 6.08 million bags worth USD 559.15 million in FY 2020/21.

This represented an increase of 3% and 54.0% in quantity

and value respectively. In terms of type, Robusta Coffee reduced by 1.5% in quantity while it increased by 39.1% in value. Arabica Coffee exports increased by 35.4% and 115.9% in quantity and value respectively. Robusta proportion of total exports reduced from 88% in FY 2020/21 to 84% in FY 2021/22. In terms of value, Robusta exports contributed reduced from 80% of total value to 72% in GY 2021/22.

Table 9: Coffee Exports by Type and Grade in FYs 2020/21 and 2021/22

GRADE	2020/21			2021/22		
	Quantity	Value	Unit Value	Quantity	Value	Unit Value
Total	6,077,951	559,153,493	1.53	6,258,334	862,281,740	2.30
Robusta	5,337,952	449,174,875	1.40	5,256,685	624,852,838	1.98
Organic Robusta	12,055	1,333,208	1.84	7,744	1,085,439	2.34
Washed Robusta	22,148	2,415,622	1.82	31,309	5,015,542	2.67
SC 18. Organic	350	46,760	2.23	2,640	352,701	2.23
SC 15 Organic	2,120	283,229	2.23	11,330	1,513,674	2.23
SC 18 Fair trade				700	93,519	2.23
SC 15 Fair trade	1,080	144,287	2.23	7,657	1,022,966	2.23
SC 14 Fair trade				2,880	371,383	2.15
Screen 19	350	29,084	1.38			
Screen 18	673,392	60,667,978	1.50	827,525	102,678,228	2.07
Screen 17	422,907	38,641,956	1.52	457,225	56,202,485	2.05
Screen 15	2,697,321	231,466,186	1.43	2,416,249	293,544,548	2.02

GRADE	2020/21			2021/22		
	Quantity	Value	Unit Value	Quantity	Value	Unit Value
Screen 13	29,040	2,866,873	1.65	44,134	5,603,812	2.12
Screen 22	17,235	1,355,589	1.31	32,760	3,899,734	1.98
Screen 12	802,482	65,208,541	1.35	813,740	95,985,945	1.97
BHP 1199	377,600	24,891,594	1.10	350,894	32,925,841	1.56
Other Robusta	279,872	19,823,970	1.18	249,898	24,557,021	1.64
Arabica	739,999	109,978,618	2.48	1,001,649	237,428,902	3.95
Bugisu AAA	6	952	2.64			
BUG AA	63,421	10,208,172	2.68	112,817	31,811,094	4.70
Bugisu A	2,958	469,157	2.64	2,257	639,664	4.72
Bugisu PB	179	29,946	2.79	325	97,357	4.99
Bugisu B	252	42,017	2.78	167	32,891	3.28
Bugisu AB	53,726	13,236,967	4.11	106,178	29,206,100	4.58
Bugisu CPB	2,835	358,735	2.11	5,694	1,414,756	4.14
Bugisu C	11,340	1,682,937	2.47	8,861	1,687,599	3.17
Mixed Arabica	6,169	578,571	1.56	7,320	906,884	2.06
Wugar	71,804	11,799,407	2.74	82,282	23,286,730	4.72
Drugar	328,776	43,500,218	2.21	430,581	98,206,885	3.80
Mt. Elgon Organic	210	42,185	3.35			
Mt. Elgon A+	51,138	8,652,645	2.82	63,058	19,056,411	5.04
Mt. Elgon A	999	141,936	2.37	33	11,873	6.00
Mt. Elgon AB	38	8,696	3.81	196	64,620	5.49
Mt. Elgon PB	35	8,696	4.14	65	22,831	5.85
Mt Elgon AA	1,864	367,051	3.28	1,014	252,952	4.16
Mt. Elgon CPB				366	108,567	4.94
Mt. Elgon B				209	56,955	4.54
Mt. Elgon C				14	4,053	4.82
Rwenzori AA	262	37,775	2.40	215	57,447	4.45
Rwenzori A+	9	3,786	7.01			
Rwenzori A	350	50,118	2.39			
Rwenzori AB				105	28,056	4.45
Kapchorwa A+				22	5,093	3.86
Kisoro AA				21	4,333	3.44
Kisoro AB				10	1,852	3.09
Wugar Fairtrade				320	80,424	4.19
Bugisu A+	23,282	3,392,437	2.43	7,119	2,233,811	5.23
Organic Bugisu	7,628	1,165,040	2.55	6,360	1,623,013	4.25
Fully Washed Sipi Falls	21,006	4,275,975	3.39	28,477	8,484,927	4.97
Organic Okoro	8,924	1,346,965	2.52	2,779	844,085	5.06
Okoro A+	800	133,080	2.77			
Okoro CP/B	160	25,397	2.65	41	17,788	7.23
Organic Drugar	1,741	473,161	4.53	4,112	969,204	3.93
Organic Wugar	1,720	311,080	3.01	3,200	775,666	4.04
Other Arabica	78,367	7,635,516	1.62	127,431	15,434,978	2.02

4.1.6 Price Discovery at Farm Level

Figure 4.7 shows that there was a positive trend in farm gate prices in tandem with the global export prices. Farm gate unprocessed Robusta Kiboko prices ranged from 2,250 to 3,100 per kg. Similarly, Robusta clean coffee (fair average quality) prices ranged from 4,870 per kg to 7,000/- per kg. Arabica parchment ranged

from 6,900/- per kg to 12,000/- and Drugar (clean coffee) prices ranged from 5,750/- per kg to 10,500/- per kg. A positive trend in farm gate prices is exhibited from July 2020 upwards up to FY 2021/22 where they corrected downwards in tandem with global or export prices on account of a war in Russia and Ukraine.

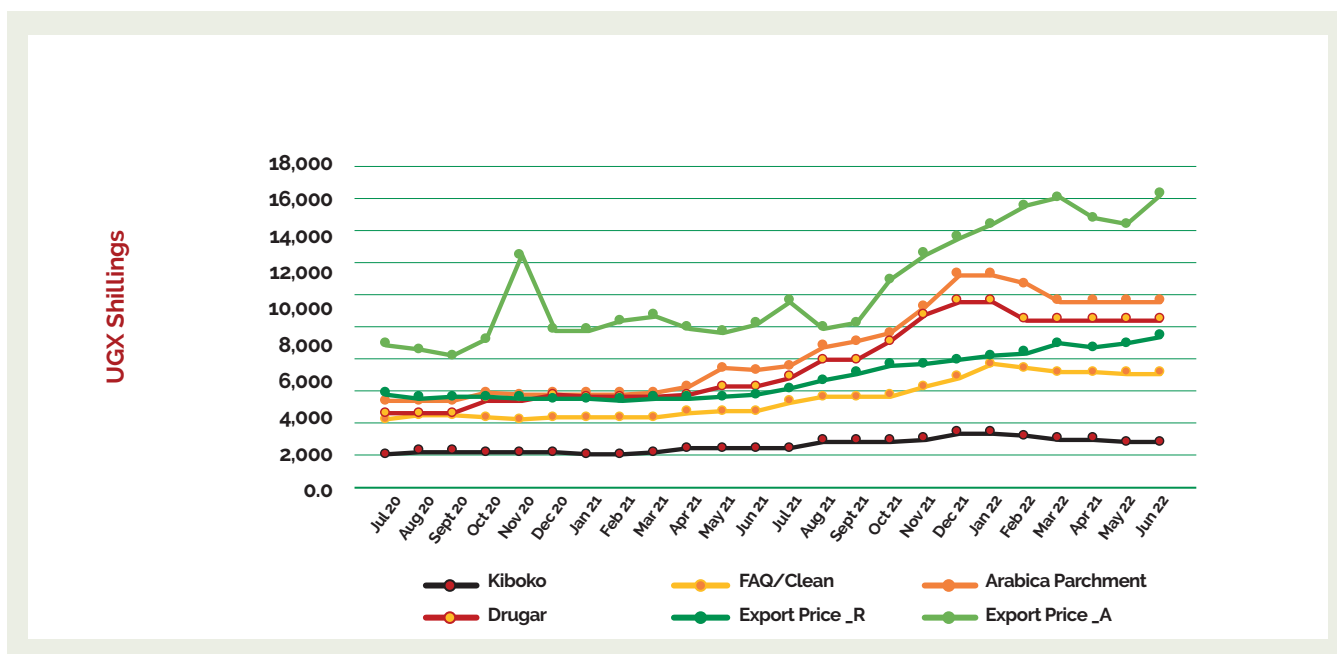


Figure 14: Comparison of Coffee Farmgate and Export prices in FY 2021/22

4.1.7 Coffee Exporter Performance

Figure 15 shows the performance of coffee exporters in terms of market share. The first 10 had a market share of 78% ranging from 4% to 16%. Ugacof (U) Ltd. led with a market share of 16% compared to 15% the previous year. This was followed by Olam (U) Ltd. with a market share of 10% compared to 11 %; Ideal Quality Commodities Ltd. 10% (10%); Kawacom (U) Ltd 8% (6%); Touton Uganda Limited. 8% (7%); Kyagalanyi Coffee Ltd. 7% (10%); Louis Dreyfus Company (U) Ltd. 7% (9%);

Ibero U) Ltd. 5% (4%); Export Trading Company (U) Ltd. 4% (3%); and Besmark Coffee company Ltd. 4% (3%). Figures in brackets represent percentage performance in the previous year. The figure shows increasing concentration at the exporter level and the dominance of multinational companies in Uganda's coffee trade. This is good for enhanced efficiency on account of heavy investments in processing and knowledge of global market dynamics on one hand but also poses a risk in case they relocate to other origins.

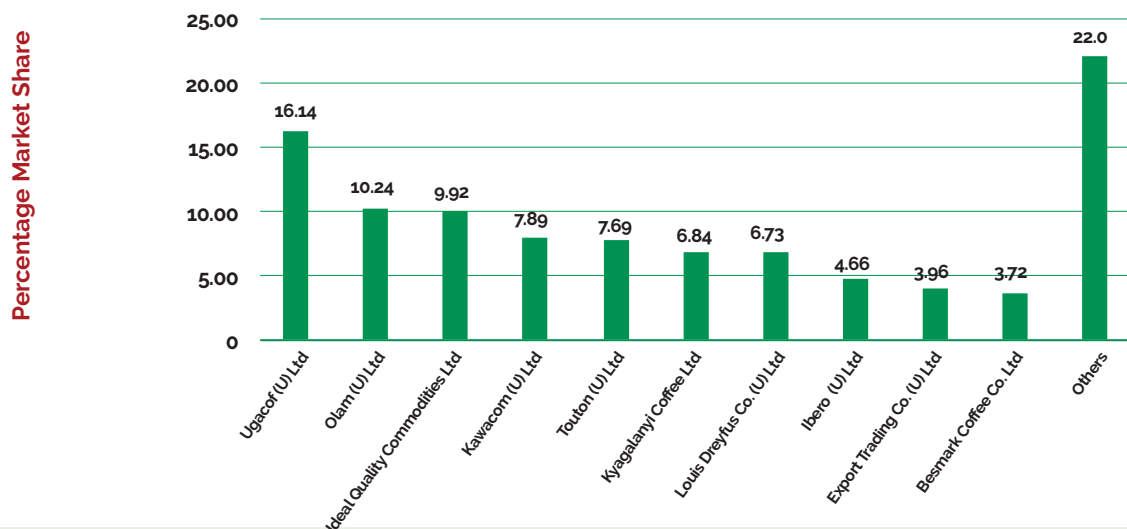


Figure 15: Coffee Exporters Performance in FY 2021/22 by Market Share

4.1.8 Buyers of Uganda Coffee

Figure 16 illustrates the major buyers of Uganda coffee during the year. The 10 major buyers had a market share of 65% indicating that it is widely demanded by different buyers although the five major buyers took a market share of 44%. Sucafina had the highest market share of 15% during the year compared to 14% the

previous year. It was followed by Olam International - 12% (12%), Ecom Agro Industrial - 7% (5%), Louis Dreyfus - 5% (1%) and Volcafe 5% (7%). *Figures in brackets represent percentage performance in the previous year. Detailed figures can be found on the website: www.ugandacoffee.go.ug/resourcecentre/statistics*

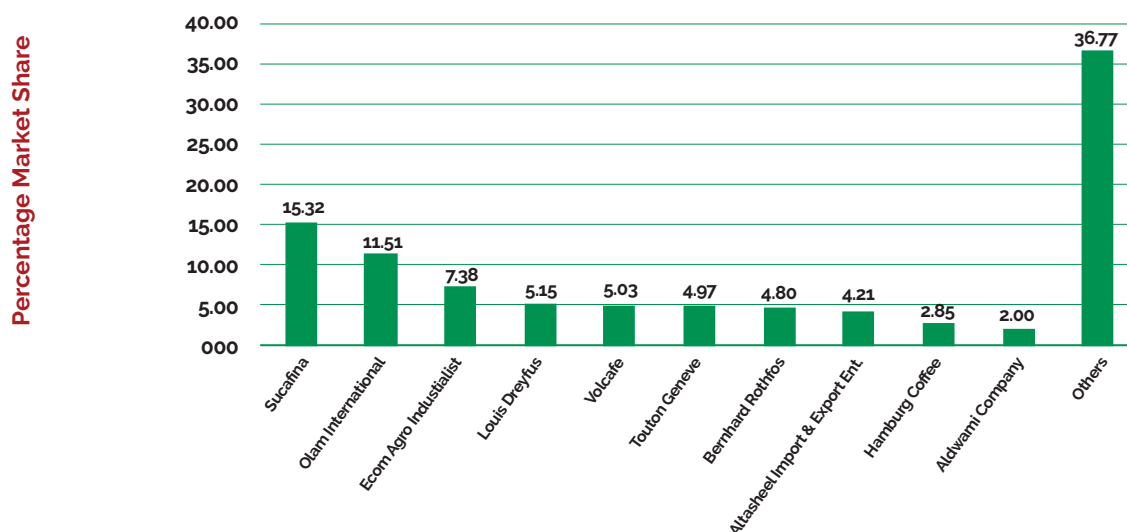


Figure 16: Percentage market share of buyers of Uganda coffee for FY 2021/22

4.1.9 Destination of Uganda Coffee

Italy continued to dominate Uganda's green coffee exports with a 34% market share compared to 31% in Financial Year 2021/22 followed by Germany 13% (14%), Sudan 11%(13%) India 7% (8%) Algeria 6% (3%), Belgium

5% (8%), U.S.A 5%(5%) and Spain 4% (4%), as shown in Figures 4.10 and 4.11 below. *Figures in brackets represent percentage performance in the previous year. Detailed figures can be found on the website: [www.ugandacoffee.go.ug/resource centre/statistics](http://www.ugandacoffee.go.ug/resource%20centre/statistics).*

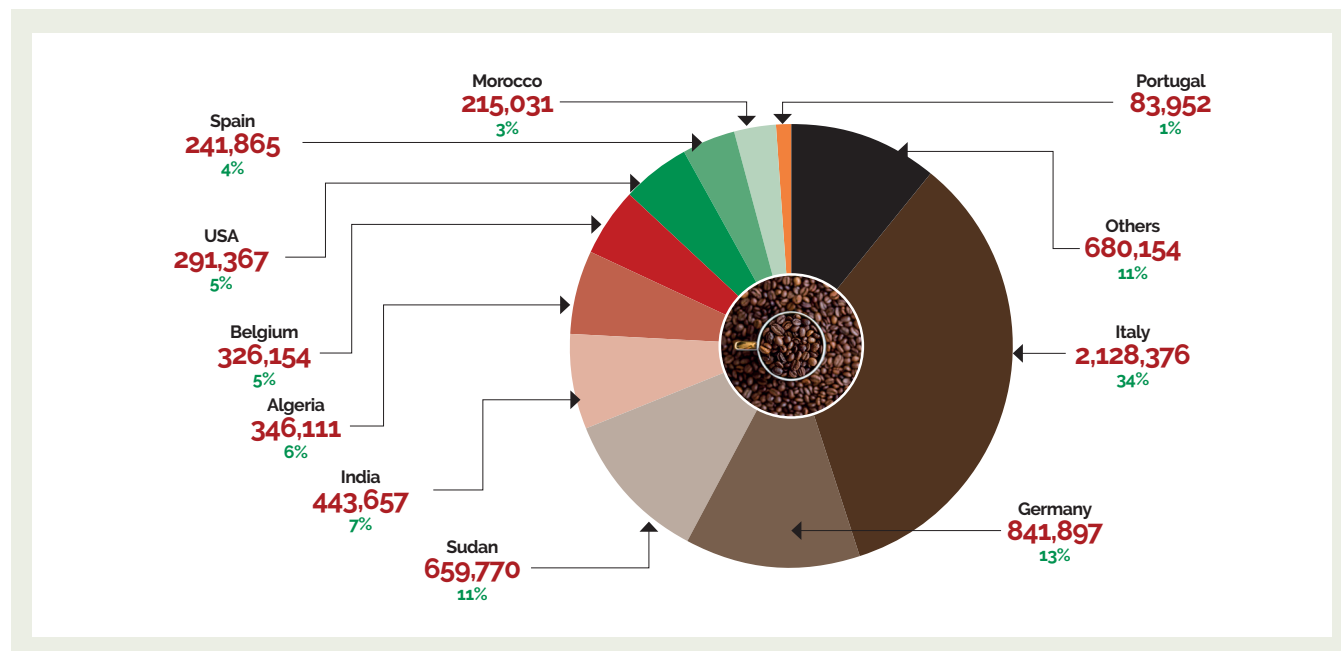


Figure 17: Pie-Chart illustrating Destinations of Uganda Coffee in FY 2021/22 by Market Share

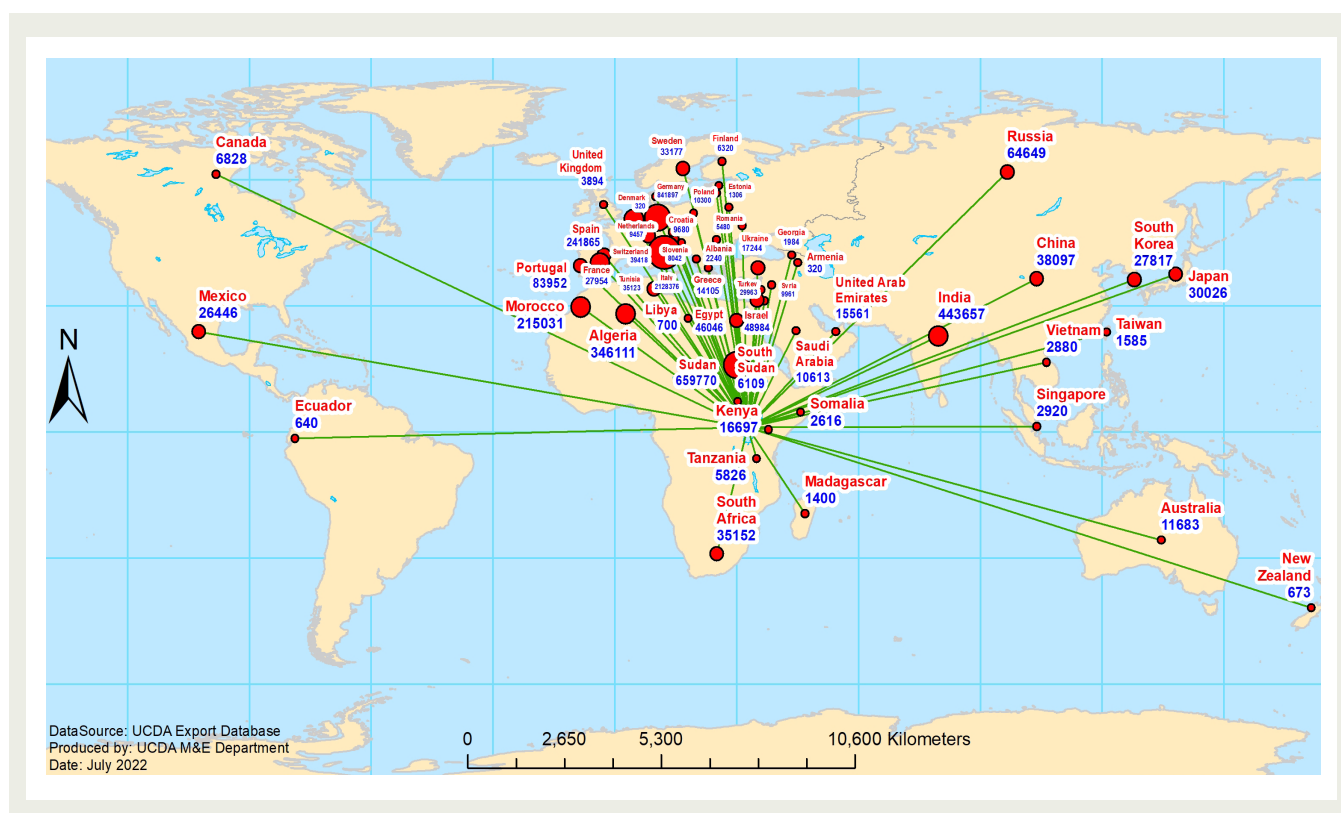


Figure 18: Map showing Destinations of Uganda Coffee in FY 2021/22

4.2 Coffee Production Survey

Coffee Production Indicator Survey Findings

A Coffee Production Indicator Survey was undertaken by the M&E Department in 12 districts of Arua, Bududa, Bukomansimbi, Gulu, Ibanda, Iganga, Kanungu, Kapchorwa, Luweero, Mityana, Sheema and Zombo. The objective of the study was to establish baselines for coffee production indicators to inform evidence-based planning and evaluation of the Uganda Coffee Subsector Strategy. The survey revealed that:

- Most coffee farmers are male (78.3%), with an average age of 43 years, and have a relatively low level of education.
- Coffee is the primary source of income for 66% of households, with 80% relying on agriculture as their main source of income.
- The average number of coffee trees per farmer is 1,120 for Robusta and 360 for Arabica, with most farmers practicing mixed cropping.

- The survival rate of newly planted coffee is 70%, and 31% of trees are over 10 years old.
- Farmers have access to extension services, with 57% receiving support in the last 12 months.
- Most farmers (86%) have a coffee-buying store within 5 km, and 79% access market information, mainly through middlemen.
- However, only 33% of farmers are located within 5 km of a coffee processing plant, highlighting a need for improved processing infrastructure.

These findings provide insights into Uganda's coffee production landscape and will be used to inform strategies to enhance coffee productivity and to improve market access.

4.3 Conclusion

This chapter dwelt on the marketing of Uganda coffee domestically and internationally. Ugandan coffee continues to be sought by consumers from various buyers attributed to its unique quality characteristics. It also highlighted the results of the rapid appraisal of the impact of the COVID-19 pandemic on the coffee sub-sector which indicated that all the coffee value chain actors had been affected negatively by the COVID-19 pandemic. Nonetheless, coffee exports increased during the COVID-19 pandemic period. A production

indicator survey also captured key indicators such as average coffee trees per farmer, average holding size, tree age profiles, cropping patterns, survival rates, and access to extension, agro-inputs shop, buying store, and processing facility.

On access to agricultural finance, UCDA's cess revenue base increased by 48% reflecting its ability to mobilize funds. Linkages to financial institutions remained low since the capacity of farmer cooperatives' needs had not been assessed by the close of the year.



UCDA New Board Members undertaking a Monitoring and Evaluation Activity in Rwenzori Region following a Board Orientation and Training Exercise

CHAPTER FIVE

INSTITUTIONAL DEVELOPMENT AND ACCOUNTABILITY

5.1 Introduction

Several programmes were undertaken to strengthen UCDA's institutional Capacity to deliver on its mandate in terms of governance, labour productivity enhancement, Corporate communications and public relations, ICT Management, and Financial Management and Accountability among others.

5.2 Strategic Objective 6: Strengthen UCDA's Institutional Capacity to Deliver on its Mandate

5.2.1 Inauguration of the New UCDA Board of Directors

A new Board of Directors was inaugurated by the Minister of Agriculture, Animal Industry and Fisheries, Hon. Frank Tumwebaze in accordance to the National Coffee Act, 2021. The Board's mandate is to formulate and review the policy of the Authority and set targets for annual performance.

The new membership is as follows;

- i. The Chairman of the Board – **Dr. Charles Francis Mugoya**
- ii. Coffee Processors representative – **Michael Nuwagaba**
- iii. Coffee Farmers Representative – **John Nuwagaba**
- iv. Coffee Roasters Representative – **Martha Nalubega Wandera**
- v. Coffee Exporters Representative – **Fred Luzinda-Mukasa**
- vi. NARO Representative – **Dr. Sadik Kasiim**
- vii. MAAIF Representative – **Connie Masaba Magomu**
- viii. Ministry of Finance, Planning and Economic Development Representative – **Maris Wanyera**
- ix. Ministry of Trade, Industry and Cooperatives Representative – **Richard Okot Okello**



The new UCDA Board members in a group photo with Minister Frank Tumwebaze (4th Left)

The Minister of Agriculture charged the Board with developing a comprehensive coffee strategy to sustain the sub-sector's growth in production and export. The incoming Chairman of the Board Dr. Charles Francis Mugoya committed to upholding good governance, stakeholder value, environmental responsibility, and competitive excellence.

The Minister of State for Agriculture, Hon. Fred Bwino Kyakulaga, and Permanent Secretary MAAIF, Maj. Gen David Kasura Kyomukama, pledged their support to the Board and urged the Board to capitalize on opportunities in the sub-sector, mindful of coffee's strategic importance to the nation.



UCDA New Board Members undertaking a Monitoring and Evaluation Activity in Rwenzori Region following a Board Orientation and Training Exercise

5.2.2 Strengthen laws and regulations governing the coffee industry

The National Coffee Act, 2021 Comes into Force

The Uganda Coffee Development Authority (UCDA) is a government agency that was established by an Act of Parliament-UCDA Act, 1991, which was amended in 1994, Cap. 325 and has now been repealed and replaced by The National Coffee Act No. 17 of 2021. The UCDA Act 1994 was reviewed to address the existing gaps in the law which included;

- Comprehensive regulation of the coffee value chain from the farm to the cup with a view to improving the quality of coffee. Previously the law did not include regulation of on-farm activities.
- Registration and constitution of national registers for all value chain actors to enhance planning,

traceability and targeting of service delivery.

- Introduction of a voluntary coffee auction system as an alternative method of selling coffee.
- Repeal of redundant clauses overtaken by time e.g. the provision on price policy committee.
- In liaison with NaCORI, regulate the types and varieties of coffee grown in different parts of Uganda.
- Improve the standard of coffee through profiling, grading and certification.
- Strengthening penalties to match the objectives of the regulatory framework

The process commenced in August 2013 and was concluded in September 2021 with H.E the President of Uganda Assenting to the National Coffee Act 2021 as detailed below;

August 2013	Cabinet Approved the National Coffee Policy, 2013
01 st March, 2017	Cabinet approved Principles for the repeal and replacement of the Coffee Law
23 rd November 2018	National Coffee Bill published in the Uganda Gazette
5 th August 2020	Parliament passed the National Coffee Act, 2020
December, 2020	President returned the bill to Parliament with recommendations
18 th May, 2021	Parliament passed the National Coffee Act, 2021
31 st August, 2021	President assented to the National Coffee Act, 2021
13 th September 2021	National Coffee Act, 2021 comes into force



H.E the President of Uganda Assented to the National Coffee Act 2021 on 13th September 2021.

5.2.3 Awareness campaign on the new coffee law

With the new law now in force, UCDA conducted a countrywide sensitization campaign targeting all

stakeholders along the coffee value chain. The main objective of the campaign was to create awareness of the law and address concerns and misinformation over the revised sections in the legislation such as;

- The old law catered for a price committee which currently is now redundant because Uganda is operating a liberalized economy.
 - The old law had weak penalties which were not deterrents to defaulters.
 - Although coffee quality begins at the farm, the old law only addressed off-farm activities
- leaving gaps in quality control at the farm.
 - Registration of all value chain actors including farmers is important for the Government to plan for the sub-sector and facilitate the establishment of a coffee traceability system.



UCDA Director Legal Services, Eunice Kabibi addressing the coffee sub sector stakeholders at Peaceful Gardens in Nakaseke District



Coffee sector players follow the discussion about the new law

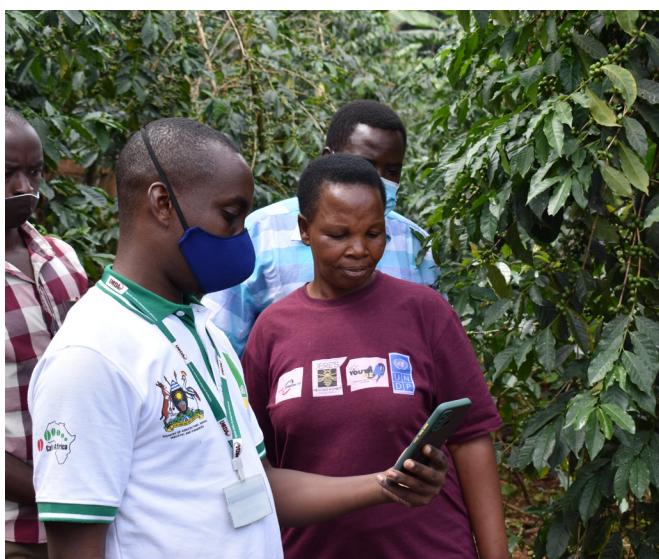
5.2.4 UCDA embarks on Farmer Registration and establishment of a Coffee Traceability System

The National Coffee Act 2021 mandates UCDA to register all coffee value chain actors and to establish

and maintain a national register of coffee farmers and other value chain actors. In line with this mandate, UCDA embarked on a farmer registration exercise launched at a National Stakeholders' meeting in September 2021. A technical working committee

comprising various stakeholders in the coffee industry was set up to guide the process. In his speech the Managing Director UCDA informed participants that;

“The objective of farmer registration is not taxation. It is to enable traceability of Ugandan coffee exported up to the farm, which is the key to buyer confidence and transparent relationships with smallholder farmers. This will facilitate marketing of the Uganda coffee and fetch premium prices,” - Dr. Emmanuel Iyamulemye.



In preparation for this launch, UCDA is developing a digital App for farmer registration termed the “Geospatial Monitoring and Evaluation System” and to start 100 tablet computers have been procured to aid the data collection exercise. A total of 3,250 Parish Coffee Development Advisors were jointly identified and selected by UCDA and District Local Government (DLG) leadership and technocrats to operationalize the Parish Coffee Development Advisor approach. The approach is aimed at bringing coffee-specific extension services closer to the farmers. They will also support the farmer registration process.

5.2.5 Strengthening Stakeholder Collaborations in Implementation

UCDA conducted one (1) joint stakeholder M&E field monitoring in the Rwenzori region involving officials from MoFPED, the National Planning Authority and the Office of the Prime Minister (OPM). The objective of joint stakeholder M&E activities is to jointly assess the performance of UCDA activities on the ground with key oversight MDAs to inform planning and strengthen collaborations in implementation.

The key challenges identified were: high demand by



UCDA Staff with officials from OPM, NPA and MoFPED during a joint Monitoring and evaluation activity

farmers for coffee seedlings; high cost of fertilizers and pesticides; increased pests and disease especially black coffee twig borer; and poor harvesting methods among farmers. Among the recommendations to UCDA was to intensify the training of farmers on Good Agricultural Practices (GAPs), pest control and management.

5.2.6 Strengthen Communication and Dissemination of Information to Coffee Sub-Sector Stakeholders

UCDA launched a Call Centre with a toll-free number 0800353530 staffed with three trained call centre staff to receive and respond to calls from the stakeholders across the coffee value chain to enable real-time feedback. A total of 1,929 calls were received and responded to during the period compared to 676 the previous year (FY 2020/21).

A significant increase in the number of callers was experienced from March-June 2022 which coincides with the planting season. The major areas of concern included: source of good fertilizers, Coffee Wilt Disease Resistant plantlets, pest and disease control, factors leading to low farm gate coffee prices, information on provisions in the National Coffee Act 2021, how to become an exporter, cost of coffee machinery (at primary, secondary and tertiary levels), among others.



A staff of the Call center interacting with UCDA Technical Staff

5.2.7 Uganda Coffee demonstrates high resilience despite COVID-19 pandemic

To commemorate International Coffee Day that happens on October 1 every year, the Uganda Coffee Development Authority organized a webinar which brought together key sector players to discuss the impact of the COVID-19 pandemic and how to keep the sector buoyant amidst the pandemic.

Although the pandemic came with an overwhelming cost to the Ugandan economy, Uganda's coffee sub-sector was relatively resilient to the crisis. Since the onset of the crisis, coffee export quantities and values remained consistently higher than in the previous financial year. As of the close of the Financial Year in June 2022, Uganda had exported 6.26 million 60kg bags of coffee worth US\$ 863 million. This is the highest amount of coffee exports UCDA has registered since the liberalization of the coffee industry in 1991. The biggest share was exported to Italy which is the gateway into the European market.

Uganda coffee was in high demand globally and during this period, it displaced some of the traditional countries like India which for a long time was the preferred supplier of coffee to the Italian market.

5.2.8 Strengthening Operational Efficiency through Review and Update of Organizational Policies and Manuals

UCDA reviewed and passed policies including the Board Manual and the rules of procedure as well as the Accounting and Finance Manual. These are aimed at streamlining implementation and operations within the organization and ensuring efficient delivery of services to coffee sub-sector stakeholders.

5.2.9 Financial Performance for the Financial Year 2021/22

The Annual Budget for the Financial Year 2021/22 was UGX 87,303 billion of which UGX 86,607 billion was released and UGX 76,377 billion representing 87.5% of the budget and 88.7% of the release. The table below details the budget released per directorate to facilitate activities for the financial year.

Table 10: UCDA Annual Budget Performance by Directorate

Sn	Directorate	Annual Budget	Release	Expenditure	Performance (%)
1.	Development Services	54.358	53.189	51.311	96.5%
2.	Support to Northern Uganda	1.448	1.448	0.999	69.0%
3.	Quality and Regulatory Services	1.922	1.899	1.821	95.9%
4.	Strategy and Business Development Services	0.750	0.750	0.690	92.0%
5.	Executive and Corporate Services	28.824	28.780	21.556	74.9%
	Total	87.303	86.067	76.377	88.7%

Major expenditures were on;

- Support to research – UGX 2.1 bn
- Procurement and distribution of organic fertilizers an incentive for stumping old coffee trees in 126 districts – UGX 10.8 bn
- Provision of rehabilitation tool kits to farmers – UGX 0.5bn
- Procurement and distribution of pest and disease control agrochemicals farmers - UGX 4.3bn

5.2.10 Revenue Generated by UCDA

UCDA generated total revenue of UGX 31.47 billion representing an increase of 45% from the previous year of UGX 21.73 billion. The major source of revenue was Cess of UGX 29.8 billion which is 1% of total the value of exports made in the financial year and other sources included rent from UCDA properties, value chain actor registration fees and sundry income (sale of bid documents & disposal proceeds as illustrated in the table below;

Table 11: Revenue Generated by UCDA

Financial Year	Total Value of Coffee exports in UGX BILLION (A)	CESS generated at rate of 1% from exports in UGX BILLION (B)=1%*A	Other revenue (C) UGX BILLION	Total NTR (D)=B+C UGX BILLION
2021/22	2,979.91	29.8	1.67	31.47
2020/21	2,009.50	20.1	1.64	21.73
2019/20	1,843.38	18.43	1.44	19.88
2018/19	1,551.27	15.51	1.35	16.87
Total	8,384.06	83.84	6.10	89.95

5.3 Conclusion

This chapter dwelt on institutional development and accountability. The coming into force of the National Coffee Act, 2021 with effect from 13th September 2021 will go a long way in strengthening UCDA's mandate to regulate, promote and oversee the quality of coffee along the entire value chain, support research and development, promote production, and improve the marketing of coffee in order to optimize foreign exchange earnings for the country and payments to the farmers.

The COVID-19 pandemic prevention measures set in place by UCDA, Ministry of Health and stakeholder engagement ensured that business continued with effects on increased exports during the period. UCDA continued to operate efficiently with a 111% performance of the projected budget. UCDA also remained connected internally and externally thus increasing operational efficiency. Recognition of Uganda coffee as one of the best quality origins worldwide indicates an untapped potential that we should explore.

TELEPHONE

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THE REPUBLIC OF UGANDA

OFFICE OF
 THE AUDITOR GENERAL
 APOLLO KAGWA ROAD,
 PLOT 2C,
 P.O. Box 7083,
 KAMPALA.

FOR ANY CORRESPONDENCE ON
 THIS MATTER PLEASE QUOTE NO:

DCG:47/349/01/22

26th December, 2022

The Accounting Officer
 Uganda Coffee Development Authority
Kampala

**REPORT OF THE AUDITOR GENERAL ON THE AUDIT OF FINANCIAL STATEMENTS OF
 UGANDA COFFEE DEVELOPMENT AUTHORITY FOR THE YEAR ENDED 30TH JUNE,
 2022**

I am enclosing herewith a report which I have already sent to the Rt. Hon. Speaker of Parliament in accordance with Article 163 (4) of the Constitution of the Republic of Uganda, 1995, as amended.

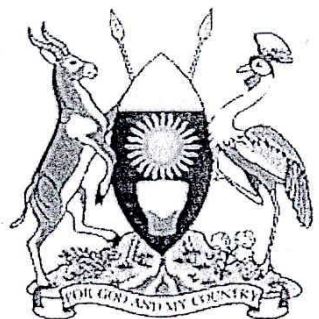


John F. S. Muwanga
AUDITOR GENERAL

Copy to: The Inspector General of Government, Kampala
 " The Hon. Minister of Ethics and Integrity, Kampala
 " The Permanent Secretary/Secretary to the Treasury
 Ministry of Finance, Planning and Economic Development

VISION: "A Model Supreme Audit Institution that adds Value to Society."

MISSION: "To provide our stakeholders with independent audit results that promote good governance for better service delivery."



THE REPUBLIC OF UGANDA

REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF
UGANDA COFFEE DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED 30TH JUNE 2022

OFFICE OF THE AUDITOR GENERAL
UGANDA

**REPORT OF THE AUDITOR GENERAL ON THE AUDIT OF FINANCIAL
STATEMENTS OF UGANDA COFFEE DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED 30TH JUNE, 2022**

THE RT. HON. SPEAKER OF PARLIAMENT

Opinion

I have audited the accompanying financial statements of Uganda Coffee Development Authority (UCDA) which comprise the Statement of Financial Position as at 30th June 2022, the Statement of Financial Performance, Statement of Changes in Equity and Statement of Cash Flows together with other accompanying statements for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Uganda Coffee Development Authority as at 30th June 2022 and its financial performance and cash flows for the period then ended, in accordance with Section 51 of the Public Finance Management Act, 2015, as amended, and the Financial Reporting Guide, 2018.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Uganda Coffee Development Authority in accordance with the Constitution of the Republic of Uganda, 1995 (as amended), the National Audit Act, 2008, the International Organization of Supreme Audit Institutions (INTOSAI) Code of Ethics, the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants (Parts A and B), and other independence requirements applicable to performing audits of Financial Statements in Uganda. I have fulfilled my other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing audits in Uganda. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter


Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined the matters described below to be key audit matters communicated in my report.

1.0 Implementation of the Approved Budget

Paragraph 2 of schedule 5 of the PFMA requires Accounting Officers to prepare an appropriation account showing the services for which the money expended were voted, the sums actually expended on each service and the state of each vote compared with the amount appropriated for that vote by Parliament.

Over the years, I have observed improvements in the performance regarding implementation of the budget but entities still face a number of challenges including Covid, which continue to affect implementation of activities, service delivery and credibility of the budget. It is against this background that budget performance was

No	Observation	Recommendation
	<p>Electronic Fiscal Receipting and Invoicing System (EFRIS), Quality Management Information System used for generating coffee export certificates and SUN Systems.</p> <p>The integration was only required for two systems i.e. Sun System with IFMS & EFRIS and Quality Management Information System integrated with Uganda Electronic Single Window (UESW). However, both Ministry of Finance and URA declined citing system security issues after inspection. However, the development of the Export Business Module would interface with the Uganda Electronic Single Window of the URA and phase out the Quality Management Information System which did not have capacity for information exchange with URA.</p>	
4.2	<p><u>ICT Governance</u></p> <p>IT governance entails leadership, structures, and processes that enable an organization to make decisions to ensure that its IT sustains and extends its strategies and objectives. However, a review of the ICT governance structure of the entity revealed that;</p> <ol style="list-style-type: none"> The entity did not have an approved IT staff structure in place despite ICT prioritisation in NDP III. There was no business continuity plan, contrary to Section 4.6 of the National Information Security Policy 2014. <p>Absence of ICT governance structures hampers formulation of appropriate ICT policies, strategies and real time upgrade of ICT interventions. In addition, it may lead to misalignment of IT investments with the overall entity strategic objectives.</p> <p>The Accounting Officer explained that the approved structure had 4 positions in the MIS Department; MIS Manager (1), Systems and Network Administrator (2) and Applications database administrator (1). However, due to budget constraints, only 2 positions had always been filled. The recruitment of the MIS manager was ongoing (the advert was published on 5th September 2022).</p> <p>In addition, UCDA uses the Government Data centre as the primary disaster recovery site. However, Management acknowledged the need to develop and Implement Business Continuity (BC) plan. This will be implemented depending on availability of funds.</p>	<p>I advised the Accounting Officer to expedite the on-going efforts to enhance the current IT structures at the entity.</p>


 John F.S. Muwanga
AUDITOR GENERAL
 Kampala
 26th December, 2022

Government of the Republic of Uganda
Financial Statements for the Financial Year ended 30th June 2022

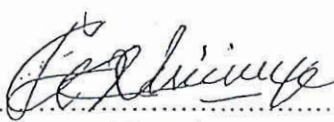
Uganda Coffee Development Authority

Statement of Financial Position

	Notes	30 June 2022 (Shs)	30 June 2021 (Shs)
ASSETS			
Cash and cash equivalents	18	70,793,603	7,478,242
Receivables	19	11,329,633,870	18,187,445,230
Investments	20		
Investment Properties	21		
Non Produced Assets	22		
Total Assets		11,400,427,473	18,194,923,472
LIABILITIES			
Borrowings	23		
Payables	24	15,966,012,827	23,036,904,150
Deposits	25		
Pension Liability	26		
Total Liabilities		15,966,012,827	23,036,904,150
Net assets (liabilities)		(4,565,585,354)	(4,841,980,678)
REPRESENTED BY:-			
Net Worth		(4,565,585,354)	(4,841,980,678)

Statement of Changes in Equity (Net Worth)

	Notes	30 June 2022 (Shs)	30 June 2021 (Shs)
At 1 July - Net worth Last Year (B/F)		(4,841,980,678)	(118,278,681,771)
Less: Transfers to the UCF account	17(b)	(241,255,898)	
+/- Balance sheet adjustments	27	(469,326,414)	
			(10,030,622,729)
Revaluation reserves			
Add: Excess of revenue over expenditure for the Year		986,977,636	123,467,323,822
Closing Net Financial Worth		(4,565,585,354)	(4,841,980,678)



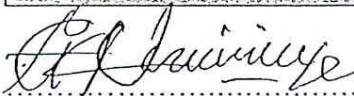
 Emmanuel Iyamulemye Niyibigira
 Accounting Officer

Government of the Republic of Uganda
 Financial Statements for the Financial Year ended 30th June 2022

Uganda Coffee Development Authority

Cash flow Statement for the year ended [Direct Method]

	30 June 2022 (Shs)	30 June 2021 (Shs)
CASH FLOWS FROM OPERATING ACTIVITIES	89,371,381,480	172,666,023,014
Revenue from Operating activities (see below)		
PAYMENTS FOR OPERATING EXPENSES:		
Employee costs	13,167,180,848	12,390,490,681
Goods and services consumed	48,999,521,152	17,760,826,256
Subsidies		
Transfers to Other Organizations	1,280,921,561	1,579,724,289
Social benefits	-	-
Other expenses	112,254,575	87,475,989
Foreign exchange loss/gain		
Net Advances paid	201,551,168	
Domestic arrears paid during the year	16,171,217,300	125,407,367,170
Deposits paid	-	-
Pension Arrears paid during the Year	-	-
Losses of cash		-
Letters of Credit receivable	5,118,941,493	14,420,778,996
Total payments for operating activities	85,051,588,097	171,646,663,381
Net cash inflows/(outflows) from operating activities	4,319,793,383	1,019,359,633
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	2,063,913,042	1,076,229,024
Purchase of non-produced assets	-	-
Proceeds from sale of property, plant and equipment	-	-
Purchase of investments	-	-
Proceeds from sale of investments	-	-
Net cash inflows/(outflows) from investing activities	2,255,880,341	(56,869,391)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from external borrowings	-	-
Repayments of external borrowings	-	-
Proceeds from other domestic borrowings	-	-
Repayments of other domestic borrowings	-	-
Net cash flows from financing activities	-	-
Net increase (decrease) in cash and cash equivalents	2,255,880,341	(56,869,391)



Emmanuel Iyamulemye Niyibigira
 Accounting Officer

Government of the Republic of Uganda
Financial Statements for the Financial Year ended 30th June 2022

Uganda Coffee Development Authority

Cash flow Statement for the year ended (continued)

For cash flow purposes receipts from revenue comprise

	Notes	30 June 2022 Shs.	30 June 2021 Shs.
Total Revenue as per Statement of Financial Performance		108,833,100,179	195,591,670,307
Add : Advances recovered during the year (car loan and LCs)		14,981,239,230	295,362,294
: Revenue receivable collected during the period (cess and rent)		2,266,081,102	1,738,846,511
: Deposits received			-
Total Revenue		126,080,420,512	197,625,879,112
Less: Grants received in Kind			
Revenue in Kind (Tax waivers)			
Transfers to Treasury	(17a)	31,643,500,688	22,530,420,896
Revenue Receivable for the reporting period (car loan, cess and rent)		5,065,538,344	2,429,435,202
Total revenue received for Cash flow statement purposes		89,371,381,480	172,666,023,014

Reconciliation of movement of cash during the year

	Notes	30 June 2022 (Shs)	30 June 2021 (Shs)
At the beginning of the year		7,478,242	56,824,239
Less: Transfers to the UCF account (Previous Year Balances)	17(b)	(241,255,898)	-
Add/ (Less) : Adjustments in cash and cash equivalents	27	(1,951,309,082)	7,523,394
Net increase (decrease) of cash from the <u>Cash flow Statement</u>		2,255,880,341	(56,869,391)
At the end of the year		70,793,603	7,478,242

For purposes of the cash flow statement, cash and cash equivalents comprise

	Notes	30 June 2022 (Shs)	30 June 2021 (Shs)
Cash and cash equivalents	18	70,793,603	7,478,242
Cash and bank balances		70,793,603	7,478,242

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Emmanuel Iyamulemye Niyibigira
Accounting Officer

Government of the Republic of Uganda
Financial Statements for the Financial Year ended 30th June 2022

Uganda Coffee Development Authority

Statement of Appropriation Account [Based On Services Voted]

	Initial Approved Budget 30 June 2022 (Shs) (a)	Revised Approved Budget 30 June 2022 (Shs) (b)	Warrants 30 June 2022 (Shs) (c)	Actual 30 June 2022 (Shs) (d)	Variance Revised Budget Vs Actual 30 June 2022 (Shs) (b-d)	Variance Warrants Vs Actual 30 June 2022 (Shs) (c-d)
REVENUE						
Taxes						
External Assistance						
Transfers received from Treasury- UCF	86,862,049,615	87,303,091,615	86,066,677,717	76,346,597,966	10,956,493,649	9,720,079,751
Transfers received from Other Government units						
Non Tax revenue				32,486,502,213	(32,486,502,213)	(32,486,502,213)
Total Revenue	86,862,049,615	87,303,091,615	86,066,677,717	108,833,100,179	(21,530,008,564)	(22,766,422,462)
EXPENDITURE - by services voted						
UCDA Vote						
Headquarters	64,442,753,844	64,442,753,844	63,273,302,489	57,817,478,524	6,625,275,320	5,455,823,965
Quality and Regulatory Services	4,831,783,110	5,272,825,110	5,250,277,805	3,684,174,757	1,588,650,353	1,566,103,048
Corporate Services	12,450,406,528	12,450,406,528	12,450,404,823	10,475,708,020	1,974,698,508	1,974,696,803
Strategy and Business Development	2,074,050,784	2,074,050,784	2,074,050,600	1,415,089,801	658,960,983	658,960,799
Development Expenditure	3,063,055,349	3,063,055,349	3,018,642,000	2,950,298,357	112,756,992	68,343,643
Total Expenditure	86,862,049,615	87,303,091,615	86,066,677,717	76,342,749,459	10,960,342,156	9,723,928,258
Less: Transfers to Treasury (17a)				31,643,500,688	(31,643,500,688)	(31,643,500,688)
Net Revenue/Expenditure				846,850,032	(846,850,032)	(846,850,032)



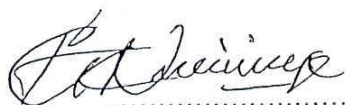
Emmanuel Iyamulemye Niyibigira
Accounting Officer

Government of the Republic of Uganda
Financial Statements for the Financial Year ended 30th June 2022

Uganda Coffee Development Authority

Statement of Appropriation Account [based on nature of expenditure]

	Initial Approved Budget 30 June 2022 (Shs) (a)	Revised Approved Budget 30 June 2022 (Shs) (b)	Warrants 30 June 2022 (Shs) (c)	Actual 30 June 2022 (Shs) (d)	Variance Revised Budget Vs Actual 30 June 2022 (Shs) (b-d)	Variance Warrants Vs Actual 30 June 2022 (Shs) (c-d)
REVENUE						
Taxes						
External Assistance						
Transfers received from Treasury- UCF	86,862,049,615	87,303,091,615	86,066,677,717	76,346,597,966	10,956,493,649	9,270,079,751
Transfers received from Other Government units						
Non Tax revenue				32,486,502,213	(32,486,502,213)	(32,486,502,213)
Total Revenue	86,862,049,615	87,303,091,615	86,066,677,717	108,833,100,179	(21,530,008,564)	(22,766,422,462)
EXPENDITURE - by nature of expenditure						
Employee costs	20,089,564,304	20,089,564,304	20,089,562,095	13,167,180,848	6,922,383,456	6,922,381,247
Goods and services consumed	62,186,311,241	62,627,353,241	61,515,355,622	58,832,112,817	3,795,240,424	2,683,242,805
Consumption of property, plant & equipment	3,063,055,349	3,063,055,349	3,018,642,000	2,950,279,658	112,775,691	68,362,342
Transfers to other Organizations	1,326,010,000	1,326,010,000	1,326,010,000	1,280,921,561	45,088,439	45,088,439
Social benefits	197,108,721	197,108,721	117,108,000	112,254,575	84,854,146	4,853,425
Other expenses						
Domestic arrears paid						
Finance costs						
Total Expenditure	86,862,049,615	87,303,091,615	86,066,677,717	76,342,749,459	10,960,342,156	9,723,928,258
Less: Transfers to Treasury (17a)				31,643,500,688	(31,643,500,688)	(31,643,500,688)
Net Revenue/Expenditure				846,850,032	(846,850,032)	(846,850,032)




Emmanuel Iyamulemye Niyibigira
Accounting Officer

Government of the Republic of Uganda
Financial Statements for the Financial Year ended 30th June 2022

Uganda Coffee Development Authority

Reconciliation between total expenditure per Appropriation Accounts and per Statement of Financial Performance

	Actual 30 June 2022 (Shs)	Actual 30 June 2021 (Shs)
Total expenditure per Appropriation Account	76,342,749,459	173,132,833,396
Add:		
Letters of credit receivable prior year but delivered during the year	11,830,579,912	
Accrued expenditure	10,578,830,677	16,699,179,350
Prepayments performed		172,437,186
Advances performed-un accounted for funds		35,560,080
Less:		
Letters of credit receivable at year-end		14,420,778,996
Domestic Arrears paid from the arrears funding	-	80,373,239,334
Domestic arrears paid from other line items	16,171,217,300	43,640,824,190
Prepayments	201,551,168	
Subvention arrears paid-international obligations (IACO)		209,594,000
Salary arrears paid-contract gratuity		1,183,709,646
Insurance on staff motor vehicle car loan-recognized		132,492,907
Letters of credit	5,118,941,493	
Funding for the car loan scheme-recognized	1,057,828,233	485,445,350
Total Expenditure per Statement of Financial Performance	76,202,621,855	49,593,925,589




Emmanuel Iyamulemye Niyibigira
Accounting Officer



Uganda Coffee Development Authority

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