Uganda is an important global producer with significant uplift potential due to a high need for R&R and low current SHF yields.

Quick facts: Uganda is Africa’s 2nd biggest producer

Production share: Global & region
- 10th in world
- 2nd in Africa

Coffee land: 000 hectares, 2014
- 402

Varieties: Arabica-Robusta
- ~30% A
- ~70% R

R&R need: ~75% of total land is in need of R&R

Suitability map

Coffee trees in Uganda are on average 50 years old. Most of them would require renovation or intensive rehabilitation alongside with GAP.

Other viability considerations

- Coffee is the main cash crop in Uganda, contributing almost a third of foreign export earnings
- There is growing domestic consumption which might increase demand and need for localized processing
- High competition between traders promotes the trading and sale of poor quality coffee, with few incentives for the farmers to invest in improvement of the quality of their product. Price premiums for quality would incentivize farmers to invest

Notes: (1) The current yield is calculated on the basis of SHF production divided by SHF land area, the potential yield uplift comes from the GCP study on Uganda: GCP, Uganda: GCP: Economic Viability of Coffee farming. 2017 – this study cites an average SHF yield of 0.625 tons/hectare; (2) Rounded to the nearest 5%, estimate assumes R&R and GAP increase yields with 86%, and the range reflects a 25-100% R&R success rate. Sources: FAOstat, Coffee production and land under coffee, 2014; ICO production statistics; Deloitte, Uganda Economic Outlook 2016: The story behind the numbers, 2016
Uganda is home to a significant share of global SHFs that mostly have loose or weak linkages to market, and availability of R&R components is lacking.

**Farmer segmentation: Most SHFs are at the bottom of the pyramid**

- **National production is dominated by SHFs**
  - SHFs are predominately in loose value chains or weakly connected value chains, with unstable links to market. There are few (well functioning) aggregation points for farmers.
  - **# SHFs '000**
    - 1,161-1,700 (~6-9% of global SHFs)
  - **SHF land '000 hectares**
    - 390 (~95% of national land) – average farm size ~0.2-0.4 ha
  - **SHF production '000 tons**
    - 200 (~90% of national production)

**Assessment of SHF orgs.**
- Coops are few and far in between and typically have low capacity.
- Sector is dominated by private sector agents and brokers at the aggregator level.

**Links to market**
- Sector is dominated by private sector agents and brokers at the aggregator level.
- Political environment
- Availability of inputs
- Availability of finance
- Knowledge availability

**Enabling environment for R&R: Though government is supportive, access to R&R components is lacking**

- Coffee share of GDP: 1.8% (2016)
- The Uganda Coffee Development Authority (UCDA), the industry regulator, launched a National Coffee Strategy meant to increase export revenue from USD 0.5 B in 2014/15 to USD 2.5 B by 2040.
- Generally low availability of inputs and SHFs are reported to not apply the correct amount of nutrition to their trees.
- UCDA launched a Robusta coffee nursery seedling multiplication program. UCDA worked with 132 private nurseries across 14 districts to improve their performance. The level of success varies by nursery.
- Low availability.
- There is little local experience with financing R&R and even finance for inputs and other ongoing production costs are limited for most farmers.
- Low adoption of GAP and limited current availability of TA.
- The Agricultural Sector Strategic Plan aims to train extension service workers across country, but limited funding has been provided so far.

**Examples of R&R programs: No direct R&R programs were observed, but HRNS has been working on systemic capacity building**

- **HRNS – Building Coffee Farmers’ Alliances in Uganda (2009-2013)**: The project sought to improve livelihoods of coffee SHF through improved coffee production and increased revenues. The first step was to aggregate producers into organized groups. The project also created the apex organization “Uganda Coffee Farmers Alliance (UCFA)”.

Notes: (1) Assuming a global SHF population of 20 million -- estimates of farmers are high-level only and vary significantly; (2) According to UCDA in Daily Monitor, Low consumption affecting Uganda coffee prices, incomes, 2016. Source: GCP, Uganda: GCP: Economic Viability of Coffee farming. 2017; FAOstat, Coffee production and land under coffee, 2014; ICO production statistics; Deloitte, Uganda Economic Outlook 2016: The story behind the numbers, 2016