Uganda Coffee Development Authority

ANNUAL REPORT

OCTOBER 01, 2002 - SEPTEMBER 30, 2003

VOLUME 12

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FOREWORD

The coffee industry continues to play a leading role in the economy in terms of employment and as a source of foreign exchange earner despite the prolonged fall in coffee prices on the world market. Earnings from coffee relating to the year under review stood at $ 104.8 million, up from $ 84 million realised in the preceding year despite a 15.2% fall in the quantity exported.

UCDA continued to implement H.E., the President's Election Manifesto 2001 through the following programmes: replanting; quality improvement; and value addition and promotion. Through the replanting programme, 340,000 households have received a total of 65 million coffee seedlings in the last 3 years to replace the old coffee trees and the diseased ones. The ultimate objective is for each household in the coffee growing areas to have at least 1,000 coffee trees by 2006.

On quality improvement, the thrust has been on production of washed coffees, prevention of mould growth within the entire supply chain and promotion of specialty coffees. Installation of eight wet processing stations out of twenty were completed during the year and trial tests were extremely successful. Commissioning of these plants is awaiting the onset of the main season in 2003/04 coffee year. These efforts have underpinned the ICO Resolution No. 407 that aims at eliminating low coffee grades from the consumption chain.

Value addition and promotion activities centred largely on consolidation of the gains attained in the previous years such as the joint ventures in China and Egypt; and creation new joint ventures in Denmark and South Africa where Uganda coffee brands: Mt. Elgon Coffee and Rwenzori Finest coffee, respectively were launched. The programmes for the promotion of domestic consumption revolved around participation in local exhibition where Uganda coffee was served throughout the period, and training roasters and hoteliers in good brewing techniques.

Under the IACO/ADB Capacity Building Project for the African coffee industry, UCDA liquoring laboratory was chosen to act as a regional training centre for Coffee quality Controllers for Eastern Africa. IACO/ADB are to equip the lab with modern equipment.

Coffee wilt disease, low prices, low production and value addition have remained challenges to the coffee industry. The Coffee Research Institute at Kituza, Mukono district is working tirelessly to breed for resistance against coffee wilt.

On behalf of the UCDA Board of Directors and the entire coffee fraternity, I would like, most sincerely, to thank the Minister for Agriculture, Animal Industry & Fisheries, Hon. Dr. Wilberforce Kisamba-Mugerwa and the Ministers of State for the continued policy guidance on agriculture matters. In the same breath I thank our partners in development for the timely interventions that have given ammes. I also thank my colleagues, the Board and Staff, for the technical support that has enhanced the productivity and competitiveness of the coffee industry.

Lastly, I urge you to read this Annual Report, which has valuable information on the coffee industry in Uganda. We welcome constructive comments and suggestions on how to improve future presentations. Thank you very much.

Paul Sempa-Mugambwa
CHAIRMAN, UCDA BOARD OF DIRECTORS

UTIVE SUMMARY

MARKETING

1. Coffee exports during the year under consideration totalled 2.67 million bags, a decline of 18% compared to the performance of the previous year. The fall is explained by**:**
   a) Coffee wilt disease, which has destroyed 44.5% of the old robusta coffee trees;
   b) Prolonged low coffee prices that have resulted in a decline in the level of husbandry;
   c) The dry spell that affected bean formation, especially in the districts of Masaka, Rakai and Sembabule, after a good blossom; and
   d) A high proportion of old coffee trees, which are 40 years and above, whose productivity has continued to decline over the years.
2. The value of coffee exports went up by 25% from US $ 84 million in 2001/02 to $ 104.8 million.
3. Unit price averaged 66 cts/kilo, up 22 cents over last year. Robusta coffee, on average fetched 61 cts/kilo, up from 40 cents. Organic and washed robusta realised 80 and 82 cents, respectively compared to 57 cents and 87 cents a year ago.
4. Unit price for arabica stood at 86 cts/kilo, up from 75 cents recorded in 2001/02. Organic arabica fetched 121 cents/kilo as opposed to 102 cents last year.
5. The improvement in unit price and the overall value was due to a smaller crop anticipated in 2003/04; and to some extent, the effective implementation of the ICO Resolution No. 407, on Quality Improvement. In the case of Uganda over 10 tonnes of low grades were withdrawn from consumption chain and burnt.
6. The proportion of Arabica coffee exported rose from 13.7% last year to 16.6%, mainly due to past efforts to step up arabica production in the face of coffee wilt.
7. A total of 31 coffee exporters were registered but only 27 performed. The top 10 exporters had a market share of 82%. Grate Lakes ranked first with 319,370 bags representing 12% followed by Ugacof Ltd., with 11.3%.
8. The European Union (EU) countries continued to be a major destination for Uganda coffee, accounting for 82.5% (2.2 million bags). This was

accounted for 7.1% of total exports. Overall, countries amounted to 227,910 bags, which is 8.6% of total exports.

9. Over 75% of coffee purchased was by 10 overseas buyers as compared to 67% last year. Sucafina again topped the list with 14.3% followed by Decotrade with 11.3%.

10. Sales of Uganda coffee in China under the joint venture company - Beijing Chenoa Coffee Co. Ltd - picked with the opening up of 3 additional coffee shops, supplying 5 major hotels and supermarkets in the Beijing city. However, the outbreak of SARS in China affected sales in the months of April and May.

11. Uganda participated in the 15th. Annual Conference and Exhibition of the Specialty Coffee Association of America (SCAA) in Boston, USA. Uganda presented coffee selections from Kawacom, Nanga Farm Ltd., Mt. Elgon Bugisu coffee and Busaanyi Agro-Investment for the cupping competition. Uganda's coffee was appreciated both in appearance and in the cup by the specialty coffee market agencies such as the Coffee Quality Institute, Relationship coffee and other prospective buyers.

DEVELOPMENT

12. Under the coffee-planting programme, around 30.0 million plantlets - 21.9 million of robusta and 8.1 million of arabica - were distributed and planted in years 2002/03, an improvement of 20% compared to last year when 25.58 million plantlets were registered.

13. The programme benefited 1,597 nursery operators and 166,326 households in both the arabica and robusta areas.

14. Distribution of plantlets to farmers followed two channels namely through the districts; and coffee villages at parish level. The coffee village notion doesn't only provide a catchment area for the wet processing plants but it used to demonstrate new technologies - wet processing, organic farming, intercropping and formation of farm level organizations.

15. Local leadership spearheaded the allocation and distribution of plantlets, farmer mobilization and identification beneficiaries.

16. The monitoring and evaluation exercises undertaken during the year to gauge the performance of the replanting programme revealed that on average the survival rate was 70%. High mortality rates were recorded in marginal areas of Nakasongola, Mbarara, Kayunga, Ntungamo, Mpigi, Mubende, Hoima, Kamwenge, and Kisoro districts.

17. Over 69 million plantlets have been planted under the strategic

nce 2001 against a target of 190 million.

oriented farmers into the coffee nursery development, stimulated production from 7 million plantlets per year to over 40 million. Nursery operators' ability to propagate seedlings improved and use of rooted cuttings is increasingly being adopted.

19. There is high involvement of local leadership at all levels in the physical coffee allocation and distribution, farmer mobilization and beneficiary identification.

20. The UCDA regular training activities were boosted by the involvement of the Uganda Parliaments' Network for the Good Governance (UPANGGO). These help mobilise the district local councils to own the programme. The aim of these trainings was to:
    a) To emphasise the importance of the decentralisation policy on government delivery of services particularly the agricultural extension services;
    b) To spell out and emphasise the roles of government councils in the service delivery;
    c) To spell out and emphasise the role of individual councils in assisting the population to fight against poverty and unemployment;
    d) To emphasize the importance of coffee in the National economy as well as to fight poverty at house hold level; and
    e) To ensure that the mandate of UCDA is understood and appreciated by local authorities in the districts.

21. UPANGGO conducted training of district councillors in Wakiso, Mukono, Kayunga, Mubende, Kisoro, Kyenjojo Apac and Lira. Over 480 persons were trained.

22. Coffee planted under the Northern Uganda programme is now in production and samples drawn for laboratory analysis indicate that the quality is good and consistent with robusta from the traditional areas.

23. Coffee marketing and commercialisation is still a problem the new areas because the quantities are too small to attract traders.

QUALITY AND REGULATORY

24. Technical services rendered to farmers, traders, processors and exporters emphasised good harvesting, handling, manufacturing and hygienic practices for coffee quality improvement.

25. UCDA, in collaboration with local authorities at the district and grassroot level, implemented the ICO Coffee Quality Improvement Programme, reflected in resolution No. 407. Over 10 tonnes of low grade coffee was impounded and destroyed through burning.

...ops for coffee dealers and processors were ...ale, Kayunga, Mpigi and Rakai districts during which a number of resolutions and bye-laws were made to enhance the Coffee Regulations.

27. At the export processing factories, in-process control measures were strengthened to ensure the quality of FAQ deliveries and processed coffee. Thus, the significant reduction in coffee referred for reprocessing as indicated in table 4.3.

28. Uganda hosted two workshops during the year under the mould prevention project. The first one attacked scientist from participating countries who exchange view on their independent findings. The second workshop was intended to create awareness among policy makers about the dangers moulds in foodstuff would pose to the consumers. In attendance were members of the Parliamentary Sectoral Committee on Agriculture, UCDA Board members, District Agriculture Officers among others.

29. Eight of the 16 wet processing plants were installed during the year, the rest, by the close of the season were at various stages of completion.

30. Coffee sales to the Specialty markets fetched premiums ranging between US $ 0.10 to 0.35 US cts/lb ($ 220 - $700/tonne) over the conventional markets. Over 15,000 60-kilo bags were sold this year, up from 10,130 bags recorded last year.

ADMINISTRATION AND MANAGEMENT

31. Appointments to fill up the vacant positions that arose out of the restructuring exercise of UCDA; and resignations of some staff were effected as follows: Mr. Charles Kulibanza Byanyima was appointed Manager for Finance and Administration; Mr. Ignatius David Kiwanuka was appointed Manager for Quality, Regulatory and Information Services; and Mr. Herbert Musasizi Tayebwa was appointed to the new post of Principal Accountant.

32. Mr. Julius Madira, Mr. James Kizito-Mayanja and Ms. Doreen Rweihangwe were promoted to Principal Monitoring & Evaluation Officer, Principal Market Analyst; and Senior Quality Controller, respectively.

33. The Plan for Modernisation for Agriculture (PMA) and the Private Sector Foundation (PSF) carried out a review of the Coffee Sector Regulatory Framework and the role of UCDA. The Committee's recommended among other things, inclusion of a representative of Local Governments and the Coffee Roasters' Association on the UCDA Board; and delegation of some of UCDA's responsibilities to other Sector bodies.

of Uganda coffee in consuming countries, two Denmark and the other in Egypt, became operational during the year. In Egypt a coffee outlet and roasting facility were established while in Denmark coffee roasted and packaged as Mt. Elgon coffee occupies shelf space in many supermarket chains.

CHAPTER ONE
COFFEE SUBSECTOR POLICIES

1.0 INTRODUCTION

A number of policies have continued be evolved in order to improve the competitiveness of the coffee industry in the face of long period of low coffee prices. These basically address productivity, quality issues, and generic promotion and value addition with a view of improving household incomes and national economy.

1.1 REPLANTING

The replanting policy is a sustainable coffee production initiative that aims to replace the aged and less productive coffee trees; contain the spread of coffee wilt disease; extend coffee growing to Northern Uganda; and step up arabica coffee production.

Farmers are also encouraged to diversify within the coffee farming system by intercropping coffee with other income generating cash crops such as vanilla, legumes and bananas.

Formation of Farm Level Organisations (FLOs) to ease technology transfer and adoption; improve quality of coffee in the supply chain, marketing and information flow.

1.2 QUALITY IMPROVEMENT

This is in response to the ICO Coffee Quality Improvement Programme (CQIP), under Resolution No. 407 that aims at elimination of low-grade coffees from the consumption chain. This is approached through: -

1.2.1 Wet Processing

1.2.1.1 Re-introduction of production of washed robusta coffee to improve quality and enhance household income. The infrastructure for wet processing is being developed in the traditional robusta areas. Around these plants, farmers have been organised into out growers to provide the necessary raw materials to the mills.

1.2.1.2 The policy in the arabica areas is to rehabilitate the central pulperies – two such pulperies one at Gibuzale and the other at Manafwa in the Mt. Elgon region have been rehabilitated; and to have all Arabicas washed.

1.2.2 Specialty Production

1.2.2.1 Organic coffee production is being encouraged in both the robusta and arabica coffee regions in line with the requirements of the market.

ty of Arabica coffees and incomes to farmers, promoted in the Rwenzori, Kisoro and Mt. Elgon areas. Soil analysis and cup characterisation of coffees from these areas has been done.

Coffees from these initiatives have found acceptance in the specialty niche markets and the demand is overwhelming.

1.3 PROMOTION AND VALUE ADDITION

1.3.1 This is a two-pronged approach:

1.3.1.1 Individual entrepreneurs are encouraged and assisted to form joint ventures with roasters in consuming countries. Coffee is roasted and packaged in conformity with the food and safety regulations of the respective consuming countries and to the taste of the consumers; and

1.3.1.2 Generic promotion where UCDA opens up joint venture companies in new markets – China and Egypt; and through local and international exhibitions.

1.4 RESEARCH

1.4.1 The policy is breeding for resistance to the disease, multiplication of resistant materials for on-farm trials and the multiplication of the current commercial lines for the replanting programme and quantification of losses at farm and national level.

CHAPTER TWO
COFFEE MARKETING

2.0 GENERAL PERFORMANCE

There was a marked improvement in the value of coffee exported in 2002/03 from US $ 84 million in 2001/02 to $ 104.8 million despite a fall of 18.1% fall in the quantity exported. The improvement in value was attributed to (i) an anticipated reduction in production in major origins: Uganda, Colombia and Brazil, which might result in a supply deficit in 2003/04, the first since 1996/97; and (ii) the effective implementation of the ICO Resolution No. 407, on Quality Improvement, where 3.5 – 4.0 million bags of low grade coffee are reported to have been withdrawn from the global consumption chain, according to ICO statistics.

On the other hand, the drop in volume shipped during the year over last year is attributed to:

- Coffee wilt disease, which according to the report of the baseline survey carried out in 2002, has destroyed 44.5% of the old robusta coffee trees;
- A decline in the level of husbandry - low inputs – that arose from the persistent low prices experienced since 1997;
- A dry spell that affected bean formation, especially in the districts of Masaka, Rakai and Sembabule after a good blossom; and
- A high proportion of old coffee trees, which are 40 years and above, whose productivity has continued to decline over the years.

2.1 COFFEE PROCUREMENT

Table 2.1 below represents coffee purchases from farmers over the years. Procurement totalled 2.73 million 60-kilo bags (163,780 m/tonnes), down from 3.3 million bags (198,000 tonnes) realised last year. The 16.4 percent decline in procurement is due to coffee wilt disease and the persistent low prices that resulted in reduced husbandry practices.

Table 2.1 COFFEE PROCUREMENT BY TYPE: 1997/98 - 2002/03 - 60-kilo bags.

COFFEE YEAR	COFFEE TYPE		TOTAL	%-Age Change Over the previous year
	Robusta	**Arabica**		
Average	**2,765,899**	**453,817**	**3,219,717**	
2002/03	2,284,649	444,794	2,729,443	-16.39
2001/02	2,849,686	414,767	3,264,453	1.0
2000/01	2,752,429	480,920	3,233,349	7.1
1999/00	2,518,135	499,981	3,018,116	(21.7)
1998/99	3,424,598	428,624	3,853,222	-

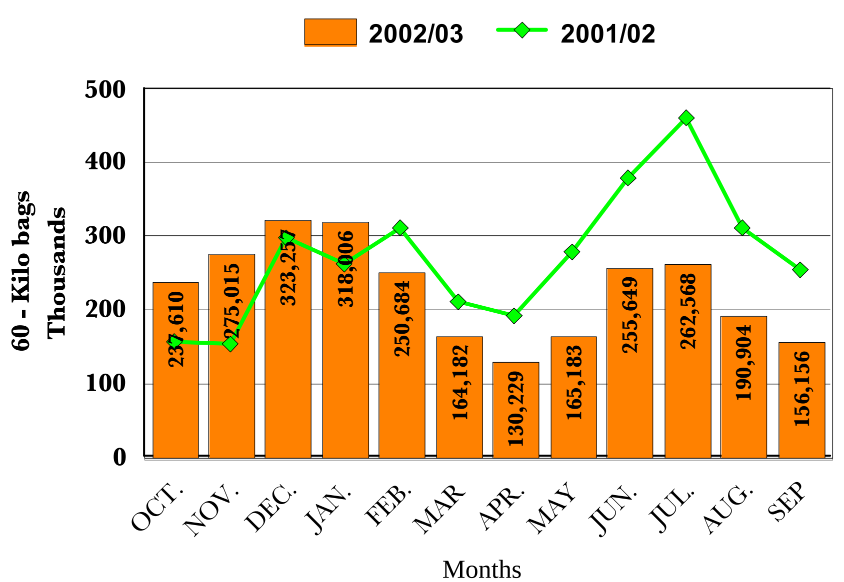
[illegible] bica procured rose by 7.2% from 414,767 bags [illegible] ccounting for 16.3% of total procurement. The recovery in Arabica is attributed to good weather in Arabica growing areas and the ongoing effort to step up Arabica coffee production.

TABLE 2.2 COMPARATIVE COFFEE PROCUREMENT BY TYPE- 60-kilo Bags-

MONTHS	2002/03			2001/02		
	Robusta	**Arabica**	Total	**Robusta**	**Arabica**	**Total**
OCT.	195,609	42,001	237,610	131,114	26,169	157,283
NOV.	232,001	43,014	275,015	112,239	40,340	152,579
DEC.	290,157	33,100	323,257	250,703	47,334	298,037
JAN.	271,899	46,107	318,006	220,501	40,899	261,400
FEB.	214,532	36,152	250,684	250,332	60,003	310,335
MAR	129,158	35,024	164,182	150,334	60,051	210,385
APR.	79,100	51,129	130,229	156,132	35,079	191,211
MAY	110,021	55,162	165,183	251,958	27,002	278,960
JUN.	220,415	35,234	255,649	350,994	26,953	377,947
JUL.	230,133	32,435	262,568	445,113	15,571	460,684
AUG.	170,799	20,105	190,904	300,101	10,209	310,310
SEP	140,825	15,331	156,156	230,165	25,157	255,322
TOTAL	2,284,649	444,794	2,729,443	2,849,686	414,767	3,264,453

Graph 1 and table 2.2 give comparative monthly procurement figures for the years 2002/03 and 2001/02. The peak in procurement was realised in July/August, the harvesting period for the main crop in West and South-western Uganda as compared to October/March, the traditional peak period in Central and Eastern Uganda.

Graph 1: Comparative Procurement Performance: Oct/Sept.



RMANCE

Table 2.3 illustrates monthly coffee export performance during the year, in terms of volume and value in comparison with the previous year. A total of 2.66 million bags worth $ 104.79 million was exported, representing a decrease of 18.1% in volume and an increase of 20% in value compared to last year. The highest volume recorded of 303,018 bags was in the month of December against July in the previous year.

Table 2.3 COMPARATIVE COFFEE EXPORT PERFORMANCE - 60-Kg Bags & $

MONTHS	2002/03		2001/02		%-age Change	
	Qty	Value	Qty	Value	Qty	Value
OCT.	222,886	7,094,916	151,404	4,011,814	32.07	43.46
NOV.	262,187	9,520,894	150,120	4,125,346	42.74	56.67
DEC.	303,018	11,232,301	275,101	7,083,396	9.21	36.94
Qtr - 1	**788,091**	**27,848,111**	**576,625**	**15,220,556**	**36.67**	**82.96**
JAN.	302,881	12,652,766	313,732	7,995,316	(3.58)	36.81
FEB.	230,720	10,435,633	271,485	6,893,603	(17.67)	33.94
MAR	162,227	6,850,712	228,323	6,693,359	(40.74)	2.30
Qtr - 2	**695,828**	**29,939,111**	**813,540**	**21,582,278**	**(14.47)**	**38.72**
APR.	121,271	4,783,233	187,954	5,835,587	(54.99)	(22.00)
MAY	162,063	6,940,275	226,435	5,645,537	(39.72)	18.66
JUN	253,528	9,986,185	369,783	9,677,512	(45.85)	3.09
Qtr - 3	**536,862**	**21,709,693**	**784,172**	**21,158,636**	**(31.54)**	**2.60**
JUL.	284,706	11,178,291	428,452	11,559,320	(50.49)	(3.41)
AUG	201,192	7,917,988	293,102	7,592,777	(45.68)	4.11
SEP	157,209	6,193,900	250,490	6,823,385	(59.34)	(10.16)
Qtr - 4	**643,107**	**25,290,179**	**972,044**	**25,975,482**	**(33.84)**	**(2.64)**
TOTAL	**2,663,888**	**104,787,094**	**3,146,381**	**83,936,952**	(18.11)	19.90

2.2.1 COFFEE EXPORTS BY TYPE AND GRADE

Table 2.4 gives coffee exports by type, grade, value and the realised unit price in comparison to last year. Robusta coffee constituted 83.5% of the total exports down from 86.3% in 2001/02. The decrease in the proportion of robusta is attributed to coffee wilt disease, which is estimated to have cumulatively destroyed 45% of all the old robusta trees since 1993; and government's effort to step up the proportion of Arabica production to around 15%.

Among the robusta, organic coffee stood at 2,500 bags, which is 74% up from 1,440 bags registered in 2001/02. Washed Robusta fell by 15.2% from 880 bags to 746 bags. The realised prices for the two grades stood at 80 cents and 82 cents per kilo for organic and washed robusta respectively, which were 19 cents and 21 cents above robusta sold in the mass market.

Organic Arabica exports totalled 4,380 bags, 4.8% higher than last year when a total of 4,180 bags were recorded. The realised price for organic up from $ 1.02 per kilo realised last year. The Arabica grades for the conventional market was 86 cents, 9 cents up compared to last year. Bugisu AA sold at 111 cts a kilo from 93 cts but the quantity fell by 40.2% from to 112,119 bags in 2001/02 to 67,037 bags. The decline in quantities of Bugisus was a result of a small crop due to natural crop cycle.

Table 2.4 Coffee Exports by Type, Grade Value & Unit Price:
- in 60-Kilo bags, US $ & $/Kilo -

Type/ Grade	2002/03			2001/02		
	Qty	Value	Unit Price	Qty	Value	Unit Price
G/Total	**2,663,888**	**104,787,094**	**0.66**	**3,146,381**	**83,936,952**	**0.44**
Robusta	**2,221,440**	**81,843,934**	**0.61**	**2,715,955**	**64,496,820**	**0.40**
Organic	2,500	120,723	**0.80**	1,440	48,936	0.57
Washed	746	36,514	**0.82**	880	45,833	0.87
Sc. 1800	196,102	8,387,535	**0.71**	240,546	7,540,043	0.52
Sc. 1700	93,001	3,906,042	**0.70**	134,334	3,708,019	0.46
Sc. 1500	1,242,441	47,950,525	**0.64**	1,637,448	40,100,108	0.41
Sc. 1400	75,945	2,814,631	**0.62**	119,886	2,731,132	0.38
Sc. 1300	10,891	421,926	**0.65**	22,576	507,581	0.00
Sc. 1200	432,095	15,418,363	**0.59**	428,879	8,612,064	0.33
BHP 1199	89,303	1,116,705	**0.21**	72,214	565,461	0.13
Others **	78,416	1,670,970	**0.36**	57,752	637,643	0.18
Arabica	**442,448**	**22,943,160**	**0.86**	**430,426**	**19,440,132**	**0.75**
Organic	4,380	339,947	**1.29**	4,180	254,927	1.02
Bugisu AA	67,031	4,471,639	**1.11**	112,119	6,265,772	0.93
Bugisu A	29,295	1,839,612	**1.05**	43,573	2,177,057	0.83
Bugisu B	7,831	464,920	**0.99**	15,572	759,701	0.81
Bugisu PB	9,263	571,396	**1.03**	10,520	506,520	0.80
Arabica AB	26,770	1,846,405	**1.15**	16,390	952,282	0.97
Arabica-UG	3,097	112,552	**0.61**	6,895	185,768	0.45
Wugar	47,090	2,922,831	**1.03**	61,020	2,786,273	0.76
Drugar	225,921	9,821,370	**0.72**	134,542	5,126,757	0.64
Others **	21,770	552,488	**0.42**	25,615	425,075	0.28

** Others refers to coffee sold on sample

The quantities of Wugar and Drugar exported went up from a total 195,562 bags to 273,011 bags, which is 39.6%. The rise was mainly due to a bumper harvest realised in Ibanda, Nebbi and Kasese areas and the coming into production of new Arabica areas in Kabale and Kisoro districts.

2.2.2 PERFORMANCE BY INDIVIDUAL EXPORTERS

For the coffee year ended September 30, 2003 there were 31 registered coffee exporters of whom 27 performed as indicated in table 2.5 below. The top 10 exporters had a market share of 82% in terms of quantity. Grate Lakes ranked first with 319,370 bags or 12% followed by Ugacof Ltd., with 11.3%. Virtually, with only changes in relative positions, the top 10 exporters were the same companies as in the previous year. These have over the years

...ution network in the internal market through ...n farmers.

Table 2.5 PERFORMANCES BY INDIVIDUAL EXPORTERS - Oct/Sept 2002/03

	EXPORTERS	Quantity	% - age Market Share	
		60-kilo Bags	Individual	Cumulative
	Grand Total	**2,663,888**	**100**	-
1	Great Lakes	319,370	12.0	12.0
2	Ugacof Ltd.	301,647	11.3	23.3
3	Pan Afric Impex (U) Ltd.	267,172	10.0	33.3
4	Kawacom (U) Ltd.	254,269	9.5	42.9
5	H. M. Nsamba & Sons Ltd.	199,341	7.5	50.4
6	Olam (U) Ltd.	191,599	7.2	57.6
7	Ibero (U) Ltd.	187,393	7.0	64.6
8	Kyagalanyi Coffee Ltd.	183,676	6.9	71.5
9	Kampala Domestic Store	165,875	6.2	77.7
10	Job Coffee	125,924	4.7	82.4
11	Wabulungu Multi-Purpose Estate	98,305	3.7	86.1
12	Busingye & Co. Ltd.	93,723	3.5	89.7
13	Nakana Coffee Factory	67,148	2.5	92.2
14	Mbale Importers & Exporters	48,264	1.8	94.0
15	Union Export Services (UNEX)	42,580	1.6	95.6
16	Bugisu Co-op Union	36,620	1.4	97.0
17	Intertrade Service Ltd.	16,550	0.6	97.6
18	Cetco	16,379	0.6	98.2
19	Simba Coffee E.A Ltd.	10,661	0.4	98.6
20	Zigoti Coffee Works	10,633	0.4	99.0
21	Bakwanye Trading Co. Ltd.	10,570	0.4	99.4
22	Natural Coffee (U) Ltd	4,968	0.2	99.6
23	Clanita Coffee (U) Ltd.	3,994	0.1	99.7
24	MTL Main Traders Ltd.	3,550	0.1	99.9
25	Joan Coffee Dealers Ltd.	1,920	0.1	99.9
26	Salati	1,500	0.1	99.99
27	Nanga Farm Ltd.	257	0.01	100.0

2.2.3 COFFEE EXPORTS BY DESTINATION

Table 2.6 shows coffee exports to all destinations in 2002/03 by the exporting companies. The European Union[1] (EU), as usual, continued to be a major destination of Uganda coffee, accounting for 82.5% (2.2 million bags). This was followed by Sudan, which accounted for 7.1% of total exports, an increase of 2.1% compared to last year when a total of 158,077 bags were shipped. Overall, coffee exports to African countries amounted to 227,910 bags, which is 8.6% of total exports. The main destinations in Africa were Sudan, Eritrea and Morocco.

[1]**Members of EU countries include: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and the United Kingdom.**

XPORTS TO ALL DESTINATIONS - 60-kilo bags -

		uantity - 60 Kilo Bags			%- Market Share	
		STA	ARABICA	TOTAL	Individual	Cum
	GRAND TOTAL	**2,221,440**	**442,448**	**2,663,888**	**100.00**	
1	EU	1,802,246	396,570	2,198,816	82.54	82.54
2	SUDAN	186,496	2,390	188,886	7.09	89.63
3	POLAND	47,214	9,600	56,814	2.13	91.76
4	HUNGARY	39,955	2,140	42,095	1.58	93.35
5	SWITZERLAND	26,663	8,180	34,843	1.31	94.65
6	ERITREA	17,120	6,900	24,020	0.90	95.55
7	USA	15,605	945	16,550	0.62	96.18
8	MOROCCO	11,358	330	11,688	0.44	96.61
9	JAPAN	3,257	250	3,507	0.13	96.75
10	SINGAPORE	2,225	300	2,525	0.09	96.84
11	CANADA	1,647	0	1,647	0.06	96.90
12	JORDAN	668	668	1,336	0.05	96.95
13	AUSTRALIA	650	650	1,300	0.05	97.00
14	ISRAEL	668	0	668	0.03	97.03
15	OTHERS	65,668	13,525	79,193	2.97	100.00

2.2.4 COFFEE EXPORTS BY OVERSEAS BUYERS

Table 2.7 represents overseas coffee buyers by quantity and market shares. Over 75% of coffee purchased was by 10 buyers as compared to 67% last year.

Table 2.7 **OVERSEAS BUYERS OF UGANDA COFFEE: 2002/03 -** 60 -kilo bags.

	OVERSEAS BUYERS	Qty	Percentage Market Share	
			Individual	Cumulative
		2,663,833	**100**	
1	SUCAFINA	380,703	14.29	14.3
2	DECOTRADE	301,119	11.30	25.6
3	DRUCAFE	256,102	9.61	35.2
4	BERNARD ROTHFOS	226,909	8.52	43.7
5	OLAM INTERNATIONAL Ltd.	204,956	7.69	51.4
6	ICONACAFE	177,583	6.67	58.1
7	ELMATHABIB	159,715	6.00	64.1
8	EQUATOR TRADERS.	125,489	4.71	68.8
9	ECOM AGROINDUST	114,371	4.29	73.1
10	VOLCAFE	78,699	2.95	76.0
11	ANDIRA.	70,699	2.65	78.7
12	COMPANIA	60,506	2.27	81.0
13	ALDWAMI.	59,500	2.23	83.2
14	COFFTEA (SUDAN).	56,990	2.14	85.3
15	LOUIS DREYFUS	53,150	2.00	87.3
16	SOCADEC	48,249	1.81	89.1
17	HACOFCO	25,306	0.95	90.1
18	EURO COMM	19,336	0.73	90.8
19	TEO UK	13,249	0.50	91.3
20	OTHERS	231,202	8.68	100.0

ist with 14.3% followed by Decotrade with ...re more or less the same like last year but with a slight shift in relative position.

2.3 PRICE MOVEMENT

2.3.1 LOCAL PRICES

Table 2.6 gives the monthly average farm-gate prices realised during the year. There was a general improvement in farm-gate prices compared to last year. The prices for Kiboko (dry robusta cherries) averaged Shs. 530 per kilo, up from Shs 250; FAQ prices averaged Shs. 1,080 compared to Shs. 520; and Arabica parchment moved from Shs. 900 to Shs. 1,200 in 2001/02. The improvement in prices was a reflection of what obtained on the international scene.

Table 2.6 MONTHLY AVERAGE FARMGATE PRICES – Shs/Kilo

2002/03	Kiboko	F.A.Q	Parchment
Oct	280	680	1,200
Nov	530	1,030	1,200
Dec	550	1,200	1,250
Jan	600	1,280	1,170
Feb	530	1,045	1,220
Mar	600	1,180	1,150
Apr	600	1,200	1,200
May	575	1,200	1,250
Jun	500	1,000	1,220
Jul	500	1,000	1,200
Aug	545	1,050	1,200
Sep	550	1,100	1,150
Average	530	1,080	1,200

Table 2.7 shows a series of farmers' earnings as a percentage of FOR/T prices, Kampala since the industry was liberalised.

Table 2.7 FARMERS' PERCENTAGE SHARE OF FOR/T KAMPALA PRICE

COFFEE YEAR	Average Price in Shs/Kilo		%-Age Share
	F.A.Q	SC. 1500	
1991/92	420	927	45
1992/93	568	1,092	52
1993/94	1,292	1,684	77
1994/95	1,685	2,343	72
1995/96	1,254	1,606	78
1996/97	1,146	1,480	77
1997/98	1,430	1,900	75
1998/99	1,433	1,899	75
1999/2000	1,100	1,580	70
2000/01	700	997	70
2001/02	520	778	67
2002/03	1,080	1,386	78

roportion of FOR/T value that went to farmers rose percent, mainly on the account of an improvement in international prices, devaluation of the shilling against the US dollar and competition in the internal market due to a small crop

2.3.2 EXPORT PRICES

High availability of coffee on the market arising from overproduction in some origins and the huge level stocks in consuming countries and at origin capped any further upward movement in prices. Global coffee production was estimated at 120.11 million bags up from 109.44 bags last year while the level of stocks in importing countries stood at 20 million bags. Significant increases in exports were noted mainly in Brazil, Vietnam, Indonesia and Ethiopia while exports from Uganda, Cote d'Ivoire and Mexico were historically low.

Chart 2.3 represents the monthly average prices for the years 2000/01 - 2002/03. The price rally witnessed at the close of September 2002 continued in the coffee year 2002/03 despite the oversupply sentiments in the market, until February 2003. The rally was linked to the dry weather in Brazil, which affected the crop for 2003/04. Prices tumbled in March and rose again in April as the winter season and indications of a production deficit in 2003/04 set in. But stayed below the April level of 70 ct/kilo for robusta.

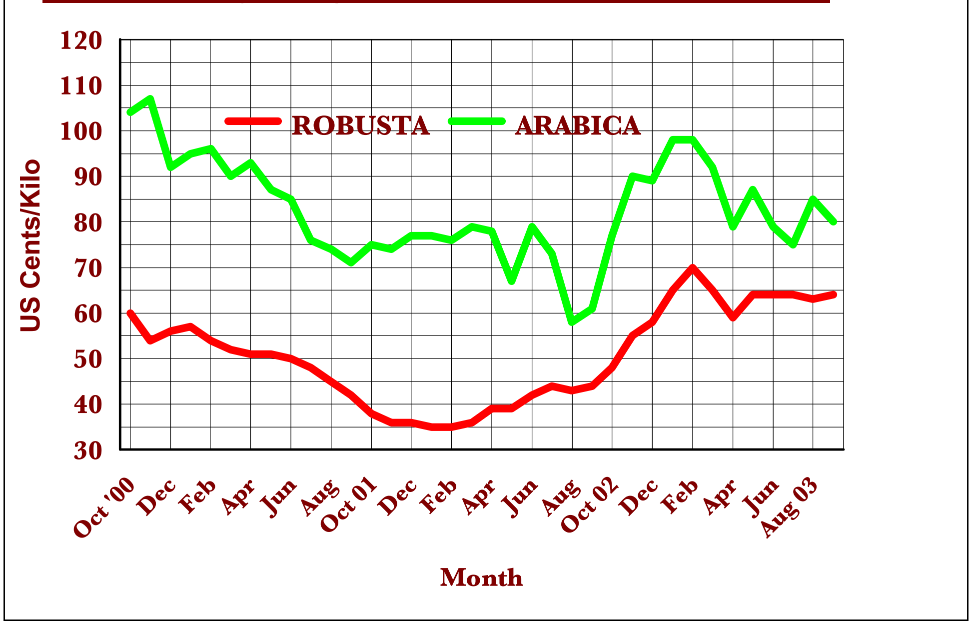


Chart 2.3 Monthly Average Realised Prices: Oct. 2000 - Sept. 2003

ON STUDY

The domestic coffee consumption study was launched towards the end of the coffee year by UCDA in conjunction with the Uganda Coffee Roasters Association (UCRA). The objectives of the survey were to:

- Determine the level of coffee consumption
- Determine regional differences in coffee consumption in Uganda;
- Establish the factors affecting the local demand for coffee;
- Ascertain the supply capacity of local roasters vis-a' -vis demand; and
- Develop strategic policy options to promote local demand for Ugandan coffee.

The study concentrated on eight (8) districts purposively chosen from the four regions: Central, Eastern, Western and Northern Uganda. These included Masaka, Kampala, Iganga, Mbale, Mbarara, Kabale, Arua and Lira. Data is being analysed and the report will be out before long.

2.5 CLOSING STOCKS

Table 2.8 represents the movement of stocks over the year. Closing stock at the export and primary processing level was estimated at around 450,000 bags, comprising Robusta 365,000 bags and Arabica 85,000 bags.

Table 2.8 COFFEE STOCK MOVEMENT – 60-Kilo Bags -

	Robusta	**Arabica**	**Total**
Opening Stock	416,060	97,552	513,612
Total Production	2,300,000	450,000	2,750,000
Availability	**2,716,060**	**547,552**	**3,263,612**
Domestic Consumption	130,000	20,000	150,000
Exports (Oct/Sept)	2,221,440	442,448	2,663,888
Closing Stock	364,620	85,104	449,724

2.6 PROMOTIONAL ACTIVITIES

- The Beijing Chenoa Coffee Co. Ltd., joint venture had a temporary interruption in its coffee sales due to an outbreak of SARS in China. This affected sales in the months of April and May. Otherwise, sales had picked with the opening up of 3 additional coffee shops, supplying 5 major hotels and supermarkets in the Beijing city. Outlets have been established in Beijing city.
- Uganda participated in the 15th. Annual Conference and Exhibition of the Specialty Coffee Association of America (SCAA) in Boston, USA. Uganda presented coffee selections from Kawacom, Nanga Farm Ltd., Mt. Elgon Bugisu coffee and Busaanyi Agro-Investment for cupping

shed robusta was very much appreciated both cup by the specialty coffee market agencies such as the Coffee Quality Institute, Relationship coffee and other prospective buyers. The Specialty coffee roasters had the opportunity to link with specialty coffee farmers in Uganda.

- Uganda participated in the Tea & Coffee World Cup 2003 in Rome, Italy between June 15 – 17, 2003. Uganda's participation was under the EAFCA arrangement that promotes fine coffees of Eastern Africa. The quality of Uganda coffee was hailed and useful contacts were made with roasters and supermarket chains

2.7 OUTLOOK FOR 2003/04

Global consumption in 2003/04 is estimated at 110.7 million bags, a growth of 2.3% compared to 108.2 million bags consumed in 2002. Consumption is producing countries is projected at 27.61 million bags, where Brazil's uptake is 13.75 million bags and Ethiopia 1.83 million bags.

Global production in 2003/04 is projected at 101.5 million bags, a drop of 15.5% from last year when 120.1 million bags were recorded. Production therefore will be below market requirements. This imbalance would, needless to say, result in prices increases but the high level of stocks in consuming countries will from time to time cap any rise in prices.

Coffee exports from Uganda in 2003/04 are estimated at 3.0 million bags: Robusta 87% and Arabica 13%. The increase in the proportion of arabica is tied to the good weather in Mt. Elgon area that facilitated bean formation, thus a bumper yield.

CHAPTER THREE

COFFEE DEVELOPMENT PROGRAMMES

3.0 INTRODUCTION

The centre of the activities focused on the replanting programme, Coffee programmes in Northern Uganda, Case studies, Coffee wilt disease programmes, Arabica coffee support programme; and Monitoring and Evaluation**.** Supervision and monitoring of coffee nurseries was done and involved a regular stock verification that preceded the replanting exercise.

The department looked at ways of improving the knowledge and skills of farmers in both traditional and the new areas of Northern and Eastern Uganda through training and media programmes. Case studies were conducted also to increase knowledge on coffee production, processing and marketing at a national level. Apart from the replanting programme in robusta areas, which is aimed largely at containment of the CWD, planting of Arabica is supported also in order to increase the percentage of arabica from 10% upwards of the total coffee production.

3.1 THE COFFEE REPLANTING PROGRAMME

The main emphasis on this year's departmental activities was put on the replanting programme. The purpose of the programme is to replace old and dead *Robusta* and *Arabica* coffee trees with young and vigorous ones. Secondly to contribute to the coffee wilt disease Containment Programme by distributing coffee plantlets to the affected farmers and those who wish to become new coffee farmers. To enable coffee farmers to carry out parallel planting as they adopt preventive and control measures against the disease increase on the current coffee acreage.

Table 3.1 shows the coffee-planting programme in the year 2002/03, where a total of 29,931,619 coffee plantlets were planted, a 17% improvement over last year when 25,579,458 plantlets were planted.

For cost effectiveness, the procurement and distribution of coffee plantlets was decentralised to the districts in order to re-emphasise the role of the local leaders, farmers and the area agricultural staff in the replanting programme. Under this arrangement, district leadership mobilises farmers, identifies nursery operators to supply the plantlets; and allocates them to sub-counties. This approach has received overwhelming acclaim from district officials and other political leaders because of its effectiveness and transparency.

Secondly, coffee villages were formed at parish levels for demonstrations of new technologies such as wet processing, organic farming, intercropping and support to the formation of farm level organizations.

STRIBUTION PER DISTRICT IN 2002/03

	Plantlets Distributed			Nursery Operators	Beneficiaries - Farmers -
		Arabica	Total		
1. Mubende	3,509,095		3,509,095	77	19,358
2. Kiboga	238,500		238,500	12	2,145
3. Kabarole	223,820	173,947	397,767	36	1,982
4. Kyenjojo	264,268		264,268	11	2,142
5. Kamwenge	206,935	75,500	282,435	36	658
6. Bundibugyo	114,685	79,889	194,574	16	1,027
7. Kibaale	215,400		215,400	37	4,473
8. Hoima	369,210		369,210	26	2,590
9. Masindi	189,223		189,223	19	819
Sub-total	**5,331,136**	**329,336**	**5,660,472**	**270**	**35,194**
10. Kasese		291,500	291,500	35	1,472
11. Mbarara	685,535		685,535	33	3,176
12. Bushenyi	1,012,598	290,440	1,303,038	46	4,975
13. Ntungamo	537,777	8,210	545,987	8	3,571
14. Rukungiri	270,539	353,885	624,424	17	2,913
15. Kanungu	40,600	95,475	136,075	7	871
16. Kabale		325,279	325,279	54	3,178
17. Kisoro		544,009	544,009	55	3,062
Sub-total	**2,547,049**	**1,908,798**	**4,455,847**	**255**	**23,218**
18. Jinja	242,794		242,794	8	1,540
19. Kamuli	274,500		274,500	20	1,648
20. Iganga	552,650		552,650	14	4,336
21. Bugiri	201,844		201,844	17	1,213
22. Busia	224,600		224,600	12	1,253
23. Mayuge	388,386		388,386	15	2,519
24. Pallisa	31,000		31,000	11	380
25. Tororo	258,621		258,621	31	1,647
26. Mbale		1,604,402	1,604,402	47	7,878
27. Sironko		563,630	563,630	38	2,710
28. Kapchorwa		1,045,000	1,045,000	17	4,334
Sub-total	**2,183,395**	**3,213,032**	**5,396,427**	**230**	**29,458**
29. Mpigi	1,424,200		1,424,200	52	10,374
30. Luweero	1,464,084		1,464,084	99	9,183
31. Wakiso	1,380,747		1,380,747	104	9,462
32. Nakasongola	198,000		198,000	6	1,420
33. Kayunga	318,570		318,570	37	5,502
34. Mukono	1,576,370		1,576,370	98	12,097
35. Kalangala	33,080		33,080	7	140
36. Masaka	1,505,441		1,505,441	67	7,496
37. Sembabule	404,245		404,245	40	1,906
38. Rakai	784,674		784,674	52	7,053
39. Kampala			0	57	56
Sub-total	**9,080,408**		**9,089,411**	**619**	**64,689**
40. Arua		642,634	642,634	84	2,053
41. Nebbi		1,861,575	1,861,575	74	6,315
42. Apac	171,964		171,964	11	684
43. Gulu	313,776		313,776	13	1,040
44. Kitgum	64,792		64,792	2	333
45. Lira	405,000		405,000	11	1,702
46. Moyo		41,564	41,564	2	43
47. Teso	124,120		124,120	5	1,003
48. Pader	38,040		38,040	5	339
49. Yumbe	70,000	50,000	120,000	16	255
Sub-total	**2,742,692**	**2,595,773**	**3,783,465**	**223**	**13,767**
G-TOTAL	**21,884,680**	**8,046,939**	**29,931,619**	**1,597**	**166,326**

s based on the identification of the parishes that nbers and the recommended figure was at least 200 plantlets per farmer. The parishes and later the villages were identified by the DCCs in conjunction with the local leadership in the sub-counties. Area members of Parliament also participated in the process of parish identification and farmer mobilisation. Table 3.2 shows the coffee villages and plantlets established per district.

Table 3.2 Coffee Villages established during the year per District.

No.	Districts	Coffee Villages	Number of Plantlets	No.	Districts	Coffee Villages	Number of Plantlets
1	Apac	36	376,702	**23**	Kyenjojo	34	229,522
2	Arua	103	505,000	**24**	Lira	27	331,000
3	Bugiri	12	184,240	**25**	Luweero	112	1,227,500
4	Bushenyi	82	1,119,027	**26**	Masaka	99	1,202,079
5	Busia	9	140,000	**27**	Masindi	11	81,200
6	Gulu	26	324,070	**28**	Mayuge	6	270,000
7	Hoima	15	256,850	**29**	Mbale	99	497,792
8	Iganga	68	607,650	**30**	Mbarara	60	682,800
9	Jinja	22	231,794	**31**	Mpigi	130	943,000
10	Kabale	34	405,000	**32**	Mubende	300	3,127,410
11	Kabarole	43	213,053	**33**	Mukono	181	2,163,759
12	Kalangala	3	60,000	**34**	Nakasongola	65	173,000
13	Kamuli	10	200,000	**35**	Nebbi	177	382,000
14	Kamwenge	22	215,000	**36**	Ntungamo	34	412,667
15	Kanungu	10	87,500	**37**	Pallisa	1	35,000
16	Kapchorwa	26	285,000	**38**	Rakai	54	464,633
17	Kasese	40	119,000	**39**	Rukungiri	51	291,500
18	Kayunga	84	446,000	**40**	Sembabule	28	276,000
19	Kibaale	27	241,000	**41**	Sironko	13	130,000
20	Kiboga	39	553,000	**42**	Tororo	15	114,861
21	Kisoro	34	225,500	**43**	Wakiso	136	1,128,059
22	Kitgum	10	44,792	**50**	Teso region	3	83,500
	Total					**1,001**	**21,087,460**

Since the inception of the strategic intervention programme in August 2000, a total of 65 million coffee trees (30,834 hectares of Robusta and 6,238 ha of Arabica) have been planted against a set target of 190 million trees. This represents a shortfall of 65.7%, which is largely attributed to budgetary constraints and slow release of funds need to procure seedlings from nursery operators. Planting below the set targets could have a significant impact on the national economy and poverty alleviation efforts by government.

3.2 MONITORING AND EVALUATION OF THE REPLANTING PROGRAMME

Periodic monitoring and evaluation was carried out to assess the performance of the replanting exercise. In February 2003, the monitoring and evaluation exercise looked at the weaknesses, strength and way forward for the programme.

…ation Team comprised coffee stakeholders …ure, Animal Industry and Fisheries, Uganda Coffee Development Authority (UCDA), National Union of Coffee Agribusiness and Farm Enterprises (NUCAFE) – formerly Uganda Coffee Farmers Association (UCFA), Uganda Coffee Trade Federation (UCTF), Civil Societies, Local Authorities, Coffee Research Institute, Kituza (CORI), Plan of Modernisation of Agriculture Secretariat (PMA), and Monitoring Units of President's and Prime Minister's Offices. The terms of reference of the exercise were to:

a) Assess the impact of the coffee-replanting programme on the different beneficiaries since August 2000 (which is the commencement of PAF for the Coffee Sub sector).

b) Assess the performance of the coffee planted under the PAF at the farm level for the last two seasons.

c) To carry out the SWOT analysis and draw conclusions and recommendations

3.2.1 The major findings of the exercise were:

3.2.1.1 Impact of the coffee programme on different beneficiaries

- **National Level**

Coffee planted in 1999/2000, which is already in production, has contributed around 12,500 tonnes of robusta and 1,200 tonnes of arabica at estimated rate of 1.5 tonnes and 1.0 tonne/hectare of robusta and arabica, respectively. This is equivalent, in money terms, to Shs 13.8 billion as additional income to coffee growing households.

- **Farm level**

In the traditional coffee districts where coffee was planted in 1999, farmers are harvesting per coffee tree between 2 to 4 kilo of *Kiboko* for robusta and I .0 kg of Arabica parchment. Incomes for such farmers have improved by between Shs. 20,000 - 100,000/- per robusta farmer and Shs 40,000-200,000/- for Arabica. At production level there has been a remarkable increase in out turn levels from 52 percent to an average of 60 percent. These are good signals of improved incomes to farmers making the planting programme significant in poverty alleviation efforts. Similarly for coffee planted 2000 and 2001, most trees were seen flowering across districts and others had first light crop, an indication of good performance. This is a proxy for future good harvests and improved incomes. In new and marginal areas where coffee has recently been introduced, the impact is not so pronounced as factors of adoption and marketing are limiting. However several young coffee trees coming into production and others flowering are observed across these areas.

able increase in production of plantlets in 2002/2003 in response to the demand created under PAF. Many new nursery operators were attracted to the business because of the high returns. Investment in nursery business improved with the entry of commercial oriented operators. Nursery output increased from 7 million per annum to over 40 million seedlings per annum. Nursery operators' ability to propagate seedlings has improved; use of rooted cuttings is increasingly being adopted, and large nurseries of up to 0.5 million seedlings were established.

- **Local leadership level**

There is much awareness of the programme and most of the leaders are active participants. High level of mobilization and awareness creation about government programmes has significantly been noted. Government's concern to alleviate poverty among the rural poor through coffee has also been well understood.

It was also derived that, improved yields to farmers will imply improved incomes and more development to the districts.

3.2.2 The performance of coffee planted under PAF at farm level

For coffee planted in March/June 2003 performance varied from region to region. There was indication of high survival rate ranging between 70% and 75% for most of the coffee planted. It was observed that farmers who received seedlings not exceeding 400 had a higher survival rate than those with bigger numbers. However, unexpected cessation of rains in some areas of Central, Northern and South Western Uganda led to some coffee seedlings to dry. In such cases, mortality rate of up to 45% was observed on coffee fields.

Coffee planted in the second season that started in September 2003 received very good rains in the first part of the season. There are indications of high survival rates in Central, Northern and South-western Uganda of up to 70%. High mortality rates of up to 49% were observed in marginal areas of these regions where rains stopped in early November as shown in table 3.3. The Coffee Replanting Programme encourages coffee production as a business with emphasis on increased production and productivity through use high yielding coffee varieties; and adherence to recommended agronomic practices. Emphasis is also put on improving the farmers' managerial ability for optimum utilization of the factors of production and natural resources. Despite operating below the target levels under the strategic intervention programme, the overall performance has been relatively good.

… per planting season per region in 2002/03.

Districts	Rate per Season Oct/Dec	Apr/Jun	Comments
I: Central			- Average good weather
1. Mpigi	70-75	70-75	- Average good weather
2. Masaka	80-85	75-80	- Average good weather
3. Rakai	80-85	75-80	- Average good weather
4. Kayunga	70-75	65-70	- Average good weather
5. Luweero	70-75	65-70	- Average good weather
6. Wakiso	60-65	60-65	- Some delays in delivery
7. Nakasongola	40-45	35-40	- Unpredicted weather
II: Western			
1. Mubende	70-75	65-70	-Average good weather
2. Kiboga	70-75	65-70	-Average good weather
3. Kibaale	60-65	60-65	-Abrupt weather changes
4. Kyenjojo	70-75	70-75	-Average good weather
5. Kabarole	75-80	70-75	-Average good weather
6. Kamwenge	65-70	60-65	-Abrupt weather changes
6. Hoima	75-80	70-75	- Average good weather
7. Bundibugyo	55-60	50-55	- Decreased morale of farmers and Cocoa + Vanilla options
III: Southwest.			
1.Mbrarara	50-60	45-50	- Abrupt change in weather
2. Bushenyi	70-75	60-65	- Average good weather
3. Rukungiri	70-75	60-65	- Average good weather
4. Ntungamo	75-80	70-75	- Average good weather
4. Kabale	50-55	40-45	- Low uptake by farmers
5. Kisoro	50-55	40-45	- Low uptake by farmers
IV: Eastern			
1. Jinja	60-65	55-60	- Bad weather regime
2.Kamuli	65-70	55-60	- Bad weather regime
3.Mbale	75-80	70-75	- Average good weather
4. Kapchorwa	80-85	75-80	- Average good weather
5. Tororo	35-40	30-35	-Drier and unfavourable conditions / low uptake
V: Northern			
1. Gulu	30-40	25-30	- War, low uptake, and dry Weather conditions
2. Kitgum	30-35	25-30	
3. Pader	40-50	30-35	"
4. Lira	40-50	30-35	"
5. Apac	30-40	30-35	"
6. Yumbe	30-35	25-35	"
7. Nebbi	70-75	55-60	"
8. Arua	65-70	50-55	"

3.2.3 Involvement of local leadership in the planting programme

There is high involvement of local leadership at all levels in the physical coffee allocation and distribution of seedlings, mobilization of farmers and identification of beneficiaries. However, for the coffee villages, LCI were most involved.

3.2.4 Lessons drawn from this programme

- The reduced planting levels against set targets, could negatively affected the overall coffee production in the country.
- Delays in coffee distribution and giving out uneconomic number of seedlings were identified as constraints under district allocations.

ution were found to be achieving the objectives gned and adopted. The coffee village concept was taking deeper roots as the districts were already adopting it and applying it on district allocations as well.

- Involvement of stakeholders, especially local leadership, nursery operators and farmers makes the programme accountable and transparent.

3.2.5 Way Forward

However, in order to improve the efficiency and effectiveness of the replanting programme, UCDA has decided to do the following:

- UCDA will endeavour to synchronize distribution with rainy seasons,
- Strengthen coordination among stakeholders,
- Regulate nursery operators to match demand and supply of seedlings;
- Seek methods of improving the extension delivery system to farmers and set aside funds to support monitoring and evaluation at local levels (district, sub-county, coffee villages); and
- Realign replanting with realistic targets under the Strategic Export Programme.

However, the overall success of the programme hinges on the willingness of farmers to improve on productivity; and the movement of coffee prices on world market.

3.3 TRAINING PROGRAMME

A total of 178 one-day seminars were conducted for farmers, nursery operators and local leaders as shown in Table 3.4. The training programme centred on pests and diseases control in coffee, field management and integrated methods of farming that lead to sustainability.

Table: 3.4 SUMMARY OF TRAINING PROGRAMME

Category	**COURSE**	**NO. OF PARTICIPANTS**	
		AVERAGE	TOTAL
District Councillors	8	60	**480**
Nursery Operators	9	15	**135**
Trainers/Extension Workers	9	39	**351**
Farmers/other local leaders	152	50	**7,600**
Total	**178**	**164**	**8,566**

Training of trainers in the non-traditional coffee growing districts was carried out in Apac, Lira, Kitgum, Kaberamaido, Pallisa, Soroti, Busia, Tororo, Pader and Kumi. Coffee nursery and field management practices were emphasised.

…ning activities, UCDA went into arrangement …ents' Network for the Good Governance (UPANGGO) to train the district local councils. The aims of the training were to:

- Emphasise the importance of the decentralisation policy on government delivery of services particularly the agricultural extension services;
- Spell out and emphasise the roles of government councils in the service delivery;
- Spell out and emphasise the role of individual councils in assisting the population to fight against poverty and unemployment;
- Emphasize the importance of coffee in the National economy as well as to fight poverty at house hold level; and
- Ensure that the mandate of UCDA is understood and appreciated by local authorities in the districts.

UPANGGO has conducted the training for district councillors in Wakiso, Mukono, Kayunga, Mubende, Kisoro, Kyenjojo Apac and Lira.

3.4 NORTHERN UGANDA COFFEE PROGRAMME

The coffee programme in Northern Uganda and other marginal areas in the East, initiated almost 7 years ago, has continued to register good performance in yield. Coffee samples drawn from these areas for cup characterisation reveal that the quality is good and consistent with other robustas from the traditional coffee districts. Outturn ranged from 54 - 56%, with a high proportion of Screens 18 and 15 of up to 87.3%.

The concept of establishing coffee villages has also been adopted and supported by the local leadership. UCDA had continued to support the area by providing elite seed for nursery production, purchase seedlings from these nursery operators and distribute them to the farmers either through the district allocations or coffee villages.

However, the major constraint to the programme has been marketing largely due to small and scattered quantities of the crop; and insurgency. There is therefore need provide seed money to purchase the limited quantities; and establish processing facilities. On top of forming farm level organisations and establishing coffee villages.

FUTURE OUTLOOK FOR THE REGION

- Mobilisation of local leadership and district extension staff;
- Training of trainers in coffee nursery and field management;

el Organisations to support production and

- Enhancement and promotion of commercial coffee production through coffee concept.
- Promotion of coffee within the existing farming system;

3.5 MEDIA PROGRAMMES

UCDA continues to use media services to deliver messages to farmers, processors, roasters, exporters and other stakeholders. For effectiveness RRRR was shifted to Radio West from Voice of Toro and Luganda programmes taken to CBS as shown in table 3.5. In all the programmes, coffee production, farm level technological packages, post-harvest handling quality improvement and coffee consumption were promoted.

Table 3.5 AIRING COFFEE PROGRAMMES ON RADIO STATIONS

LANGUAGE	RADIO STATION	TIME ON AIR	DAY
Lumasaba	Radio Uganda	5.30 - 5.45 pm	Saturday
Runyakitara (RRRR)	Radio West	3.00 - 3.15 pm	Saturday
Lusoga	Busoga Peoples' Radio	6.45 - 7.00pm	Monday
Luganda	Central Broadcasting Service (CBS)	12.45 - 1.00 pm	Thursday
		8.15 - 8.30 am	Sunday

The coffee husbandry and the wilt disease (*Tracheomycosis*) were given emphasis in the programmes. Radio and TV recordings were carried out in Northern Uganda to produce documentaries that are to be used in the training of farmers in the area. The documentaries showed the nursery programme, field management practices and training.

International coffee price trends, UCDA indicative price trends and local farm-gate and FAQ prices continued to be disseminated to stakeholders through the local media.

3.6 SOCIO – ECONOMIC STUDIES

3.6.1 Socio-economic Impact the Coffee Wilt Disease to Coffee Industry

The final report on the Baseline Survey on the Socio-economic impact of the Coffee Wilt Disease undertaken by a multi-sectoral team of scientists from UCDA, CORI, MAAIF and CABI International, Nairobi was presented to stakeholders.

The overall objective of the study was to assess the socio-economic impact to the household economy in Uganda. The following are among the major findings from the survey: -

Farm level

- CWD was present on 90.3% of the surveyed 1,374 farms from 21 traditional robusta districts.

s are in the Central and part of the Western ted farms were Masaka/Rakai region.

- The area under coffee has drastically reduced due to CWD by almost 50%, especially in high-density areas. This has led to a drop in output, and household income.
- Majority of the farm households have restructured to other alternative enterprises as a coping strategy against the disease to sustain their incomes.

National Level

Survey estimates based on household gave the cumulative disease incidence at 44.5% at the national level, an equivalent of 106,800 ha as indicated in table 3.6.

Table 3.6 Incidence of Coffee Wilt Disease By District in Million

	District	Initial Area Under Coffee Hectares	% - age Cumulative Infection: 2002/03	Area Infected - By 2002/03	Net Area Under Robusta ha.
1	Mukono	52,000	65.60	34,112	17,888
2	Mpigi	33,000	57.60	19,008	13,992
3	Mubende	22,000	58.80	12,936	9,064
4	Luweero	20,000	56.80	11,360	8,640
5	Kiboga	10,000	54.20	5,420	4,580
6	Kibaale	5,000	55.00	2,750	2,250
7	Hoima	4,000	50.30	2,012	1,988
8	Masindi	2,000	45.00	900	1,100
9	Kabarole	1,500	58.50	878	623
10	Bundibugyo	700	77.20	540	160
11	Rukungiri	2,500	56.90	1,423	1,078
12	Bushenyi	6,000	30.40	1,824	4,176
13	Ntungamo	4,000	33.20	1,328	2,672
14	Mbarara	5,000	32.30	1,615	3,385
15	Masaka	37,500	11.20	4,200	33,300
16	Sembabule	3,500	12.45	436	3,064
17	Rakai	8,000	6.50	520	7,480
18	Jinja	5,000	22.85	1,143	3,858
19	Kamuli	6,000	28.85	1,731	4,269
20	Iganga	10,300	23.90	2,462	7,838
21	Bugiri	2,000	10.00	200	1,800
	Total	**240,000**	**44.50**	**106,796**	**133,204**

Source: Baseline Survey 2002

Economic Implications of the Disease

- In terms of coffee trees infected, at a planting density of 1,100 trees per hectare, a 44.5% level of infection is equivalent to 117.5 million coffee trees. At an average yield of 500 kilo of clean coffee per hectare, the loss in quantity is equivalent to 53,400 tonnes/year.

age prices of Shs. 1,080 per kilo this translates 080*1000) = Shs. 57.67 billion or US $ 28.8 million.

I. INCOMES, COSTS AND PRICES AT FARM LEVEL

Farm level surveys for both old robusta and clonal coffee were purposively conducted in Masaka and Rakai districts where the old coffee trees are still in good production; the incidence of coffee wilt disease is low; and more planting of clonal coffee has been done over the years. In the case of arabica coffee, surveys were undertaken in the Mt. Elgon districts, hub of arabica coffee. Table 3.7 gives results on costs of production and margins at farm level.

Table 3.7 Coffee Production Cost and Margins

Type of Coffee and Cost Details	Physical	Financial
A: **Old ROBUSTA COFFEE**	**Man-days/other**	**Financial – Shs**
1: Maintenance Cost: weeding, pruning, etc.	150 man-days	270,000
2. Deprecation of equipment. - Shs.		75,000
3. Costs of inputs – Shs (mulch plus manure)	-	100,000
Total		**445,000**
Yield/ha./year- kg of kiboko	1000 kg	
- Cost per kg- Shs	-	445
- Farm-gate price – Shs/Kilo.		530
- Farmers' margin - Shs/Kilo.		85
- Gross income/ha. /year. **-- Net income/ha. /year** – Shs.		**530,000** **85,000**
B: CLONAL COFFEE		
1. Maintenance cost	360 man-days	648,000
2. Inputs cost (pesticides, herbicides, fertilizer, mulch)	-	200,000
3. Equipment costs: (*Depreciation*)	-	120,000
Total	-	**968,000**
- Yield/ha/year	4,000	
- Cost per kg	-	242
- Farmgate price Shs/Kilo..	-	530
- Farmer margin	**-**	288
- Gross income/ha. /year **- Net income /ha. /year**		**2,120,000** **1,152,000**
C: ARABICA COFFEE		
1. Maintenance cost:	210 man-days	378,000
2. Inputs costs	-	175,000
3. Equipment- *depreciation cost*	-	150,000
Total		**703,000**
-Yield/ha. /year- kilo - parchment	1,000	
- Cost/ kg - Shs/Kilo.	-	703
- Farm gate price- Shs/Kilo.		1,200
- Farmer margin	-	497
-Gross income/ha./year- Shs	**-**	**1,200,000**
-Net income /ha./year- Shs.	**-**	**497,000**

Source: Field Data 2002/2003

Note:

1. *Clonal coffee considered is at peak harvest in the 3rd and 4th year.*

aka and Rakai where the disease incidence is at low density.

s 6 hours; and

Low/medium input farmers, where there is limited used of purchased inputs, re used.

- The average costs of production for old robusta, clonal and arabica were estimated at Shs. 445,000/=, Shs. 968,000 and Shs. 703,000/= per hectare, respectively, up from Shs. 300,000/= Shs. 700,000/- and Shs. 560,000/= last year. The increase was partly due to changes in the nominal wage rate from Shs. 1,500 to Shs. 1,800; marginal adjustments in levels of labour allocation in response to fairly good prices that existed; and relative change in prices of purchased inputs and equipment used in production.

- Based on yield and price levels of 1,000 kg- kiboko per ha, for old robusta, 4000 kg- kiboko for clonal robusta and 1000 kg- parchment for arabica and farm-gate prices at Shs. 530 for robusta and Shs. 1,200 for arabica (low/medium input/output levels), gross incomes were estimated at Shs. 530,000, Shs. 2,120,000 and Shs. 1,200,000 respectively, compared to Shs. 280,000 Shs. 1,100,000/- and Shs. 990,000. The higher percentage change in gross income was brought about by a rise in prices from an average of Shs. 250 for Robusta and Shs. 990 for arabica parchment in 2001/03.

- In terms of costs and margins per kilo, the costs of production were Shs. 445 for old Robusta, Shs 242 for clonal Robusta and Shs 703 for Arabica. At these costs per kilo, the margins per kg came to Shs. 85, Shs. 288 and Shs. 497 in that order compared to Shs. 47 Shs. 120 and Shs. 540 recorded in the previous coffee year.

These results clearly show that investment in clonal coffee and arabica coffee remain viable options for the coffee subsector.

II. COSTS, PRICES & MARGINS TO ROBUSTA COFFEE PROCESSING

TABLE 3.8: ROBUSTA COFFEE PROCESSING COSTS AND MARGINS PER KG OF CLEAN

COST PARAMETERS	2001/2002	2002/2003
A: Collection Costs		
(i) Farmer-factory	15.00	20.00
(ii) Commission	10.00	10.00
(iii) Loading and offloading	2.00	2.00
(iv) Cost of Gunny Bags	5.00	5.00
Sub-total (cherry)	32.00	37.00
Clean coffee Equivalent at (54/55) out-turn	60.00	67.00
B: Factory Costs (hulling)		
(i) Salaries + Wages	4.00	5.00
(ii) Deprecation cost	5.00	8.00
(iii) Depreciation costs	10.00.	10.00
(iv) Sorting cost at Shs. 1200/ bag	17.00	20.00
(v) Processing losses at (1%) FAQ Value	6.50	11.00
(vi) Administrative costs	2.50	3.00

	45.00	57.00
	105.00	124.00
	10.50	12.40
Total	120.50	136.40
Farmer price	280.00	500.00
Clean equivalent at (55/54)%	518.00	910.00
Total Processing cost	120.50	136.40
Total processor cost	630.50	1,046
FAQ Price	660.00	1,080
Processor Margin	30.00	34.00

Source: Coffee Industry Data 2002/2003

Table 3.8 above gives a summary of the results of the survey of 50 processors (hullers) from Kiboga, Masaka, Rakai, Iganga and Bushenyi districts on processing costs and margins for robusta. Data was captured through administration of questionnaires, personal interviews and telephone calls.

Based on FAQ price of Shs. 1,080 per kilo, the margin to processing was Shs. 34/kilo compared to Shs. 30 in the previous year.

III. COSTS, PRICES AND MARGINS TO ROBUSTA EXPORT MARKETING

TABLE 3.9. ROBUSTA COFFEE EXPORTMARKEING COSTS, PRICES & MARGINS

COST PARAMETERS	2001/2002	2002/2003
	Shs /kilo	**Shs /kilo**
A: Collection Costs		
i) Storage Costs	5.0	10.0
ii) Commission	10.0	10.0
ii) Loading-offloading Cost	3.0	2.0
iv) Cost of Gunny Bags x 2	20.0	20.0
v) Transport Costs	15.0	20.0
Sub-total: I	**53.0**	**62.0**
B: Processing and Exporting Grade Cost		
i) Salaries + Wages	5.0	6.0
ii) Maintenance/ Depreciation cost	8.0	10.0
iii) Electricity and Water	52.0	40.0
iv) Communication	1.0	2.0
v) Fumigation Cost	10.0	10.0
vi) Bagging/Marking cost	15.0	15.0
vii) Office/Rental Cost	2.50	2.50
viii) Warehouse Cost	2.50	2.50
ix) Insurance Cost	5.0	5.0
x) Transport Cost	10.0	12.0
xi) Processing losses (1%)	8.32	13.2
Sub-total: II	120	118.7
Sub-total III (I+II)	173	180.7
Add Cost of the Money at (10%	17.3	18.7
Total	**190.0**	**199.4**
C: Prices and Margins		
i) FAQ Price	660	1080

	190	200.0
	850	1,280.0
v) Export Price US /Kg	0.48	0.66
vii) Exchange rate	1850	2000
viii) Export Receipts	880	1320
ix) Exporter Gross Margin	**30**	**40.0**
ix) Less 1% Cess	10	13.2
x) **Exporter Net Margin**	**20**	**26.8**

Source: Industry Data: 2002/2003

Table 3.9 gives the structure of costs and margins to robust coffee export processing and marketing. Data was randomly collected from 5 medium and 5 large exporters according to their level of performance and all situated in Kampala.

Based on average FAQ price of Shs 1,080 and export processing and marketing cost of Shs 200, the overall average exporter cost was Shs 1,280 for the year, compared to Shs. 850 in the previous year.

Given an average export (FOR/T), Kampala price of graded coffee of US $ 0.66 per kilo at the time of the study, and an average exchange rate of Shs. 2000/US $ - revenue per kg of exported coffee (FOT/R) is Shs. 1,320 for the year - gross margin came to Shs. 40 compared to Shs 30 in the previous year. The net margin was Shs. 26.8/kg, up from Shs. 20.

IV COSTS, PRICES AND MARGINS TO ARABICA EXPORT-MARKETING

At an average parchment price of Shs. 1,300, which is equivalent to Shs. 1,625/kilo, at 80% out-turn (i.e. from parchment to clean exportable bean); and process and exporter marketing cost of Shs. 252, total exporter cost per kilo came to Shs. 1,877 for the year as shown in table 3.10.

TABLE 3.10 ARABICA COFFEE MARKETING COSTS & MARGINS

COST PARAMETERS	**2001/02**	**2002/03**
A**: Collection Costs**		
i) Storage Costs	20.0	20.0
ii) Commission	15.0	10.0
ii) Loading-Offloading Cost	2.0	2.0
iv) Cost of Gunny Bags x 2	16.7	16.7
v) Transport Costs	20.0	22.0
Sub-total I:	**73.125**	**70.7**
At 80% Out-turn	92.125	88.4
B: Process and Export Grade Cost		
i) Deprecation Cost	10.0	15.0
ii) Electricity Water Cost	30.0	40.0
iii) Communication	1.0	2.0
iv) Fumigation Cost	5.0	10.0

	15.0	16.0
	14.0	16.68
vii) Salaries and Wages	10.0	15.0
viii) Office/Rental Cost	1.0	1.0
ix) Ware-Housing Cost	15.0	5.0
xi) Insurance Cost	5.0	5.0
xii) Transport Cost (to rail)	5.0	5.0
xiii) Factory Operational Costs	15.0	10.0
Sub-total: II	**126**	**140.68**
Sub-total III (I+II)	218	229.08
Add Cost of the Money at (10%	22	22.91
Total	**234**	**251.99**
C: **Prices and Margins**		
i) Parchment Price	990	1,300
ii) Clean Equivalent at 80% Out-turn	1,238	1,625
iii) Export Processing Cost	234	252
iv) Total Exporter Cost	1,471	1,877
v) Export Price US Cents/Kg	0.84	1.00*
vii) Exchange rate	1,850	2,000
viii) Export Receipts	1,554	2,000
ix) **Exporter Gross Margin**	**83**	**123**
ix) Less 1% Cess	16	20
x) **Exporter Net Margin**	**67**	**103**

At a minimum export price for higher grade Arabicas at US$ 1.00 cents/kilo, which constitutes over 80%, average inter-bank exchange rate of Shs. 2000 /US$, total export receipts per kilo is Shs. 2,000. At this price and total exporter-cost, the gross margin per kilo of arabica came to Shs. 123.

CHAPTER FOUR

QUALITY AND REGULATORY SERVICES

4. 1 TECHNICAL SERVICES

Technical services extended to the sector during the year emphasised **good harvesting**, **handling**, **manufacturing** and **hygienic practices** for coffee quality improvement. Proper drying and storage techniques were demonstrated to the players in order to curb quality deterioration, which is usually associated with semi dried coffees and poor storage. Correct use of moisture analysers in processing and trading was emphasised. Over 200 buying stores, 300 dry processing factories, 45 pulperies, 24 export grading plants; 31 exporting companies and 7 roasters were visited.

4.2 QUALITY IMPROVEMENT/AWARENESS CAMPAIGN

UCDA continued its collaboration with local authorities to create quality awareness among the local leaders and players in the production chain. As in the previous years, the major quality problems witnessed were related to milling semi dried kiboko/parchment, sun-drying of wet coffee in unsuitable drying yards and mixing of FAQ with BHP's and other extraneous matter. With the assistance of local authorities, a number of factories found processing wet coffee were suspended from operations for two (2) weeks and, those found with adulterated coffee were prosecuted in courts of law. The adulterated coffee was destroyed through burning.

Sensitisation workshops for coffee dealers and processors were held in Masaka, Mbale, Kayunga, Mpigi and Rakai districts during which resolutions and bye-laws were made to enhance the Coffee Regulations. District leaders in collaboration with coffee association members launched a campaign to curb the movement of poor quality coffees in their districts.

At the export processing factories, in-process control measures were instituted by UCDA quality staff` to augment the quality of FAQ deliveries and processed coffee.

4.3 FIELD QUALITY EVALUATION

Tests based on out-turn and screen size distribution were undertaken to have an overview of the yield and quality of the main crop in the coffee growing regions. Samples of Kiboko/Parchment were drawn at the beginning, peak and at the tail end of the season. The analysis was done at the UCDA laboratory at moisture content of 12.5 %. The green coffee was not sorted by density.

Table 4.1 gives the results of the analysis for Natural Robusta per zone. Out-

...raged 57.0%, almost similar to last year. The ... a reflection of more clonal coffee coming into production. The highest out-turn of 57.5% was in Eastern Uganda, followed by Western, with a high proportion of clonal coffee. The lowest out-turn recorded in Central and Masaka regions were attributed to unfavourable weather and the high proportion of old coffee trees.

Samples drawn from Eastern and Western Uganda had the highest Screen18 retention of 16.7% and 15.2%, respectively. Overall, compared to previous years, there was a general increase in the proportion of Sc 18, which could be attributed to clonal coffee planted over the years.

Table 4.1 AVERAGE OUT-TURN AND BEAN SIZE DISTRIBUTION OF ROBUSTA
PER ZONE: 1997/98 – 2002/3.

COFFEE ZONE*	YEAR	OUTTURN	1800	1500	1200	<12
1. SOUTH WESTERN	1997/98	56.1	14.1	67.5	17.6	0.8
	1998/99	54.9	8.5	63.5	27.3	0.7
	1999/00	54.7	8.9	66.2	23.0	1.9
	2000/01	57.2	11.6	70.3	17.6	0.5
	2001/02	57.3	11.3	69.6	17.5	1.6
	2002/03	57.1	14.4	67.5	17.3	0.8
2. WESTERN	1997/98	54.5	11.5	65.2	22.5	0.8
	1998/99	50.1	6.9	54.3	36.6	0.2
	1999/00	53.7	9.2	63.1	25.8	1.9
	2000/01	53.9	6.7	55.0	36.2	2.1
	2001/02	56.8	9.7	66.4	23.1	1.0
	2002/03	57.2	15.2	63.1	28.6	2.3
3. MASAKA	1997/98	56.3	14.9	67.5	17.2	0.4
	1998/99	52.8	6.5	56.4	34.9	2.1
	1999/00	55.1	8.9	66.2	23.0	1.9
	2000/01	57.6	14.9	68.6	15.7	0.8
	2001/02	57.3	12.9	65.6	20.3	1.2
	2002/03	56.5	12.5	65.2	21.4	0.9
4. CENTRAL	1997/98	56.3	14.4	67.9	17.4	0.3
	1998/99	52.2	9.3	59.1	30.1	1.5
	1999/00	54.3	10.8	65.1	22.9	1.2
	2000/01	55.6	7.8	64.3	26.2	1.7
	2001/02	56.5	12.2	67.0	20.7	0.1
	2002/03	56.3	14.9	64.8	19.4	0.9
5. EASTERN	1997/98	55.1	12.8	64.6	21.8	0.8
	1998/99	51.5	6.6	57.6	34.2	1.6
	1999/00	55.4	9.5	63.7	25.6	1.2
	2000/01	50.0	7.0	57.5	34.1	1.4
	2001/02	57.8	11.8	69.0	18.5	0.7
	2002/03	57.5	16.7	61.3	21.2	0.8

- **ROBUSTA COFFEE ZONES**

SOUTH WESTERN: - Ntungamo, Mbarara, Bushenyi, Rukungiri & Kasese.
WESTERN: - Kabarole, Kibaale, Hoima, Kiboga & Mubende districts.
MASAKA: - Masaka, Rakai, Sembabule and Kalangala districts.
CENTRAL: - Mpigi, Luweero, Wakiso and Mukono districts.
EASTERN: - Jinja, Iganga, Kamuli, Mayuge and Bugiri districts.

...urn for washed Arabica coffee in Mbale, ...oro districts over the years. The outturn of washed arabica was generally good, which is owed to favourable weather and good husbandry.

TABLE 4.2 COMPARATIVE OUTTURN OF WASHED ARABICA: 1997/98 – 2002/2003.

AREA	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
1. Mbale**	81.0	81.3	82.4	79.9	81.0	80.5
2. Kapchorwa	80.0	81.0	82.0	80.5	81.0	81.0
3. Nebbi	79.0	80.0	80.1	80.0	80.0	79.9
4. Kisoro	-	81.0	81.4	81.1	81.8	81.7

4.4 EVALUATION

4.4.1 LIQUOR OF EXPORTED COFFEE

Table 4.3 gives the liquoring report for the various export grades during the year. Generally, the cup taste was clean for all grades with the washed coffees being superior to the naturals. Washed Robusta gave a 100% clean cup an indication that with good handling practices, wet processing results into better quality.

TABLE 4.3 LIQUORING REPORTS FOR THE VARIOUS EXPORT GRADES: 02/03.

TYPE	GRADE	% -AGE CLEAN CUP
1. Bugisu Arabica	AA	96.5
	A	95.8
	AB	94.5
	PB	98.4
	B	96.9
2. Other Arabicas	Wugar	95.8
	Drugar	89.5
3. Natural Robusta	Sc 18	88.3
	Sc 17	89.0
	Sc 16	89.6
	Sc 15	87.7
	Sc 14	87.3
	Sc 13	90.5
	Sc 12	88.0
4. Washed Robusta	Sc 18	100
	Sc 15	100

Over fermentation, Earthiness and Taints, respectively were the most prevalent defects in the Standard robusta grade, accounting for 33.6%, 28.9% and 25.2%, respectively as indicated in Chart 4.1 and table 4.4. These defects are associated with poor handling and storage practices.

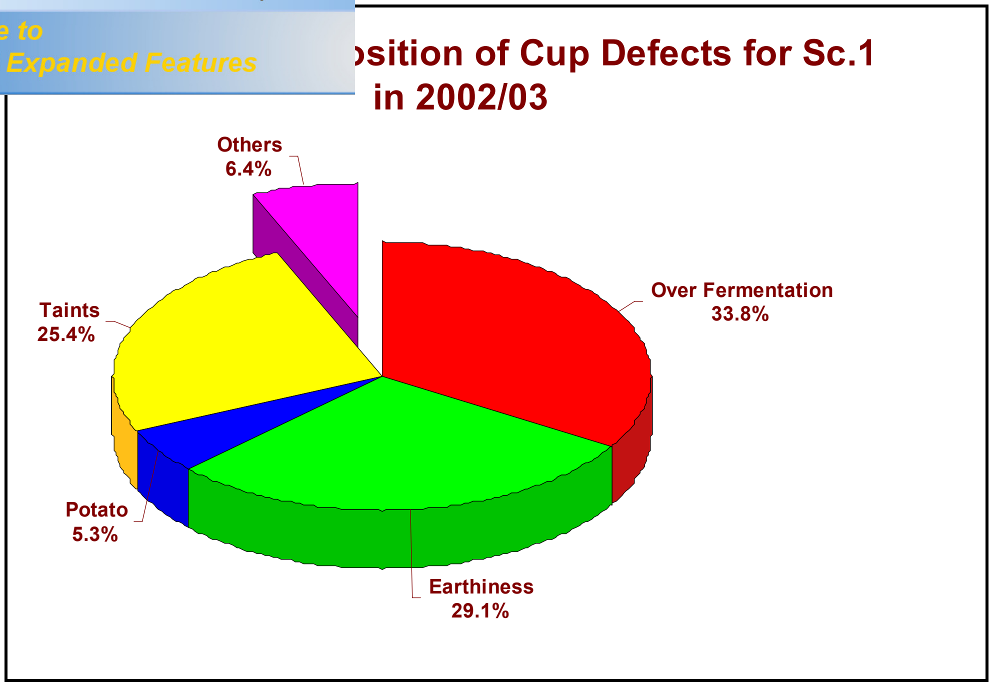


TABLE 4.4 A SUMMARY OF STANDARD GRADE CUP DEFECTS IN 2002/03

2002/03	O/F	POT	TAINT	EARTHY	OTHER	TOTAL	
						DEFCTIVE	CLEAN
Oct	30	9	22	16	-	77	581
Nov	40	3	36	37	1	117	877
Dec	23	2	18	29	-	72	516
Jan	24	-	3	29	53	109	934
Feb	14	-	18	23	-	55	309
Mar	15	4	12	11	-	42	252
Apr	28	1	15	8	1	53	283
May	29	9	11	14	-	63	441
Jun	19	9	10	19	-	57	566
Jul	30	9	23	24	-	86	915
Aug	10	1	21	18	-	50	349
Sep	27	5	28	19	-	79	530
Total	289	43	217	247	55	860	6,553
% DEFECTS	**33.6**	**5.3**	**25.2**	**28.9**	**6.4**	**-**	**-**

* OTHERS include: Woody, Winey, Bitterness, Harsh, Fruity, Grassy and Musty.

Table 4.5 shows the percentage of the defects found in the standard robusta coffee grade liquored over the years.

TABLE 4.5 DECOMPOSITION OF DEFECTS FOR SC 15 OVER THE YEARS - 2003.

DEFECT	**1997/98**	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**
Over Fermentation	39.8	35.4	34.1	25.4	29.0	33.6
Earthiness	21.9	23.5	26.5	8.1	34.7	28.9
Potato	13.1	8.0	9.3	33.9	7.7	5.3
Taints	22.5	28.2	27.4	30.2	28.1	25.2
Others*	2.7	4.9	2.7	2.4	5.0	6.4

Note: * includes Woody, Winey, Bitterness, Harsh, Fruity, Grassy and Musty.

REPROCESSING

…g during pre-shipment inspection amounted to 45,224 bags, down from 48,097 bags registered in 2001/02. The quantity referred for reprocessing has continued to decline over the year, as shown in table 4.6, a reflection of improved quality awareness along the supply chain.

Wetness continued to be the major cause for referral followed by extraneous matter and poor retention. The coffee was dried and/or reprocessed to the acceptable standards before being allowed for export.

TABLE 4.6 NUMBER BAGS REFERRED FOR REPROCESSING: 1997/98 - 2000/2001

	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
1. Wetness	145,508	81,028	43,110	73,657	26,163	23,186
2. Poor Retention	30,239	26,360	26,817	30,299	6,600	8,202
3. Discoloured & blacks	162,197	43,159	13,785	45,235	9,374	1,605
4. Floats/BHP	37,415	8,869	900	1,850	3,840	320
5. Pods	38,749	14,316	280	2,308	680	1,280
6. Extraneous matter	10,552	4,670	300	820	1,440	10,631
TOTAL	424,660	178,402	85,192	154,169	48,097	45,224

4.6 PROJECTS

4.6.1 Coffee Quality Through Prevention of Mould Growth

- This is a global project, which is currently being implemented in Brazil, Colombia, Cote d'Ivoire, India, Indonesia, Kenya and Uganda. It seeks to establish and disseminate guidelines for coffee production, harvesting, processing, storage and transportation to avoid situations leading to the formation of mould and OTA production in coffee. The project-executing agency is the Food and Agricultural Organisation - FAO.
- A three-day workshop to review the progress of the project was held in March 2003 at Hotel Africana in Kampala, Uganda. Participants included the core project team based at FAO Headquarters in Rome, delegates from the Common Fund for Commodities (CFC), the Inter-Africa Coffee Organisation (IACO), and the technical representatives from countries implementing countries. Progress reports were presented from each participating country and resolutions based on the experimental trials were made to develop a HACCP model for the coffee industry. The need for institutional and legislative frameworks was emphasised in enforcing good practices along the production chain in order to minimise the incidence of OTA in coffee.
- A two-week training of trainers' workshop on GAP, GMP and HACCP methodology in green coffee production, funded by the mould project, was held at the Coffee Research Foundation, Kenya. Participants were

Ethiopia, Uganda and Kenya. Uganda fielded ... and Field Staff (2) namely: Mrs. Albertina Kakuba, Mr. Nathan Uringi, Mr. Sentamu and Weriche respectively.

- Two sensitisation workshops on "Enhancement of Coffee Quality through Mould Prevention" were held at the International Conference Centre in Sept/Oct 2003. The first workshop targeted the field-oriented officers: DAOs, DCCs, Processors, Store men, etc. while the second concentrated on policy makers: MPs, local government leaders and UCDA Board members. The need to improve the quality of coffee in the poverty alleviation campaign was noted and all resolved to work together to curb the malpractices that would lead to mould growth in coffee.

Analytical Laboratory

- The project is to set up and equip a mycology and mycotoxins analytical laboratory to of monitoring OTA levels. The laboratory will be situated on the first floor at the Coffee House on Jinja Road; and is expected to be operational in March 2004.

4.6.3 Research

Field drying trials aimed at establishing optimum drying methods that can be applied by farmer in Uganda are being made. The drying protocols include: normal drying, delayed drying, hindered/retarded drying and optimisation of cabinet solar dryer. The initial coffee samples were sent to CIRAD for OTA analysis and others are being analysed at the Uganda National Bureau of Standards for mycology.

A market chain survey is also being done to establish the critical points and players that affect the quality of coffee. Mycology analysis to establish the linkages between defective coffee beans and OTA is also being done.

4.6.4 Organic Coffee Production

The production of organic coffee has continued in the districts of Kapchorwa, Sironko, Mbale and Nebbi for the Arabicas; and in Bushenyi, Luweero, Masaka, Mpigi and Mukono for the Robusta. During the year, a total of 4,380 bags of organic arabica and 2,500 bags of organic robusta were exported, fetching premiums of US $ 430 and $ 200 per tonne, respectively over the conventional market.

To attract farmers into organic coffee production, UCDA carries out the following activities:

- Educate farmers about the benefits of organic farming, which include:

  i) Price premium
  ii) Conservation of the environment;
  iii) Growing markets; and

ns to farmers

t it needs to be an organic farmer such as conversion period, the time allowed for biodiversity; and

- Register farmers that have picked interest. So far 20,000 farmers have been registered in the districts mentioned above.

With financial and Technical support from SIDA and EPOPA, Uganda is in the process of setting up an accredited indigenous Ugandan company, which shall be limited by guarantee, to undertake certification of organic agriculture products in Uganda.

A Task Force and Sub-committee on Organic Standards set up by the Organic Agriculture stakeholders, on which UCDA actively participates; are in the final stage of establishing the UGOCERT. What is pending are: -

- Production of Uganda Organic Standard for organic production and process currently in draft from for consultation;
- Assembling of Founder Members;
- Registration of UGOCERT by Founder Members; and
- Election of Directors of UGOCERT amongst the Founder Members.

UCDA has been identified as one of the Founder Members in recognition of it role in promoting production and export of organic coffee.

Uganda is to host the 3rd International IFOAM Organic Conference between October 06 and 08, 2004 at Speke Resort Munyonyo, Kampala. The conference expected to attract a number of renown coffee personalities.

4.6.5 Wet Processing

The sixteen (16) wet processing equipment imported under the Strategic Export Programme (SEP), were allocated to progressive farmers and farmer groups in the Arabica and Robusta areas under a lease arrangement with dfcu bank. Eight of these have already been installed and are pending commissioning. They will be in production during the May 2004 crop. Installation of the remaining 8 units is underway but at various stages of completion, and it is envisaged that they will be in operation in October 2004/05 season.

Three other private entrepreneurs: Bukenya Farm at Manyangwa in Wakiso district, Mufa Ltd at Kyetume and Kamulegeya Farm at Kibinge in Masaka district- at their own initiative have also set up central pulping stations for Robusta coffee.

of wet mills as on September 30, 2003 ...d their level of readiness to go into production.

TABLE 4.7 THE LEVEL OF READINESS OF THESE STATIONS

District	Name of pulping Station/Location	Capacity (T/hr)	Status
1. Wakiso	Kyolaba Farm, Naguru	1.0	Connecting Water supply
	Bukenya Estates Ltd, Manyangwa	2.5	Connecting Mains supply
2. Bushenyi	Mt.View Farm, Nyakisalala	4.5	Ready
3. Mbarara	Savannah, Ibanda	4.5	Ready
4. Masaka	Four Ways, Kalungu	3.5	Ready
	Mufa Ltd., Kyetume*	4.0	Connecting to Mains
	Kamulegeya Farm, Kibinge*	2.0	Ready
5. Mpigi	Busaanyi Farm, Mpigi	4.5	Ready
6. Arua	WENWA, Arua	3.5	Ready
TOTAL		30.0	

* Equipment purchased and installed by private entrepreneurs.

4.6.6 Appellation

The appellation of Uganda coffee is aimed at improving the quality of coffee, whereby Arabica coffee-growing areas in Uganda will be promoted and exported according to the source and origin based on the differences in altitudes and the uniqueness of the characteristics of the coffee. It will also shorten the marketing chain between the producer and the consumer, and hence improve farm-gate prices.

The programme has covered four districts in western Uganda, namely Kisoro, Kabale, Kanungu and Rukungiri; and the Mt Elgon region area. Farmers on the projected were selected according differences in altitude.

4.6.7 Speciality Coffee

Coffee sales to the Specialty markets fetched premiums of 10 to 35 US cts/lb ($ 220 - $700/tonne) over the conventional markets, depending on the trends on the world market. Sales to the Specialty markets have increased over the years as shown in Table 4.8. The good price offered to farmers has translated into good husbandry and general quality improvement.

PECIALTY MARKETS: 1995/96 - 1998/99.

	ALES (60 KG BAGS)	% -Change
1994/95	-	
1995/96	1,200	
1996/97	4,500	275
1997/98	5,175	15.0
1998/99	7,590	46.7
1999/00	4,010	(47.2)
2000/01	10,136	152.8
2002/03	15,350	51.4

4.7. Training in Basic Quality Control

A total of 35 quality controllers were trained in basic quality control systems during the year. Of these, 26 were from the industry and 9 from institutions of tertiary learning. Table 4.9 shows the number of quality controllers trained since the programme began. The course has continued to attract students from both the industry and institutions of tertiary learning.

TABLE 4.9 NO. OF TRAINEES IN THE BASIC QUALITY CONTROL COURSE

YEAR	INDUSTRY	INSTITUTIONS	TOTAL
1993/94	5	-	5
1994/95	14	4	18
1995/96	24	-	24
1996/97	21	14	35
1997/98	4	4	8
1998/99	13	17	30
1999/00	56	17	73
2000/01	19	29	48
2002/03	26	9	35
TOTAL	**182**	**94**	**276**

CHAPTER FIVE

COFFEE RESEARCH ACTIVIES

5.1 Introduction

This chapter reports on the major coffee research activities carried out at the Coffee Research Institute (CORI) of the National Agricultural Research Organisation (NARO) during 2002/03. Coffee research has continued to focus on the coffee wilt disease (CWD) under the project "Management of Coffee Wilt Disease Epidemic in Uganda".

5.2 Research goal and objectives

Research on coffee wilt disease to reduce losses at farm and national level continued with the following specific objectives: -

- Evaluate effectiveness of available control measures, and to devise procedures for chemical and cultural control of CWD;
- Screen coffee germplasm for resistance/tolerance to CWD;
- Breed for resistance/tolerance to CWD; and
- Rapid multiplication, transfer and distribution of appropriate technologies to combat CWD.

5.3 Achievements

5.3.1 Aerial and baseline surveys of Coffee Wilt Disease (CWD) in Uganda

The remote sensing data has been processed and a report published (see Camile Lelong, Mars 02 CIRAD-AMIS No. 20 OM 40 8 1 003). Preliminary results from the baseline survey indicate that 44.5% of the old robusta trees have died since 1993 when the disease was first reported.

Two monitoring surveys for coffee wilt disease spread and its impact were conducted in October/November 2002 and March/April 2003. The data for the two surveys are yet to be published.

5.3.2 Multiplication, transfer and distribution of appropriate technologies for combating CWD

(a) Multiplication and transfer of lowland wilt resistant Arabica coffee varieties:

- Steady progress has been made in multiplication of lowland arabica coffee varieties for field trials in CWD -affected areas.
- On-station trials planted at Kacwekano and Mukono ARDCs during the previous reporting period are now well established and their

ı in earnest. A demonstration plot for Ruiru II ıas been established at Bulengeni ARDC;

- In addition to the on-farm trials that were planted in the districts of Rukungiri, Bushenyi, Wakiso, Mukono, Mbale, Busia, Tororo and Masaka, further plantings have been made in the districts of Luweero and Sironko, Mpigi and Kyenjojo;
- The coffee in the initially planted on-farm trials has borne the first crops and assessment of their performance has begun;
- 59 crosses among arabica germplasm at Bugusege were made during the period with the intent of improving quality and resistance to major diseases; and
- 1700 trees of lowland arabica comprising of NG9257, NG9258 & NG9260 for a seed garden was also planted at Bugusege during this reporting period.

(b) *Multiplication of wilt resistant robusta coffee lines*

- Mother bushes of the 10 originally selected CWD resistant clones were increased from 185 to 392.
- Another batch of mother bushes for CWD resistant robusta coffee clones were increased from 175 lines/clones to 488. However, 4 clones died later due to poor establishment.
- Mother bushes of some of the clones planted in 2001 were increased from 1 to 7.
- A total of 1,734 cuttings of the 17 CWD resistant robusta clones selected among collections from wilt hotspot areas and 3,886 cuttings of the153 CWD resistant robusta clones selected among collections in the CORI gene-bank that started sucker production, were potted in the nursery at Kituza.
- Tissue culture multiplications of 5 CWD resistant robusta clones have also commenced.

(c) Multiplication of wilt resistant arabusta coffee clones

- A total of 7,827 cuttings of the 10 CWD resistant arabusta clones selected among F1 arabusta hybrids, have been potted in the nursery at CORI;
- Multiplication of the resistant lines using the tissue culture procedure in the Biotech Laboratory at KARI, have begun. Maintenance of

s of the 10 wilt resistant arabusta clones
house; and

- 3,668 leaf discs of the 10 wilt resistant arabusta clones are being cultured in the laboratory.

5.3.3 Screening robusta coffee germplasm for resistance against coffee wilt disease

Over 18,180 seedlings belonging to 144 robusta coffee progenies in the collection at Kawanda were maintained in the nursery at CORI. Seed samples of 163 robusta coffee clones in the collections at Kawanda were prepared for sowing to raise seedlings for inoculation with CWD.

4,179 cuttings belonging to 163 robusta clones and 44 artificial robusta tetraploids were raised in the nursery at CORI. 6,091 cuttings of 257 survivor coffee trees from CWD hotspots in 50 farms were collected and are being raised in the coffee nursery at CORI as shown in table 5.1.

Table 5.1: Cuttings of robusta coffee survivors from CWD hotspots being raised in the nursery at CORI

Source district	No. of Parent genotypes	Cuttings planted	Cuttings rooted/available
Kanungu	48	709	376
Mukono	66	1471	Cages not opened
Mpigi	25	701	Cages not opened
Kayunga	118	3,210	Cages not opened
Total	**257**	**6,091**	

16,017 seeds of 157 surviving coffee trees from CWD hotspots in 46 farms were collected and sown in the coffee nursery at CORI to raise seedlings for inoculation as illustrated in table 5.2.

Additional shade to supplement the screen house space for incubating inoculated plants was constructed. A memorandum of understanding for importation of exotic germplasm from Cameroon has been initiated.

Table 5.2: Seeds/seedlings of survivors from CWD hotspots being raised in the coffee nursery at CORI

Source district	No. of Parent genotypes	Seeds planted	Seedlings available
Kanungu	48	3,831	2,834
Mukono	36	3,859	Still in seedbed
Mpigi	19	1,521	Still in seedbed
Kayunga	54	6,809	Still in seedbed
Total	**157**	**16,017**	

seedlings belonging to 15 progenies and 163 D hotspots during the first half of the reporting period. The data collection was terminated and about 140 of the surviving seedlings and 32 cuttings of the 18 clones were planted as mother bushes in the mother garden of CWD resistant clones. Data collection also continued on 1,484 seedlings of 26 robusta progenies of open pollinated seeds from the CORI collections inoculated with CWD and incubated under screen house conditions. Assessment also continued on 471 surviving seedlings among 567 seedlings of 32 arabusta F2 progenies that were inoculated with CWD in August 2002.

5.3.4 Field evaluation of newly selected CWD resistant robusta coffee lines

Entries in the field evaluation trial at Kituza were increased from 23 clones to 86 (76 screen-house survivors from CORI collections and 10 survivors from farmers' collections in wilt hot spot areas). Routine maintenance (weeding, fertilizer application, training and gap filling) and monitoring of the field trial at Kituza for coffee wilt disease symptoms was continued through the period.

5.3.5 Field evaluation of CWD resistant arabusta coffee hybrids

Maintenance and monitoring of field trials at Kituza, Mubende and Luweero continued. So far the plants for all varieties/entries, CWD susceptible controls inclusive, in the trials have not developed/shown CWD symptoms. The Kituza trial has started bearing and soon recording yield data will be initiated. New trials were planted in Kyenjojo (1), Bushenyi (1), Kanungu (2) and Bulegeni ADC in Sironko (1).

5.3.6 Field evaluation of newly selected robusta coffee lines

The Kituza trial comprising of 20 clones (4 current commercial lines and 16 new) of robusta coffee was planted in October 1997. Coffee wilt disease started affecting the coffee in 1999. The trial at Kabohe comprising of 16 clones (2 current commercial lines and 14 new lines) was also planted in October 1991 but the wilt started affecting the plants only in the current reporting period. During the reporting period, incidence of coffee wilt disease in the Kituza trial was recorded (table 5.3). Yield data collected since April 2002 to March 2003 was analysed. The yield and response of the different clones to CWD are shown in Table 5.4.

...e Wilt Disease ((1999-June 2002) on new clones of ...a coffee planted at Kituza

	Variety	2000/01 % incidence	2001/02 % incidence	2002/03 % incidence
1	P/5/1	75.0		99a
2	C/1/7	46.0		91.2ab
3	P/3/6	71.3		83.3abc
4	H/4/1	69.0		83.3abc
5	E/3/2	37.5		83.3abc
6	B/6/2	63.4		82.85abc
7	G/3/7	38.0		75Abcd
8	257/53	37.5		66.7abcd
9	Q/1/1	50		58.35bcd
10	Q/6/1	65.0		50.0cd
11	B/1/1	29.0		50.0cd
12	B/2/1	33.5		50.0cd
13	223/32	20.0		50.0cd
14	L/2/7	34.0		41.65cd
15	1S/2	0.0		8.35e
16	C/6/1	4.3		8.35e
17	1S/3	4.3		8.35e
18	Q/3/4	0.0		8.35e
19	R/1/4	4.3		8.35e
20	J/1/1	0.0		0.0e
C.V				**31.45**
LSD				**11.12**

Table 5.4: Yield (kg of clean coffee per ha) of robusta clones at Kituza during April 2000-Mach 2003

			2001/02 mean yield	2002/03	Average yield
			332.1b	492.0f	1416.0
2	C/1/7	1816defg	880.8b	880.8ef	1192.5
3	P/3/6	1905cdef	385.5b	1016.6def	1102.4
4	H/4/1	1196fg	652.6b	478.3f	775.6
5	E/3/2	1922cdefg	615.5b	1908.2bcde	1481.9
6	B/6/2	- not yet	180.9b	862.5ef	521.4
7	G/3/7	909.6g	455.5b	3871.2a	1745.4
8	*257/53	2012bcdefg	75.5b	1416.5def	1168.0
9	Q/1/1	1759defg	411.1b	1251.7def	1140.0
10	Q/6/1	1802defg	641.4b	1085.1def	1176.2
11	B/1/1	4831abc	787b	3070.8ab	2896.0
12	B/2/1	2332abcdefg	178.5b	1512.8def	1341.1
13	*223/32	2934abcdefg	221.6b	1330.4def	1495.3
14	L/2/7	4263abcde	152.8b	1303.9def	1906.3
15	*$1^S/2$	4044abcdef	621.9b	2884.9abc	2516.3
16	C/6/1	4952ab	1607.4a	1562.1def	2706.8
17	*$1^S/3$	2237abcdefg	655.7	1750.2cdef	1547.6
18	Q/3/4	4593abcd	397.7	1522.4def	2171.0
19	R/1/4	1448efg	691.9	2209.8bcd	1449.9
20	J/1/1	5022a	833.2	2977.5abc	2944.2
C.V			**63.43**	**32.45**	
LSD			**693.6**	**1134**	

NB: Mean separation is by Duncan's Multiple Range Test
*** Controls (current commercial varieties)**

- Between 2000/2001 and 2002/2003, incidence of CWD among susceptible varieties has increased. A new clone/variety J/1/1 has not up to date (4 years since first wilt symptoms were observed among the coffee in the trial) shown CWD symptoms. This variety has exhibited field resistance to CWD.
- CWD incidence on new clones/varieties R/1/4, Q/3/4, C/6/1 and controls 1s/3 and $1^s/2$ is minimal implying these clones have field tolerance to CWD.
- The new clones J/1/1, Q/3/4, C/6/1 and B/1/1 had good average yield of more than 2tonnes of clean coffee per hectare. Their yields are comparable to yield of the control/current commercial variety $1^s/2$.

Basing on the CWD and yield results new varieties J/1/1, Q/3/4 and C/6/1 could be used in combination with some of the current commercial varieties such as 1s/3, 1s/2 and 1s/6 (not in the trial) for the national robusta coffee replanting programme.

A similar trial was planted in Kabwohe in Bushenyi in 1997. Reports from the Kabwohe trial reveal that some plants have started showing symptoms. Results from this trial will validate the observations at Kituza. If these varieties remain resistant/tolerant and high yielding in Bushenyi as exhibited recommended for inclusion in the national

5.3.7 Field evaluation of tissue culture generated coffee plants

The trials were weeded and fertilizer was applied. Collection of yield data was initiated on both Kituza and Kawanda data. The yield data for Kituza was tabulated and shown in table 5.5. Data for the Kawanda trial is being summarized for tabulation and analysis. The Kituza data shows that seedlings gave better yield followed by cuttings and then tissue culture generated plants. The data was however collected from a fly crop, whose bearing is very minimal, variable between trees and therefore unreliable.

Table 5.5: Yield (kg of clean coffee per ha) of tissue culture generated robusta coffee plants and their parent cuttings and seedling progenies

Variety	Site	Cuttings	Seedling	Tissue culture
1s/2	Kawanda			
	Kituza	89.2	123.2	4.1
1s/3	Kawanda			
	Kituza	127.6	76.3	69.1
1s/6	Kawanda			
	Kituza	45.7	313.5	7.6
223/32	Kawanda			
	Kituza	4.4	40.7	3.7
257/53	Kawanda			
	Kituza	87.6	113.6	0
258/24	Kawanda			
	Kituza	117.5	328.3	19.8
Total		472	995.6	104.3
Mean		78.7	165.9	17.4

5.3.8 Studies on etiology, pathogenesis and epidemiology of CWD

(a) Collection of isolates for cultural and genetic diversity studies

A total of 244 CWD samples have been collected from across the country for characterization. Beside the collections from various locations, CWD samples were also collected from different coffee lines. These includes 1s/2, C/1/7,B/1/1, 257/53, 1s/3, 223/23, L/2/7, 1s/6, Q/3/4, *Coffea excelsa* (*ex* Bwaamba), H11CS20, H4/CS3. Cultures are being stored as mono-conidial cultures in the fridge at 10^{o}C.

(b) *Pathogenicity of 16 samples of F. xylarioides to 5 robusta coffee clones:*

All isolates attacked clones 1s/2, 1s/3, 223/32 and 257/53. Only 4 isolates out of 16 were able to attack clone 258/24(0). Pathogenicity to the 5 clones indicated that there are some variations among the 16 samples (Table 5.6).

All the samples were pathogenic to clones 1^{s}/2, 1^{s}/3, 1^{s}/3, 223/32 and 257/53 with disease incidence varying among the clones as shown in the

E3 F, G1 and G2 were non pathogenic on

Table 5.6: Reaction of the 16 samples of *F. xylarioides* to 5 robusta clones (7 months old) 90 days from inoculation under screen house conditions

Clones of *C. canephora*	**Mean wilt incidence (%) for all isolates**
1s/2	94.65A
1s/6	94.89A
223/32	96.88A
257/53	95.94A
258/24(0)	29.17B

Means with the same letter are not significantly different.

(c) *Pathogenicity of other Fusarium species to robusta clones:*

The other Fusarium species frequently encountered on coffee are *F.stilboides*, *F. solani*, *F. oxysporum*, *F. lateritium* and *F. decemcelurare.* Pathogenicity tests on seedlings revealed *F. xylarioides* is the most virulent and the cause of the current wilt epidemic, followed by *F. lateritium*, *F. stilboides*, *F. oxysporum* and *F. solani*. However, clones were more susceptible to the *Fusarium* species than seedlings. These were indicated by short incubation periods in *F. xylarioides* varying 42 – 55 days for both seedlings and clones. However, the other fungi exhibited longer latent periods between 47 – 72 days depending on the clones and the particular species concerned. Wilt incidence and seedling mortality were highest in *F. xylarioides* inoculated materials.

(c) *Inoculations using F. xylarioides raised on sterile finger millet and crushed maize grains:*

Inoculated plants are still being observed for symptom development. No symptoms were observed 30 days from inoculation date. Use of cheap locally available materials was considered to reduce cost of inoculum production and ease of application.

(d) *Mode of disease entry, development and progress within the coffee plant tissue (Histopathological studies*)

An Msc student has completed the study of disease progress within the plant. Observation of the stem tissues revealed hypertrophy of cells in advance of pathogen invasion. In advanced cases, cavities formed between the xylem, phloem and pith tissues, hence causing disorganisation of stem tissues as well as their functions.

(f) *Role of vegetative materials in the spread of CWD, seed transmission and subsequent growth of seedlings*

No wilt pathogen was detected in cuttings obtained from healthy mother bushes. However, a small number of cuttings from partially diseased mother *ylarioides*. In addition, mortality of cuttings was om diseased mother bushes. These results are in support of the recommendation that cuttings should not be harvested from infected bushes.

(g) *Seed transmission of CWD, and effect of CWD on coffee seed germination and seedlings growth*

The blotter method was used to analyse seed samples but no *F. xylarioides* was detected on all the seed samples. However, other fungi *F. stilboides*, *F. lateritium*, *Aspergillus ochraceous*, *A. niger*, *A. flavus*, *Colletotrichum gloeosporioides*, *Colletotrichum* species as well as other unidentified fungi were detected. Further analysis of the samples using the Agar plate method produced similar results. These results suggest that the CWD pathogen is not found in coffee seeds and therefore cannot be transmitted through them.

In other related experiments, seeds from wilting robusta trees were found to consistently have poor germination. Growth measurement over time also revealed that plants from diseased trees were stunted and have reduced growth rate compared to seedlings from healthy trees. These results lend further credence to the recommendation not to harvest seeds from diseased trees.

5.3.9 Surviving field propagules of F. xylarioides as major source of epidemics in new coffee fields

(a) *CWD spread through rainwater run-off:*

Study results have shown that CWD can be spread through running water by as much as 2.5%, as determined by the number of seedlings that succumbed to CWD infection following inoculation with FX-water suspensions. It is also evident that this is a major source of CWD field spread especially on coffee growing on slopes. This transmission can possibly be enhanced in fields on slopes, which have been ploughed with hand hoe where root exposure and damage become obvious.

(b) *Latent/incubation period of F. xylarioides under field conditions:*

Results of studies from coffee fields in which healthy plants were inoculated with the pathogen around CORI showed that under field conditions, the CWD pathogen takes an average of 126 days to induce symptoms. This is far different from green house results for incubation period, which averaged 42 days. However, these findings are subject to confirmation.

(c) *Longevity of infective pathogen propagules under field conditions:*

Studies over the period show that isolation of the CWD pathogen propagules decreases with time after uprooting of the affected plant stumps. This was confirmed by low, to no pathogen recovery in most of the samples, which were isolated six months after removal or uprooting of affected coffee plants.

...oth stem and root parts indicating that the ... decreases with time. This was consistent with earlier findings which revealed that the pathogen decreases from soil two years in the absence of host.

(d) *Transmission of F. xylarioides through contact with lateral or root hairs of previously affected plants when left in the field:*

Results of studies conducted at CORI have confirmed that disease transmission is possible with root hairs or lateral roots of recently affected plants. Disease development from roots of plants which had been affected by the CWD more than 12 years ago, was not possible from our findings, indicating that there is a tendency of pathogen decline the more time the affected root debris remains in soil.

(e) *Transmission of F. xylarioides through coffee husks:*

Preliminary results on this trial indicate that wilt symptoms can develop when coffee husks from wilted coffee plants are used as inoculum. These indicate that F.xylarioides can be transmitted through coffee husks. In treatments which used coffee fruit stalks as inoculum, CWD development was also observed on seedlings as for those treatments where both husks and stalks were used in a mixture. These results confirm the possibility that coffee husks from affected plants can be a source of inoculum and can therefore spread the disease, as they are always moved around as mulching materials for the coffee in Uganda. However, from previous reports, the pathogen (*F. xylarioides*) was on its own not isolated directly from the coffee husks probably due to low levels of the inoculum. This trial will be repeated for further confirmation of the results.

5.3.10 Contribution of insect pests, soil nematodes, rodents and other organisms to the spread of CWD in Uganda (Vector Studies)

This study is designed to identify any insects and other fauna vectors of CWD. Samples of coffee insect pests, beneficial insects such as pollinators and predators, and nematode collected from various locations have been studied at CORI. By far, the coffee wilt pathogen has not been isolated from the samples. However, an assortment of fungi other *F. xylarioides* have been isolated from some species. The study is to continue to cover other common fauna of the coffee shamba.

CHAPTER SIX
FINANCE AND ADMINISTRATION

6.1 STAFF MATTERS

6.1.1 Appointments

The following were appointed to fill up new positions within the UCDA structure as part of implementation of the UCDA Corporate Review: -

- Mr. Kulibanza Charles Byanyima was appointed Manager for Finance and Administration to combine the originally independent departments of Finance and Administration. Mr. Byanyima formerly employed by Uganda Telecom Limited, had a brief stint with the private sector before joining UCDA.
- Mr. Ignatius David Kiwanuka was appointed Manager for Quality, Regulatory and Information Services. The department was formed following amalgamation of the former departments of Quality, Regulatory and Information Systems. Before his appointment, Mr. Kiwanuka served as Principal Market Analyst with UCDA since 1995.
- Mr. Herbert Musasizi Tayebwa was appointed to the new post of Principal Accountant. He originally worked with Uganda Tea Development Limited.

6.1.2 Promotions

- Mr. Julius Madira, formerly Senior Monitoring Officer, was appointed to the new post of Principal Monitoring and Evaluation Officer, in the Managing Director's Office.
- Mr. James Kizito Mayanja, a Systems Analyst and Miss Doreen Rweihangwe, Quality Controller, were promoted to fill up vacant positions of Principal Market Analyst and Senior Quality Controller, respectively.

6.1.3 Re-deployment

- Mr. Robert Tumwesigye formerly Property Management Officer was re-deployed as Technical Officer in the Department of Quality and Information Systems.

6.1.4 Contracts for District Coffee Co-ordinators (DCCs)

- The Board approved the renewal and extension of the term of contracts of all District Coffee Co-ordinators, from one to two years except those of Arua, Kasese and Bundibugyo, whose services were terminated.

6.1.5 Departures

- The following left the Authority's service during the period: -

ggaga, Board Secretary

, Finance Manager

- Mr. Francis Nyanzi, Principal Internal Auditor
- Mr. Xavier Bakunzi, Senior Accountant
- Mr. C. .K. Byanyima, Finance and Administration Manager.

UCDA wishes them well wherever they may be.

6.1.6 Introduction of a Redundancy Package

The Board of Directors adopted a proposal to introduce a new chapter entitled **Redundancy** in the UCDA Terms and Conditions of Service.

The circumstances under which the redundancy package shall apply include: termination of service as a result of restructuring and phasing out or abolition of certain positions within the Authority, and eventualities such as privatisation or closure of the Authority.

6.2 REVIEW OF THE COFFEE SECTOR REGULATORY FRAMEWORK

The World Bank through Plan for Modernization of Agriculture (PMA) and the Private Sector Foundation (PSF), requested for a review of the Coffee Sector Regulatory Framework, including the role of UCDA.

A Technical Committee composed of players in the private sector, Government and UCDA, was set up under the Chairmanship of Mr. William G. Naggaga, Board Secretary of UCDA. They held several meetings, which included consultations with the various stakeholders in the industry and came up with a report and recommendations to Government. Among the Committee's recommendations was the inclusion of a representative from Local Governments and the Coffee Roasters' Association on the UCDA Board, together with delegation of some of UCDA's responsibilities to other Sector bodies.

Two members represented the UCDA Board namely: Dr. Denis Kyetere and Mrs. Robina Sabano

6.3 CONSOLIDATION OF THE CHINA PROJECT

Since the opening of the first Crane Coffee shop a year ago, several activities and achievements have been recorded in the pursuit to promote and market Uganda coffee in China. As stipulated in the Joint Venture Agreement, the Mission of the Joint Venture Company (JVC) is to foster economic co-operation and friendship between Uganda and the People's Republic of China (PRC) through mutually beneficial coffee trade. But more specifically, the goal of the Beijing Chenao Coffee Company Ltd., the executing company of the JVC, is to promote Uganda coffee as a quality product to the Chinese market on a sustainable basis.

...itment of the two Governments, the following ...recorded since inception of the Joint Venture Company.

- Establishment of the roasting facility in Mentougou;
- 38.4 metric tonnes of Bugisu Arabica coffee have been imported from Uganda;
- Opening of three coffee shops in Beijing City;
- Signing a Memorandum of Understanding with the Beijing Subway Authority to establish crane coffee shops;
- Crane Coffee entry into three supermarket chain outlets in Beijing commencing in mid May 2003 (Lufthansa, Price Mart and Huali);
- Supply of Uganda coffee in 40 outlets comprising hotels, restaurants and cafes;
- Completion of Crane Coffee promotional materials i.e. posters and flyers;
- Construction of the BCCCL website (www.cranecoffee.com);

The SARS epidemic, however, affected sales between April and May 2003.

The Speaker of Parliament, Hon. Edward Sekandi, along with other MPs who visited the Coffee Shops expressed their gratitude to Mr. Shah, the Joint Venture's General Manager for a good promotional job well done.

The Minister of Agriculture, Animal Industry and Fisheries, Hon. Dr. W. Kisamba Mugerwa, accompanied by the Chairman of the Board of UCDA, and the Managing Director, held a meeting with officials of the Joint Venture, at which he reiterated Government's continued support to the coffee promotion strategy.

6.4 IMPLEMENTATION OF THE EGYPT/UGANDA JOINT VENTURE

UCDA, on behalf of Uganda Government, and TESCO Union, an Egyptian business conglomerate, signed a Memorandum of Understanding to establish a US$100,000= Joint Coffee Venture Company, registered as Uganda Egypt Coffee Manufacturing Company (UGEMCO), to set up a coffee shop and roasting facility. This was one of the fruits of a trade promotion visit to Cairo in May 2002, by His Excellency President Yoweri Kaguta Museveni of Uganda. Uganda's coffee was received with enthusiasm at an Exhibition where other products were displayed for the Egyptian market.

Ambassador Ibrahim Mukiibi was appointed Caretaker of UCDA's interests in the Business Venture, in which members of Ugandan Coffee Associations have been encouraged to buy shares. UCDA holds 60% of the shares in the company on behalf of the private Sector.

ee Directors, Uganda will provide the General and Production Manager, once the company's management structure is finalized.

6.5 UCDA AND CORPORATE SOCIAL RESPONSIBILITY

Mr. Paul Mugambwa, Chairman of UCDA Board, accompanied by Director Faith Mutebi and the Managing Director, presented 500 blankets to the First Lady, Mrs. Janet Museveni, as UCDA's token contribution to the needy women and children of Karamoja. The Board commended her efforts in addressing the plight of the needy and impoverished. The First Lady appreciated the donation on behalf of the recipients and promised safe delivery.

6.6 INTERNATIONAL MEETINGS/FORA

6.6.1 87th Session of the International Coffee Council

The Council Session was held in September 2002 and adopted a specific Resolution inviting United States of America to accede to the International Coffee Agreement, 2001 in order to avert the ever-increasing problem of low prices on the global coffee market.

The United States Government and both Houses of Congress responded in the affirmative

6.6.2 42ND IACO General Assembly

The Minister of State for Fisheries, Hon. Dr. Fabius Byaruhanga, led a delegation to the Ministerial Conference and 42nd IACO general Assembly at Malabo, Equatorial Guinea, 29 – 31 October, 2002. The delegation also included Mr. Paul Mugambwa, Chairman of the UCDA Board of Directors and Mr. William G. Naggaga, the Board Secretary.

The Conference adopted the MALABO DECLARATION in which the following recommendations were made: -

- Diversification into other commodities;
- Promotion of Value Addition;
- Promotion of Coffee Consumption at national, regional and continental level;
- Implementation of ICO Resolution No. 407 which supports quality improvement, and 413 requesting the United States of America to consider re-joining ICO.
- Establishment of a Technical Committee to follow up the recommendations.

6.6.3 Oxfam Coffee Campaign

The Oxfam Rescue Plan Code named 'Mugged in The Cup' an initiative that was supported by the Uganda Government, resulted in winning E.U quality improvement initiatives in producing

6.6.4 ICO Executive Board Meeting

The 251st ICO Executive Board meeting took place in London, January 30 – 31, 2003.

The meeting noted with satisfaction that the Coffee Quality Improvement Programme, which became operational in October 2002, was being implemented by member states, Uganda inclusive.

The meeting also considered a request for project preparation facilities from CFC to develop a project proposal for sustainable coffee development in Eastern Africa. Uganda is to benefit from this project.

6.6.5 Exhibitions

- Uganda Coffee was served at the AGOA COMESA Exhibition, which took place in Mauritius, 11 – 17 January 2003. The Managing Director of Star Café', Hajj Ishak Lukenge also a member of the UCDA Board together with Mr. Henry Ngabirano, Managing Director, UCDA, represented the Uganda Coffee Sub-Sector at the Exhibition.

- Uganda participated in the 15th Annual Conference and Exhibition of the Specialty Coffee Association of America in Boston, USA. Uganda Coffee presented for the cupping competition was selected from Kawacom, Nanga Farm Ltd., Mt. Elgon Bugisu Coffee, and Busaanyi Agro-Investment. Uganda's washed robusta was very much appreciated both in appearance and in the cup, by major specialty coffee marketing agencies such as the Coffee Quality Institute, Relationship Coffee, and others acting on behalf of prospective buyers.

  The Uganda delegation consisted of Mr. Paul Mugambwa, Chairman of the UCDA Board, and Mr. Nathan Uringi, Principal Quality Controller.

- The Managing Director attended the East African American Business Forum: 12 – 17 May 2003, in Atlanta, USA. Successful meetings were held with coffee roasters and brand owners who showed readiness to put coffee roasted in Uganda on their shelves.

6.6.6 89TH Session of the International Coffee Council

The 89th Session of the International Coffee Council held in Cartagena, Colombia, suggested the following areas by which ICO could enhance coffee consumption -world wide:

- Dissemination of health-related information on coffee;
- Improvement of Quality;
- Promotion of coffee consumption in producing countries;

mption in new and emerging markets such as

- The Council also decried the plight of coffee producing countries whose earnings have dropped from United States dollars 10-12 billion in the 1980s, to a mere US $ 5 billion to-date. There was an identified need for concrete plans for equitable distribution of revenue along the entire coffee chain for the benefit of farmers.

The Managing Director represented UCDA at the meeting.

6.6.7 Global Coffee Initiative

Mr. Paul Mugambwa was appointed to the Technical Advisory Council of the Global Coffee initiative, a voluntary organization targeting containment of over supply of coffee on the world market.

6.7 LOCAL EVENTS/WORKSHOPS/SEMINARS

- Hon. Dr. Wilberforce Kisamba-Mugerwa, Minister of Agriculture, Animal Industry and Fisheries, launched a national campaign to improve the quality of Uganda Coffee in the Mt. Elgon area on November 25, 2002. He appealed to farmers to replace the old coffee trees and to practice good husbandry, through a demonstration at which he pruned 260 Arabica coffee trees in Mbale, Kapchorwa and Sironko districts. The local area leadership together with members of the UCDA Board and Management witnessed the occasion.

- In conjunction with Uganda Coffee Farmers' Association (UCFA), and Private Sector Foundation (PSF), UCDA conducted training workshops and seminars for farm level organizations in the districts of Bushenyi, Rukungiri and Wakiso in an attempt to improve farm level productivity.

- A two-week workshop on *Mycotoxins* analysis and laboratory management practices was organized with assistance of the Food and Agriculture Organisation, between December 2 and 13, 2003. Participants were drawn from UCDA, UNBS, SGS, Government laboratories, Makerere University, Kyambogo University and the Food and Science Institute, Kawanda under NARO.

- A three-day workshop on Mould Prevention was held at Hotel Africana, Kampala. Participants came from Brazil, Colombia, Indonesia, India, Kenya, Cameroon, Cote d'Ivoire, and Uganda. International Agencies such as FAO, CFC, IACO, were also represented.

  The workshop emphasized the need to observe good Agricultural Practices and Hazard Analysis Critical Control Point in prevention of mould growth in coffee.

a member of the UCDA Board, held meetings Districts of Mbale, Sironko and Kapchorwa, to explain to them a decision of Cabinet to zone off Mt. Elgon Arabicas as a way of preserving its unique position in the market. Arabica coffee will as a result, be processed and marketed FOT Mbale. The District Chairman hailed the decision and pledged their full co-operation and support.

- The Parliamentary Sectoral Committee on Agriculture visited coffee farms and establishments in South-Western and Eastern Uganda, to assess progress of coffee programme including replanting, wet processing, value addition, etc.

  UCDA was commended for implementing the President's manifesto and for the impressive show on the ground.

- Two workshops on "Enhancement of Coffee quality through Mould Prevention" were held at the International Conference Centre in Kampala. Participants comprising two groups included, members of parliament, local government leaders, members of the UCDA Board, Coffee and agriculture staff, and Sector Participants.

  Participants resolved to ensure improvement of coffee quality through efforts to curb malpractices.

- Farmers' training in Good Agricultural Practices (GAPS), good Hygiene Practices (GHPs), and Good Manufacturing Practices (GMPs) continued countrywide. The objective of the training was to change farmers' attitudes toward coffee production in spite of developments like low market prices and the coffee wilt disease, which has impacted negatively on their morale for the crop.

- The above efforts were complimented by the Uganda Parliamentary Network for Good Governance UPANGGO) and NGO, who sensitised and trained local leaders in the Districts of Kisoro, Kyenjojo, Lira and Apac, on their roles in the coffee replanting programme.

  The response from the local leaders was over whelming, and they raised a number of issues for clarification and follow up action.

- The Board of Directors of Beijing Chenao Coffee Company Ltd. (BCCCL) from Beijing China, visited their counterparts in Uganda, and held a Board meeting. Accompanied by Uganda's Ambassador to China, H.E. Philip Idro, the delegation held a series of meetings with top ranking Government Officials, who apart from being delighted by the progress of the Joint Venture, strongly decried the high taxes on processed coffee in China by up to 52%.

ties in the coffee trade, both local and cal dignitaries, also visited.

6.8 VISITING DELEGATIONS

Mr. Erick Kahe the Ivorian Minister of Commerce, was on a working visit to Uganda in his capacity as Chairman of IACO.

- Eng, Mahamood Elgindy, President of TESCO Union of Egypt together with his delegation visited Uganda to follow up on arrangements to formalize the Egypt/Uganda Joint Coffee Venture. Ambassador Ibrahim Mukiibi accompanied them to UCDA. Their discussion with UCDA Board and Management culminated into formation of a Joint Venture for purposes of marketing Uganda coffee in Egypt and the Arab World.
- Mr. Dossche Bernard, Uganda's Honorary Consul to Belgium also paid a courtesy call to the Managing Director to discuss coffee matters.
- UCDA also hosted a team of newly appointed Ambassadors and High Commissioners accredited to different countries abroad. They were at UCDA to acquaint themselves with the dynamics of international coffee trade and the Government strategic intervention in the sector. The UCDA Management informed them that as Ambassadors, the coffee sector expected their role to include promotion of Uganda coffee abroad, and attraction of investors to Joint Venture partnership especially in the area of value addition.
- At the invitation of the InterAfrican Coffee Organisation (IACO), a team of Consultants from the African Development Bank (ADB), visited the Uganda Coffee sub-sector to identify areas of capacity building in quality improvement, marketing and human resources. The team comprised Ms Ester Kasalu, Senior Agricultural Economist, a Consultant on finance, Mr. Moses Basalirwa, a market expert, Dr. C. Farrell, and an agronomist, Dr. Onzima.
- Several other personalities in the coffee trade, both local and international, as well as local dignitaries also visited.

6.9 UCDA ASSETS PROFILE

6.9.1 Appointment of a Rent Collection Agency

M/S Uganda Housing Development Ltd. won a tender to collect rent from all tenants on UCDA's behalf. The Contract will last two years form October 2002.

The move was aimed at improving the system of rent collection and recovery of outstanding arrears.

ivership

Star Supermarket, formerly situated at Plot 35 Jinja Road. The company went under receivership in February 2003, leading to loss of valuable time in revenue terms. A new tenant is due to take up the premises by October 2003.

6.9.3 Renovation and Upgrading of Plot 42 Windsor Crescent, Kololo

Work has started to renovate and upgrade the above property hitherto a semidetached maisonette into a single residential house. M/S Planbuild Technical Services are the project contractors.

6.9.4 New Deed Plan for Plot M447B, Bugolobi

The Commissioner for Lands and Surveys and Kampala City Council, consented to an application for approval for an access road to Plot M447B, on which Block 33, Bugolobi Flats stands.

This followed controversy arising out of the Condominium law, when the block of flats was left out of the Cadastral Map for the area. The action called for re-surveying and re-plotting of the erased Plot M447B on the map, which was successfully done.

A new deed plan was subsequently issued providing an access road as reflected on the ground, following a grant of easement for the road to pass through the lower corner of the neighbouring plot M447A, by the owners, M/S Equator Properties.

6.10 MEETINGS OF THE BOARD

The meetings of the Board and its Committees were as follows: -

Full Board	-	11
Ad hoc	-	2
Quality & Development Committee	-	1
Finance & Policy Committee	-	1
Total	-	15

COMPARATIVE MONTHLY & QUARTERLY PROCUREMENT FOR ROBUSTA & ARABICA - 60 Kilo Bags -

	2002/03			2001/02			2000/01			1999/2000		
MONTH	ROBUSTA	ARABICA	TOTAL	ROBUSTA	ARABICA	TOTAL	ROBUSTA	ARABICA	TOTAL	ROBUSTA	ARABICA	TOTAL
TOTAL	**2,284,649**	**444,794**	**2,729,443**	**2,849,686**	**415,326**	**3,265,012**	**2,819,438**	**489,958**	**3,309,396**	**2,518,135**	**499,981**	**3,018,116**
PERCENT	83.7	16.3	100	87.28	12.72	100	85.19	14.81	100	83.43	16.57	100
OCT	195,609	42,001	237,610	131,114	26,169	157,283	119,165	22,219	141,384	250,135	55,632	305,767
NOV	232,000	43,014	275,014	112,239	47,334	159,573	200,104	34,178	234,282	451,233	63,214	514,447
DEC	290,158	33,100	323,258	250,703	40,899	291,602	215,410	36,056	251,466	365,896	67,895	433,791
Qtr - 1	**717,767**	**118,115**	**835,882**	**494,056**	**114,402**	**608,458**	**534,679**	**92,453**	**627,132**	**1,067,264**	**186,741**	**1,254,005**
JAN	271,899	46,107	318,006	220,501	40,899	261,400	356,142	39,541	395,683	210,365	63,625	273,990
FEB	214,532	36,152	250,684	250,332	60,003	310,335	266,312	75,742	342,054	165,328	52,563	217,891
MAR	129,158	35,024	164,182	150,334	60,051	210,385	251,323	66,321	317,644	138,631	41,256	179,887
Qtr - 2	**615,589**	**117,283**	**732,872**	**621,167**	**160,953**	**782,120**	**873,777**	**181,604**	**1,055,381**	**514,324**	**157,444**	**671,768**
APR	79,100	51,129	130,229	156,132	35,079	191,211	132,541	51,236	183,777	112,366	35,024	147,390
MAY	110,021	55,162	165,183	251,958	27,002	278,960	152,363	68,467	220,830	165,132	30,123	195,255
JUN	220,415	35,234	255,649	350,994	26,953	377,947	159,648	32,145	191,793	101,423	38,541	139,964
Qtr - 3	**409,536**	**141,525**	**551,061**	**759,084**	**89,034**	**848,118**	**444,552**	**151,848**	**596,400**	**378,921**	**103,688**	**482,609**
JUL	230,133	32,435	262,568	445,113	15,571	460,684	319,237	25,884	345,121	232,515	25,231	257,746
AUG	170,799	20,105	190,904	300,101	10,209	310,310	346,552	17,768	364,320	201,457	14,523	215,980
SEPT	140,825	15,331	156,156	230,165	25,157	255,322	300,641	20,401	321,042	123,654	12,354	136,008
Qtr - 4	**541,757**	**67,871**	**609,628**	**975,379**	**50,937**	**1,026,316**	**966,430**	**64,053**	**1,030,483**	**557,626**	**52,108**	**609,734**

COMPARATIVE MONTHLY & QUARTERLY EXPORT FIGURES BY TYPE: ROBUSTA & ARABICA - 60-Kilo Bags -

MONTH	2002/03			2001/02			2000/01			1999/2000		
	ROBUSTA	ARABICA	TOTAL	ROBUSTA	ARABICA	TOTAL	ROBUSTA	ARABICA	TOTAL	ROBUSTA	ARABICA	TOTAL
TOTAL	**2,221,440**	**442,448**	**2,663,888**	**2,715,955**	**430,426**	**3,146,381**	**2,614,862**	**459,911**	**3,074,773**	**2,390,682**	**526,575**	**2,917,257**
PERCENT	83.4	16.6	100	86.3	13.7	100	85.0	15.0	100	81.9	18.1	100
OCT	183,610	39,276	222,886	126,253	25,151	151,404	118,535	20,250	138,785	192,012	33,013	225,025
NOV	219,276	42,911	262,187	110,778	39,342	150,120	196,824	30,695	227,519	357,647	54,256	411,903
DEC	270,305	32,713	303,018	230,123	44,978	275,101	200,171	32,256	232,427	292,083	73,705	365,788
Qtr - 1	**673,191**	**114,900**	**788,091**	467,154	109,471	576,625	515,530	83,201	598,731	841,742	160,974	1,002,716
JAN	257,526	45,355	302,881	259,570	54,162	313,732	302,212	38,651	340,863	233,149	67,814	300,963
FEB	186,007	44,713	230,720	225,036	46,449	271,485	227,169	68,548	295,717	135,884	72,069	207,953
MAR	128,546	33,681	162,227	161,598	66,725	228,323	148,082	63,657	211,739	74,898	74,222	149,120
Qtr - 2	**572,079**	**123,749**	**695,828**	646,204	167,336	813,540	677,463	170,856	848,319	443,931	214,105	658,036
APR	77,760	43,511	121,271	126,648	61,306	187,954	120,552	56,812	177,364	57,780	37,173	94,953
MAY	108,783	53,280	162,063	201,828	24,607	226,435	132,755	66,672	199,427	121,016	32,205	153,221
JUN	218,388	35,140	253,528	349,603	20,180	369,783	239,138	30,355	269,493	235,791	28,980	264,771
Qtr - 3	**404,931**	**131,931**	**536,862**	678,079	106,093	784,172	492,445	153,839	646,284	414,587	98,358	512,945
JUL	248,273	36,433	284,706	414,028	14,424	428,452	309,239	26,883	336,122	268,093	22,936	291,029
AUG	181,037	20,155	201,192	284,032	9,070	293,102	346,553	7,763	354,316	208,880	11,422	220,302
SEPT	141,929	15,280	157,209	226,458	24,032	250,490	273,632	17,369	291,001	213,449	18,780	232,229
Qtr - 4	**571,239**	**71,868**	**643,107**	924,518	47,526	972,044	929,424	52,015	981,439	690,422	53,138	743,560

PORT FIGURES FOR ROBUSTA AND ARABICA – 60-Kilo Bags & US Dollars

MONTH	2002/03		2001/02		2000/01		1999/2000		1998/99		1997/98	
	QTY	VALUE $	QTY	VALUE $	QTY	VALUE $	QTY	VALUE $	QTY	VALUE $	QTY	VALUE $
TOTAL	**2,663,888**	**104,787,094**	**3,146,381**	**83,936,953**	**3,074,773**	**104,776,424**	**2,917,257**	**164,749,915**	**3,647,998**	**282,995,512**	**3,032,338**	**276,474,235**
ROBUSTA	**2,221,440**	**81,843,934**	**2,715,955**	**64,496,820**	**2,614,862**	**79,703,961**	**2,390,682**	**121,850,127**	**3,291,540**	**247,869,096**	**2,691,878**	**227,361,611**
OCT	183,610	5,286,220	126,253	2,872,653	118,535	4,253,684	192,012	11,243,152	71,707	5,613,824	109,640	8,635,379
NOV	219,276	7,194,141	110,778	2,371,332	196,824	6,435,051	357,647	20,781,613	204,817	16,437,434	150,449	11,756,044
DEC	270,305	9,480,974	230,123	5,003,869	200,171	6,681,738	292,083	17,663,665	428,184	36,875,812	216,712	17,642,704
JAN	257,526	9,985,540	259,570	5,477,351	302,212	10,321,027	233,149	13,620,160	395,139	34,737,331	270,409	22,498,020
FEB	186,007	7,801,111	225,036	4,776,016	227,169	7,397,535	135,884	7,598,423	365,759	30,948,349	282,989	24,412,443
MAR	128,546	4,988,343	161,598	3,521,013	148,082	4,640,891	74,898	3,521,556	251,885	19,862,169	194,993	19,959,429
APR	77,760	2,732,028	126,648	2,951,933	120,552	3,715,944	57,780	2,493,150	140,996	10,574,754	99,233	8,367,863
MAY	108,783	4,150,790	201,828	4,663,459	132,755	4,028,681	121,016	5,450,794	224,751	15,571,491	123,932	11,290,278
JUN	218,388	8,326,258	349,603	8,718,297	239,138	7,194,048	235,791	10,581,124	389,401	26,609,437	325,542	29,534,163
JUL	248,273	9,544,125	414,028	10,923,700	309,239	8,893,101	268,093	11,822,775	326,981	20,472,541	391,114	32,028,689
AUG	181,037	6,890,640	284,032	7,277,631	346,553	9,289,967	208,880	8,806,116	293,577	18,227,645	335,135	26,425,609
SEPT	141,929	5,463,764	226,458	5,939,566	273,632	6,852,294	213,449	8,267,599	198,343	11,938,309	191,730	14,810,989
ARABICA	442,448	22,943,160	430,426	19,440,133	459,911	25,072,463	526,575	42,899,788	356,458	35,126,416	340,460	49,112,624
OCT	39,276	1,808,696	25,151	1,139,162	20,250	1,265,233	33,013	2,260,295	27,416	2,844,152	21,189	3,504,222
NOV	42,911	2,326,753	39,342	1,754,014	30,695	1,977,358	54,256	4,062,785	37,254	4,173,179	29,155	4,309,485
DEC	32,713	1,751,327	44,978	2,079,527	32,256	1,771,881	73,705	5,829,878	40,219	4,481,839	28,769	4,588,423
JAN	45,355	2,667,227	54,162	2,517,966	38,651	2,200,919	67,814	7,038,080	32,881	3,687,481	29,333	4,962,398
FEB	44,713	2,634,521	46,449	2,117,587	68,548	3,937,787	72,069	7,253,157	37,271	3,876,494	44,067	8,069,053
MAR	33,681	1,862,368	66,725	3,172,346	63,657	3,446,579	74,222	6,503,402	36,148	3,774,849	39,831	4,310,451
APR	43,511	2,051,205	61,306	2,883,654	56,812	3,154,520	37,173	2,757,171	32,035	2,871,469	39,240	5,955,710
MAY	53,280	2,789,485	24,607	982,077	66,672	3,465,225	32,205	2,186,684	41,227	3,788,720	28,951	4,207,703
JUN	35,140	1,659,927	20,180	959,215	30,355	1,540,756	28,980	1,748,611	26,216	2,056,975	30,999	3,934,301
JUL	36,433	1,634,167	14,424	635,620	26,883	1,228,214	22,936	1,629,662	15,048	1,274,230	16,613	1,766,169
AUG	20,155	1,027,348	9,070	315,146	7,763	342,746	11,422	660,188	10,410	885,616	16,112	1,626,144
SEP	15,280	730,136	24,032	883,819	17,369	741,245	18,780	969,875	20,333	1,411,412	16,201	1,878,565

...ORTS - QUANTITY & VALUE: 2000/01 – 2002/03

COFFEE YEAR: 2002/03

MONTH	QUANTITY		VALUE	
	- 60 Kilo Bags -	CUMULATIVE	- US Dollar$	CUMULATIVE
OCT.	222,886	222,886	7,094,916	7,094,916
NOV.	262,187	485,073	9,520,894	16,615,810
DEC.	303,018	788,091	11,232,300	27,848,110
JAN.	302,881	1,090,972	12,652,766	40,500,876
FEB.	230,720	1,321,692	10,435,633	50,936,509
MAR.	162,227	1,483,919	6,850,712	57,787,221
APR.	121,271	1,605,190	4,783,233	62,570,454
MAY	162,063	1,767,253	6,940,275	69,510,729
JUN.	253,528	2,020,781	9,986,185	79,496,914
JUL.	284,706	2,305,487	11,178,292	90,675,206
AUG.	201,192	2,506,679	7,917,988	98,593,194
SEPT.	157,209	2,663,888	6,193,900	104,787,094

COFFEE YEAR: 2001/02

MONTH	QUANTITY		VALUE	
	- 60 Kilo Bags -	CUMULATIVE	- US Dollar$	CUMULATIVE
OCT.	151,404	151,404	4,011,814	4,011,814
NOV.	150,120	301,524	4,125,346	8,137,160
DEC.	275,101	576,625	7,083,396	15,220,556
JAN.	313,732	890,357	7,995,316	23,215,872
FEB.	271,485	1,161,842	6,893,603	30,109,475
MAR.	228,323	1,390,165	6,693,359	36,802,834
APR.	187,954	1,578,119	5,835,588	42,638,422
MAY	226,435	1,804,554	5,645,537	48,283,959
JUN.	369,783	2,174,337	9,677,512	57,961,471
JUL.	428,452	2,602,789	11,559,320	69,520,791
AUG.	293,102	2,895,891	7,592,777	77,113,568
SEPT.	250,490	3,146,381	6,823,385	83,936,954

COFFEE YEAR: 2000/01

MONTH	QUANTITY		VALUE	
	- 60 Kilo Bags -	CUMULATIVE	- US Dollar$	CUMULATIVE
OCT.	138,785	138,785	5,518,917	5,518,917
NOV.	227,519	366,304	8,412,409	13,931,326
DEC.	232,427	598,731	8,453,619	22,384,945
JAN.	340,863	939,594	12,521,947	34,906,892
FEB.	295,717	1,235,311	11,335,323	46,242,215
MAR.	211,739	1,447,050	8,087,470	54,329,685
APR.	177,364	1,624,414	6,870,463	61,200,148
MAY	199,427	1,823,841	7,493,905	68,694,053
JUN.	269,493	2,093,334	8,734,804	77,428,857
JUL.	336,122	2,429,456	10,121,315	87,550,172
AUG.	354,316	2,783,772	9,632,712	97,182,884
SEPT.	291,001	3,074,773	7,593,539	104,776,424

MONTHLY COFFEE EXPORTS BY TYPE & GRADE – 60-KILO BAGS

TOTAL	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
	222,886	**262,187**	**302,478**	**302,881**	**230,720**	**162,227**	**121,271**	**162,063**	**253,528**	**284,706**	**201,192**	**157,209**	**2,663,888**
ROBUSTA	**183,610**	**219,276**	**270,305**	**257,526**	**186,007**	**128,546**	**77,760**	**108,783**	**218,388**	**248,273**	**181,037**	**141,929**	**2,221,440**
Organic		640	50	360	320	640	50		320		120		2,500
Washed						746							746
Sc. 1800	11,217	21,333	23,309	21,610	15,792	14,326	5,730	11,220	20,042	21,931	16,083	13,509	196,102
Sc. 1700	5,454	10,368	12,057	10,594	8,662	3,840	2,732	4,113	10,422	12,151	8,290	4,318	93,001
Sc. 1500	104,095	126,710	149,788	135,151	108,344	62,276	33,046	62,444	129,937	146,139	105,320	79,191	1,242,441
Sc. 1400	5,509	12,416	13,840	13,415	4,676	2,052	1,845	3,376	9,012	4,560	2,750	2,494	75,945
Sc. 1300	734	1,468	2,936	1,835			1,349		2,202	367			10,891
Sc. 1200	38,303	42,013	53,662	64,574	35,831	26,492	13,628	16,026	32,574	49,496	33,442	26,054	432,095
BHP 1199	7,115	3,360	8,527	5,940	8,062	11,885	10,679	3,570	7,740	3,730	7,560	11,135	89,303
Others	11,183	968	6,136	4,047	4,320	6,289	8,701	8,034	6,139	9,899	7,472	5,228	78,416
ARABICA	**39,276**	**42,911**	**32,173**	**45,355**	**44,713**	**33,681**	**43,511**	**53,280**	**35,140**	**36,433**	**20,155**	**15,280**	**442,448**
Organic		*1,540*		400	300		600	620	300	620			4,380
Bugisu AA	7,190	*10,069*	6,955	9,278	9,530	7,790	3,855	3,820	1,991	3,103	1,430	2,020	67,031
Bugisu A	3,800	*4,770*	3,146	2,813	1,860	1,732	1,413	2,500	716	2,780	2,075	1,690	29,295
Bugisu B	1,090	*1,700*	1,116	703		751	709		52	1,290	20	400	7,831
Bugisu C		*160*	160		640						300		1,260
Bugisu PB	720	*1,700*	1,403	934	300	695	894	1,320	17	395	15	870	9,263
Arabica AB		*1,220*	960	5,040	8,000	2,860	360	4,360	1,310		1,770	890	26,770
ARA _CPB					801								801
Mixed Arabica				300	2,720	600	1,220	575		920	1,240	640	8,215
Wugar	1,425	*2,990*	1,873	12,400	8,907	5,140	1,440	5,520	3,430	1,235	2,725	5	47,090
Drugar	23,451	*18,762*	15,560	13,212	10,770	11,043	30,707	33,665	27,320	22,746	10,480	8,205	225,921
Others	1,600		1,000	275	885	3,070	2,313	900	4	3,344	100	560	14,591

COFFEE EXPORTERS BY YEAR,TYPE, GRADE, QUANTITY & Value for 1998/99-2002/03 coffee years

	2002/03		2001/02		2000/01		1999/00		**1998/99**	
Grade	**Qty**	**Value**	**Qty**	**Value**	**Qty**	**Value**	**Qty**	**Value**	**Qty**	**Value**
GRAND TOTAL	**2,663,888**	**104,787,094**	**3,146,381**	**83,936,952**	**3,074,773**	**104,776,426**	**2,917,257**	**164,763,792**	**3,647,989**	**282,995,512**
ROBUSTA	**2,220,140**	**81,813,846**	**2,716,005**	**64,496,820**	**2,618,222**	**79,847,671**	**2,390,682**	**121,864,609**	**3,291,540**	**247,869,096**
Organic	2,500	120,723	1,440	48,937	5,020	232,137	2,540	136,173		
ROB_WASH	746	36,514	930	48,777	2,540	165,894				
SCR 18	196,102	8,387,535	240,546	7,540,043	236,797	9,737,692	211,692	13,029,183	213,092	18,095,726
SCR 17	93,001	3,906,042	134,334	3,708,019	70,510	2,184,479				
SCR 15	1,242,441	47,950,525	1,637,448	40,100,108	1,560,548	48,652,738	1,509,029	78,888,357	1,846,789	145,491,621
SCR 14	75,945	2,814,631	119,886	2,731,132						
SCR 13	10,891	421,926	22,576	507,581						
SCR 12	432,095	15,418,363	428,879	8,612,064	591,936	15,974,993	563,309	27,062,905	1,068,979	77,668,913
BHP 1199	89,303	1,116,610	72,214	565,461	52,277	848,554	54,838	1,594,061	90,184	4,048,570
Others - Rob	77,116	1,640,977	57,752	634,698	98,594	2,051,184	49,274	1,153,930	72,496	2,564,266
ARABICA	443,748	22,973,248	430,376	19,440,132	456,551	24,928,755	526,575	42,899,183	356,449	35,126,416
Organic	4,380	339,947	3,505	223,428	620	36,375	0	0	0	0
BUG AA	67,031	4,471,640	112,024	6,256,852	57,621	3,906,171	88,388	9,903,950	60,268	7,627,087
BUA A	29,295	1,839,612	43,573	2,177,057	27,769	1,772,776	55,389	5,989,069	25,938	3,024,407
BUG B	7,831	464,920	15,572	759,701	17,725	1,138,303	18,975	1,839,502	17,788	1,938,069
BUG PB	9,263	571,396	11,240	543,997	7,514	459,014	10,282	942,430	9,738	1,066,145
ARA_AB	26,770	1,846,405	16,390	952,282	14,915	1,018,302	3,165	292,042		
ARA_CPB	801	36,554	960	45,715	1,920	114,286	4,180	386,013		
BUG C	1,260	63,946	2,345	78,321	2,645	114,797	6,457	585,368	1,301	115,567
WUGAR	47,090	2,922,831	61,020	2,786,273	70,758	3,763,572	71,525	5,415,840	46,951	4,953,446
DRUGAR	225,921	9,821,370	134,542	5,126,757	241,746	12,189,721	209,372	13,809,115	165,801	15,163,110
Others- Arabica	24,106	594,627	29,205	489,749	13,318	415,438	58,842	3,735,854	28,664	1,238,585

FEE EXPORTING COMPANIES IN 2002/03

S/N	EXPORTER	MANAGING DIRECTOR	POSTAL ADDRESS	TELEPHONE	FAX NO.	CERT.NO.
1	KYAGALANYI COFFEE LTD	SVEN DABELSTEIN	3181 KAMPALA	041 251256	041 234098	587
2	PAN AFRIC IMPEX (U) LTD	MOHAMED HAMID	7257 KAMPALA	041 567533/567545	041 567930	588
3	OLAM UGANDA LTD	P. SHANKARASUBBAN ARUN	23436 KAMPALA	041 348452/347209	041 348453	589
4	SALATI EXPORT COFFEE CO. LTD	ELIA SALATI	12154 KAMPALA	041 612397	041 612397	590
5	MBALE IMPORTERS & EXPORTERS LTD	STEPHEN M. WEKOMBA	12374 MBALE	045 250497	041 257062	591
6	JOB COFFEE LTD	AYUB KALULE KALALE	4152 KAMPALA	041 255914	041 251783	592
7	UNION EXPORT SERVICES LTD	Y.K. ABINENAMAR	7455 KAMPALA	041 258778	041 254495	593
8	KAWACOM (U) LTD	ANDREW FALCONER	22623 KAMPALA	041 222611/222619	041 222612	594
9	UGACOF LTD	H. KARUHANGA	7355 KAMPALA	041 286290/286288	041 223971	595
10	KAMPALA DOMESTIC STORE	ISHAK LUKENGE	30532 KAMPALA	041 235597	041 235304	596
11	BUSINGYE & CO LTD	JACK BUSINGYE	7873 KAMPALA	041 257834/257554	041 257834	597
12	H. M NSAMBA AND SONS LTD	H.M NSAMBA	8404 KAMPALA	041 566947/566948	041 566932	598
13	WABULUNGU MULTIPURPOSE ESTATES	SAMUEL S. MAYANJA	27544 KAMPALA	041 254485	041 254485	599
14	CETCO UGANDA LTD	RAJESH NAMIAR	10831 KAMPALA	077 442041	041 462463	600
15	BAKWANYE TRADING CO. LTD	CONSTANTINE BWAMBALE	240 KASESE	041 543977	041 543977	601
16	ZIGOTI COFFEE WORKS LTD	ENOCH KISUULE KATO	1479 KAMPALA	041 236713/244761	041 250429	602
17	INTERTRADE SERVICES LTD	CHARLES KARAMAGI	9929 KAMPALA	041 250088/250666	041 342202	603
18	NAKANA COFFEE FACTORY LTD	G.W. KAWOYA	8251 KAMPALA	041 242828	041 343430	604
19	JOAN COFFEE DEALERS LTD	JOAN DDUNGU	576 MASAKA	041 257503	041 257504	605
20	IBERO (U) LTD	GREG STOUGH	13139 KAMPALA	041 342619/342621	041 342646	606
21	KAWERI COFFEE PLANTATION	GREG STOUGH	23139 KAMPALA	041 342629	041 642646	607
22	DE'SEMALINE INCORPORATION LTD	LUPERGIO AVILA	26926 KAMPALA	041 346083	041 346084	608
23	JAMAL RAMJI CURING CO. LTD	NAZARALI H. JAMAL	9185 KAMPALA	041 251261/2	041 251270	609
24	CLANITA COFFEE (U) LTD.	DEVEN SOMAIA	24544 KAMPALA	041 253025	041 253025	610
25	GREAT LAKES COFFEE COMPANY LTD	ARISTOTLES NICOLAIDES	27198 KAMPALA	041 286961	041 286960	611
26	BUGISU COOP UNION	WAMUNTU SAM	PVT BAG MBALE	077 438774		612
27	NANGA FARM LIMITED	PAUL MUGAMBWA	25696 KAMPALA	041 250636		613
28	SIMBA CAFE' EAST AFRICA LTD	REUBEN S. NAKUO	26926 KAMPALA	041 256824	041 256823	614
29	NATURAL COFFEE (U) LTD	ECHODU EYARU FRANCIS	10738 KAMPALA	041 253015	041 253015	615
30	GUMBIRI ENTERPRISES LIMITED	DAVID TABAN LASU	29758 KAMPALA	077 504764		616
31	MLT MAIN TRADERS LIMITED	MAZUNE MELVIN NORAH	6217 KAMPALA	041 223169	041 223169	617

N COST STRUCTURE FOR OLD ROBUSTA, CLONAL & ARABICA COFFEE - SHS

OLD ROBUSTA COFFEE	**1995/96**	**1996/97**	**1997/98**	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**
Cost Parameters								
Labour	185,000	150,000	216,000	225,000	350,000	150,000	180,000	270,000
Amortized cost of Establishment	0	0	0	0	0	0	0	0
Depreciation (equipment)	60,000	75,000	75,000	75,000	50,000	50,000	60,000	75,000
Non-labour input cost [fertilizers, pesticides, etc.]	85,000	70,000	70,000	0	50,000	30,000	40,000	100,000
Total Cost	340,000	295,000	361,000	300,000	450,000	230,000	280,000	445,000
Yield in Kilos of Kiboko or Parchment/ha	1,200	1,200	1,100	1,100	1,200	1,000	1,200	1,000
Unit Cost (Shs/Kilo)	283	245	330	272	375	230	233	445
Farm-gate Price (Shs/Kilo of Kiboko/Parchment)	500	600	650	600	425	270	280	530
Profits in Shs. Kilo	**217**	**355**	**320**	**328**	**50**	**40**	**47**	**85**
CLONAL ROBUSTA COFFEE								
Labour	270,000	290,000	360,000	490,000	630,000	360,000	480,000	648,000
Amortized cost of Establishment	194,000	50,000	50,000	50,000	50,000	50,000	50,000	0
Depreciation (equipment)	100,000	100,000	100,000	100,000	125,000	100,000	100,000	120,000
Non-labour input cost [fertilizers, pesticides, etc.]	290,000	190,000	190,000	135,000	100,000	100,000	120,000	200,000
Total Cost	840,000	630,000	650,000	775,000	905,000	610,000	750,000	968,000
Yield in Kilos of Kiboko or Parchment/ha	3,000	3,000	3,300	3,300	3,600	4,000	4,400	4,000
Unit Cost (Shs/Kilo)	**285**	**210**	**200**	**234**	**251**	**153**	**170**	242
Farm-gate Price (Shs/Kilo of Kiboko/Parchment)	500	600	650	600	425	270	280	530
Profits in Shs. Kilo	**215**	**390**	**450**	**366**	**174**	**117**	**110**	**288**
ARABICA COFFEE								
Labour	205,000	180,000	300,000	350,000	385,000	240,000	270,000	378,000
Amortized cost of Establishment	0	0	0	0	0	0	0	0
Depreciation (equipment)	90,000	125,000	125,000	120,000	150,000	150,000	130,000	150,000
Non-labour input cost [fertilizers, pesticides, etc.]	85,000	160,000	160,000	85,000	100,000	120,000	160,000	175,000
Total Cost	380,000	465,000	585,000	555,000	635,000	510,000	560,000	703,000
Yield in Kilos of Kiboko or Parchment/ha	750	750	700	750	750	650	1,000	1,000
Unit Cost (Shs/Kilo)	**507**	**620**	**836**	**740**	**850**	**785**	**560**	**703**
Farm-gate Price (Shs/Kilo of Kiboko/Parchment)	1,000	1,700	1,800	1,400	1,300	1,000	990	1,200

493	**1,080**	**964**	**660**	**450**	**215**	**430**	**497**

APPENDIX --- EXPORT PERFORMANCE BY INDIVIDUAL EXPORTERS IN 2002/03 COFFEE YEAR: - 60-Kilo Bags -

.	**EXPORTERS**	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total	Mkt Share
1	Great Lakes	34,840	35,642	37,112	34,415	22,446	23,586	17,360	13,660	23,624	35,118	22,959	18,608	**319,370**	**11.99**
2	Ugacof Ltd.	27,848	35,381	40,220	31,603	13,720	9,663	14,258	19,222	48,423	28,649	22,418	10,242	**301,647**	**11.32**
3	Pan Afric Impex Ltd.	47,926	28,200	39,485	29,470	37,184	8,675	5,875	13,710	15,530	38,557	1,610	950	**267,172**	**10.03**
4	Kawacom (U) Ltd..	16,568	11,208	31,003	35,591	29,265	14,953	6,265	12,943	36,774	23,851	22,424	13,424	**254,269**	**9.55**
5	H. M. Nsamba & Sons Ltd.	13,601	26,350	20,472	21,275	12,819	4,999	7,014	9,350	24,891	24,420	19,598	14,552	**199,341**	**7.48**
6	Olam (U) Ltd.	12,600	10,163	8,610	16,327	10,566	17,383	16,698	24,077	17,327	21,310	20,398	16,140	**191,599**	**7.19**
7	Ibero (U) Ltd.	5,280	9,590	26,164	14,080	11,230	22,856	15,654	9,140	16,420	19,301	14,486	23,192	**187,393**	**7.03**
8	Kyagalanyi Coffee Ltd.	5,174	9,234	10,000	34,950	23,835	13,964	4,610	10,790	16,660	23,919	16,915	13,625	**183,676**	**6.90**
9	Kampala Domestic Store	3,942	20,752	30,764	17,477	13,640	4,560	2,680	11,458	15,143	17,009	16,444	12,006	**165,875**	**6.23**
10	Job Coffee	1,998	8,183	8,873	17,660	19,097	5,620	6,948	8,933	13,972	20,360	11,180	3,100	**125,924**	**4.73**
11	Wabulungu M-Purpose	9,070	10,253	6,139	7,865	12,700	13,520	7,753	10,440	3,960	2,100	6,885	7,620	**98,305**	**3.69**
12	Busingye & Co.	9,499	14,876	11,711	13,099	4,420	9,839	6,530	6,478	4,624	3,238	6,009	3,400	**93,723**	**3.52**
13	Nakana Coffee Factory	6,304	9,772	8,640	11,116	5,548	654	668	3,292	6,516	4,932	6,374	3,332	**67,148**	**2.52**
14	Union Export Services	1,294	3,520	7,070	1,900	1,290	4,573	2,120	2,870	5,120	4,932	4,231	3,660	**42,580**	**1.60**
15	Mbale Importers &Exp.	9,170	8,049	6,883	6,865	4,832	2,345	2,630	1,920		2,970	550	2,050	**48,264**	**1.81**
16	Bugisu Co-op. Union	3,700	6,780	2,140	4,080	3,130	2,140	1,050	2,180	2,430	5,750	1,640	1,600	**36,620**	**1.37**
17	Cetco	5,880	1,639	2,750	2,590		320	640	640	960	960			**16,379**	**0.61**
18	Simba Cafe										2,725	3,468	4,468	**10,661**	**0.40**
19	Zigoti Coffee Works	3,530	983	752		2,134	1,670			514			1,050	**10,633**	**0.40**
20	Bakwanye Trading Co.	1,954	1,280	960		1,576		1,920	960			1,280	640	**10,570**	**0.40**
21	Natural Coffee										3,312	1,656		**4,968**	**0.19**
22	Intertrade	2,708	9,372	4,470										**16,550**	**0.62**
23	Clanita Coffee (U) Ltd.				1,018	668	350	332			1,293	333		**3,994**	**0.15**
24	MTL Main Traders												3,550	**3,550**	**0.13**
25	Joan Coffee Dealers Ltd	-	960			320				640				**1,920**	**0.07**
26	Salati				300	300	300	600						**1,500**	**0.06**
27	Nanga Farm						**257**							**257**	**0.01**

304,218	301,681	230,720	162,227	121,605	162,063	253,528	284,706	200,858	157,209	2,663,888	100.00

CTURE FOR OLD ROBUSTA, CLONAL AND ARABICA: 1995/96 – 2002/03 –in Shs.

OLD ROBUSTA COFFEE **Cost Parameters**	**1995/96**	**1996/97**	**1997/98**	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**
Labour	185,000	150,000	216,000	225,000	350,000	150,000	180,000	270,000
Amortized cost of Establishment	0	0	0	0	0	0	0	0
Depreciation (equipment)	60,000	75,000	75,000	75,000	50,000	50,000	60,000	75,000
Non-labour input cost [fertilizers, pesticides, etc.]	85,000	70,000	70,000	0	50,000	30,000	40,000	100,000
Total Cost	340,000	295,000	361,000	300,000	450,000	230,000	280,000	445,000
Yield in Kilos of Kiboko or Parchment/ha	1,200	1,200	1,100	1,100	1,200	1,000	1,200	1,000
Unit Cost (Shs/Kilo)	**283**	**245**	**330**	**272**	**375**	**230**	**233**	445
Farm-gate Price (Shs/Kilo of Kiboko/Parchment)	500	600	650	600	425	270	280	530
Profits in Shs. Kilo	217	355	320	328	50	40	47	85
CLONAL ROBUSTA COFFEE								
Labour	270,000	290,000	360,000	490,000	630,000	360,000	480,000	648,000
Amortized cost of Establishment	194,000	50,000	50,000	50,000	50,000	50,000	50,000	0
Depreciation (equipment)	100,000	100,000	100,000	100,000	125,000	100,000	100,000	120,000
Non-labour input cost [fertilizers, pesticides, etc.]	290,000	190,000	190,000	135,000	100,000	100,000	120,000	200,000
Total Cost	840,000	630,000	650,000	775,000	905,000	610,000	750,000	968,000
Yield in Kilos of Kiboko or Parchment/ha	3,000	3,000	3,300	3,300	3,600	4,000	4,400	4,000
Unit Cost (Shs/Kilo)	**285**	**210**	**200**	**234**	**251**	**153**	**170**	242
Farm-gate Price (Shs/Kilo of Kiboko/Parchment)	500	600	650	600	425	270	280	530
Profits in Shs. Kilo	215	390	450	366	174	117	110	288
ARABICA COFFEE								
Labour	205,000	180,000	300,000	350,000	385,000	240,000	270,000	378,000
Amortized cost of Establishment	0	0	0	0	0	0	0	0
Depreciation (equipment)	90,000	125,000	125,000	120,000	150,000	150,000	130,000	150,000
Non-labour input cost [fertilizers, pesticides, etc.]	85,000	160,000	160,000	85,000	100,000	120,000	160,000	175,000
Total Cost	380,000	465,000	585,000	555,000	635,000	510,000	560,000	703,000
Yield in Kilos of Kiboko or Parchment/ha	750	750	700	750	750	650	1,000	1,000
Unit Cost (Shs/Kilo)	**507**	**620**	**836**	**740**	**850**	**785**	**560**	703
Farm-gate Price (Shs/Kilo of Kiboko/Parchment)	1,000	1,700	1,800	1,400	1,300	1,000	990	1,200
Profits in Shs. Kilo	493	1,080	964	660	450	215	430	497

Note: Opportunity Cost of Family Labour is estimated at 40 percent and it is incorporated in the cost structure.