



THE REPUBLIC OF UGANDA

Uganda National Coffee Strategy 2040 Plan for 2015/16 - 2019/20

June 2015



FOREWORD

The Cabinet approved the National Coffee Policy (NCP) in August 2013 which was subsequently launched in December 2013. To operationalize the NCP, the Uganda Coffee Development Authority (UCDA) was mandated to develop a National Coffee Strategy. UCDA embarked on the formulation of the National Coffee Strategy through nationwide stakeholder consultations and engagements.

Coffee plays a leading role in the livelihood of Ugandans and contributes substantially to the national economy. Nearly 42% of farming households grow some coffee and coffee has contributed an average 30% to the country's foreign exchange earnings over the past 20 years. It is for this reason that the Government of Uganda regards coffee as a strategic commodity whose development should be accelerated to enhance agricultural production and productivity. Researchers have also linked coffee to poverty reduction, asserting that poverty levels in Uganda have been relatively lower in periods when coffee prices were high and vice versa. There is also a direct linkage between coffee performance and macro-economic performance particularly the exchange rate and inflation.

This strategy is aligned with Vision 2040, the recently launched National Development Plan 2015/16-2020 (NDPII) and the draft Agriculture Sector Strategic Plan (ASSP) and includes targets and results projected for the next 25 years. However, the focus in this document is the first 5 years from financial year 2015/16 – 2019/2020. The strategy targets production of 5.8 million 60 Kg bags of coffee by 2020 and 12m 60 kg bags by 2040. This should generate exports revenues of US\$ 1.1billion by 2020 and US\$ 2.5 billion by 2040. This will be achieved by enhancing access to extension services, agricultural inputs, marketing services and other appropriate technologies in coffee farming by smallholder farmers, processors and middlemen through collaborative arrangements between the public and private sector and producers. The main growth will come by expanding the middle stratum of commercial farmers from the current 10% to 65% by 2040 and reducing the smallholders from 85% to 25% by 2040.

The implementation of this strategy will require robust institutional transformation, including new forms of representation and collaboration between stakeholders in the coffee sub-sector as well as horizontal collaborative clusters and representation. The existing institutional arrangements will be utilized to strengthen collaboration and coordination between the public sector, private sector companies and organisations, and producers. The immediate challenge is to further develop key institutions and capacities including encouraging and strengthening farmers' organisations; setting up a coffee specific extension service; and developing a national research and development agenda for the transition period (2015/16-2019/20) and beyond.



This strategy further aims at building the competitiveness of Uganda coffees. Ugandan coffee have potential to improve its market performance and positioning making use of comparative advantages. Competitiveness will be built on the basis of productivity, quality and differentiation. Sustainable competitive advantage points to what the coffee sub-sector is best at compared to competitors. Emerging technologies and innovation trends will be incorporated in developing competitiveness.

Four strategic pillars costing UGX 1.080 trillion over five years have been identified to remove key binding constraints in the coffee subsector. This will propel the subsector to reach the UGX 3 trillion mark as annual export earnings. These strategic pillars are:

- Production and Productivity
- Quality and Value Addition
- Market Development and Intelligence
- Institutional Development and Accountability

The strategic pillars above will be funded by GoU through CESS and MTEF (63%), development partners (28%) and Private sector (9%).

The Strategy has been developed by the sub-sector stakeholders themselves and for this reason, I want to extend boundless appreciation for their time, intellect and efforts. At the same time, I wish to emphasize that the same public-private sector partnership spirit and passion used to develop it should be sustained in its implementation. I would like to extend our special appreciation to the United States Government through Feed the Future Uganda Enabling Environment for Agriculture Activity (EEA) which supported the development of the coffee sub-sector strategy.

I am therefore pleased to forward this Strategy to all Coffee sub-sector stakeholders with the hope that together we will implement its provisions and recommendations. The strategy document is a springboard towards a bright future for the Coffee subsector. It clearly highlights what needs to be done at every level to enable the country exploit the potential and consequently improve the livelihoods of the participating communities.



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Acronyms

ATAAS	Agricultural Technology and Agribusiness Advisory Services
BCTB	Black Coffee Twig Borer
BoU	Bank of Uganda
CBD	Coffee Berry Disease
CLR	Coffee Leaf Rust
CSO	Civil Society Organisation
CWD	Coffee Wilt Disease
DCC	Domestic Coffee Consumption Strategy 2010-2015
DPs	Development Partners
DSIP	Development Sector and Investment Plan (MAAIF)
FAQ	Fair Average Quality
FDI	Foreign Direct Investment
FUE	Federation of Uganda Employers
GoU	Government of Uganda
HYV	High Yielding Varieties
ICO	International Coffee Organisation
MAAIF	Ministry of Agriculture, Animal Industry and Fisheries
MFPED	Ministry of Finance, Planning and Economic Development
MGLSD	Ministry of Labour, Gender and Social Development
MJCA	Ministry of Justice and Constitutional Affairs
MOWE	Ministry of Water and Environment
MTEF	Medium Term Expenditure Framework
MWT	Ministry of Works and Transport
NAADS	National Agricultural Advisory Services
NaCORI	National Coffee Research Institute



NARO	National Agriculture Research Organization
NCP	National Coffee Policy
NEMA	National Environment Management Authority
NOGAMU	National Organic Movement of Uganda
NPA	National Planning Authority
NUCAFE	National Union of Coffee Agribusinesses and Farm Enterprises
OPM	Office of the Prime Minister
PS	Private Sector
PSFU	Private Sector Foundation Uganda
UBOS	Uganda Bureau of Statistics
UCDA	Uganda Coffee Development Authority
UCF	Uganda Coffee Federation
UCFA	Uganda Coffee Farmers Alliance
UEPB	Uganda Export Promotion Board
UGX	Uganda Shillings
UIA	Uganda Investment Authority
UIRI	Uganda Industrial Research Institute
UNBS	Uganda National Bureau of Standards
UNCCI	Uganda National Chamber of Commerce and Industry
UNMA	Uganda National Meteorological Authority
USAID	United States Agency for International Development



1. INTRODUCTION

In August 2013, the Cabinet approved the National Coffee Policy (NCP), which was subsequently launched on 6th December 2013 at the National Coffee Research Institute in Kituza, Mukono District. The Vision and Mission statements in the Policy are as follows:

Vision:

To have a competitive, equitable, commercialised, profitable and sustainable coffee subsector.

Mission:

To increase coffee production, productivity, value addition and domestic coffee consumption.

To operationalize the NCP, the Uganda Coffee Development Authority (UCDA) is mandated to develop a National Coffee Strategy.

Based on a 2011/12 draft, UCDA embarked on the formulation of the National Coffee Strategy in February 2014 through a series of activities which included: a) updating baseline information; b) nationwide consultations; c) drafting the strategy document; and d) a national validation workshop.

1.1 Objective of the Strategy

The overall objective of this strategy is to operationalise the NCP. Specifically, the strategy aims to:

- Provide a clear vision of where the coffee industry plans to be in the short, medium and long term
- Elaborate the strategies that will be used to achieve the strategic objectives and policy actions stated in the NCP
- Assign institutions and organisations the roles and responsibilities they will play in the implementation of the strategy
- Provide indicative costing for the proposed strategic actions

- Define the implementation, monitoring, evaluation and reporting mechanisms.

1.2 Scope of the Strategy

This strategy is aligned with Vision 2040, the recently launched long term planning framework for Uganda, and includes targets and results projected for the next 25 years. However, the focus in this document is the first 5 years from 2015/16 – 2019/2020 financial years.

1.3 Historical Perspective

Given the more competitive conditions in which the international coffee market has been operating since the late 20th Century, coffee cannot be developed as an agribusiness without due consideration to the institutional transformations that have taken place around the world.

Transforming Production Systems

To begin with, in the late 19th Century, new producing countries had to adapt genetic materials to their specific climates and socio-economic conditions, developing sound cropping management systems (a set of GAPs), input markets (of which seeds, seedlings and fertilizers were the most important), credit and marketing services. In many cases producing countries just copied what pioneering regions managed to do in 18th and 19th Century. By the mid-20th Century, new research and extension services were brought to the fore to accelerate coffee crop productivity. Late 19th Century technologies were systematically substituted by new green-revolution types including High Yielding Varieties (HYV), increased tree density and increased utilisation of inputs.



In order to encourage farmers to adopt new technological packages (HYV, higher coffee tree densities and inputs use), coffee institutions were developed to provide extension services, access to credit and market channels. The most important component of coffee cropping systems was density based on dwarf and semi dwarf varieties as well as pruning and stumping systems, all of which allowed large numbers of trees per hectare. To make monocrop farming viable, coffee institutions had to provide not only access to short-term marketing credit but also to long-term investment credit. The most important capital investment is plant stock renovation, which entails high quality seedlings and capital to carry out planting and husbandry until new plants start producing coffee.

The Importance of Facilitating Short and Long Term Investments to Counter Pro-cyclical Behaviour.

The extent to which every producing country facilitated short and long-term investments determined its competitiveness. If the coffee industry did not develop financial institutions (coffee funds or savings, collateral and risk management schemes), farmers were always following the coffee cycle, investing during price booms and disinvesting during price slumps. This procyclical behaviour prevented a high level of capital investment and the development of competitive advantages. Columbia is a good example of a coffee producing country that has countered cyclic planning by capturing price differentials, managing price instability and sustaining high rates of investment.

World Coffee Market and the Quota System

The first International Coffee Organisation (ICO) Agreement came into force in 1963 at a time of low prices, regulating supplies through an export quota system. The ICO operated a quota system, whereby coffee supplies in excess of consumer requirements were withheld from

the market, on and off from 1962 to 1989, when the system was suspended because of failure to agree on quota distribution.

A coffee export quota referred to the amount of coffee which exporting members were entitled to export under the terms of the Agreement. The global quota was the total quota for all exporting members set by the ICO council annually in accordance with the provisions of the Agreement. Individual annual quotas were allocated to all exporting members and divided into quarterly quotas to ensure an orderly flow of coffee to the market.

Changes in the pattern of supply and demand, resulting in an increase in prices, led to the collapse of the quota system in 1973, and the 1968 Agreement was extended with all provisions deleted. The Agreement was revived in 1976 with a new feature allowing for the suspension of quotas if prices were high and their reintroduction if prices became too low. Under this system, quotas were introduced in 1980 and remained in effect until the 1983 Agreement.

Under the economic provisions of the 1983 ICO Agreement, members exporting more than 400,000 bags of coffee a year were entitled to a basic quota distributed among exporting members in accordance with the proportions established in the Agreement. Members exporting less than 400,000 bags were exempt from the allocation of a basic quota. The International Coffee Agreements helped prices to remain relatively stable making production and consumption to become more evenly balanced.



While in effect, this Agreement was largely successful in maintaining prices within the agreed range of 120 - 140 US cents per lb. In July 1989, there was an indefinite suspension of quotas after the system broke down under the pressure of competing demands from exporters for market shares under the new ICA then being negotiated.

Post-Quota System Institutional Transformation

Following the collapse of the quota system, the international coffee market changed radically and the importing countries had the upper hand in driving the coffee market. As a result of this transformation, most of the value no longer accrued to undifferentiated raw coffee beans, instead most of the value was developed and realised outside producing countries.

Old coffee institutions that focused on green-revolution type technology transfer (HYV, high input use; high tree density) became obsolete. Structural adjustment policies and market-led institutions became the new standard. While a few coffee state agencies managed to adapt (i.e. Costa Rica, Honduras, India), most of the old marketing boards and institutes were phased out. However, most privatization processes were not fully successful.

The exception being India and Brazil where privatization improved the performance of the coffee sector including development of new institutional arrangements. The key reasons why coffee sectors' privatization policies performed poorly in many countries include:- coffee markets' imperfections, social inequality, inappropriate institutional structure and the intrinsic complexities of the new international coffee market scene. New market-led institutional arrangements did not emerge spontaneously. When research and extension services, as well as credit and marketing systems were dismantled, new public-private arrangements did not develop immediately out of simple market interactions.

What many successful coffee producing countries have achieved in the last quarter of a Century, whether state-led or market-led coffee institutions have been based on: learning and adapting to new market structures and trends; developing science-based knowledge; more dynamic extension services; market intelligence to achieve competitive advantages; new ways of value addition; adjusting laws and regulations; and, introducing checks and balances to make market-led institutions work.



Tissue culture seedling



1.4 Summary of Principles and Experiences for Effective Coffee Institutions

Regardless of the legal basis and type of institutional arrangements (state or private sector-led), there are salient principles and experiences that determine international benchmarks for coffee institutions.

Table 1: Principles and experiences for effective institutions

Institutional Arrangements	19th And 20th Century Paradigms	21st Century Paradigms
Laws and regulations	Compliance with homogeneous commodity and washed process based standards (screen size, number of defects)	Compliance with differentiated markets' standards for safety, quality and sustainability
Representation	State-led coffee institutions or marketing boards had the de facto and the de jure representation of coffee stakeholders	New forms of representation and collaboration emerge across stakeholders' sectors
Governance	Vertical state-led marketing boards or institutions	Horizontal collaborative clusters and representation with different types of self-regulated apex bodies
Accountability	To central government	To stakeholders
Coffee cycles	Pro cyclical	Counter cyclical through instruments such as the Coffee Fund
Planning	Centralized state-led exercise based on a budget and production projections	Based on stakeholders' strategic planning and interaction, market intelligence and cluster's performance indicators
Strategic objectives	Coffee as a source of revenue and political support	Coffee as a source of sustainable agribusinesses and livelihoods
Competitiveness	Based on comparative advantages, economies of scale and productivity; and standardization of products	Based on long-term competitive advantages, knowledge, innovation and quality; certification of products and standardization of processes
Value addition at farm level	Cleanliness, reliability, consistency of homogenous products	Traceability, maximum productivity, certification, high quality and distinctiveness

1.5 Uganda's Experience

Early Institutions and the Coffee Marketing Board

Coffee in Uganda is a relatively recent cash crop less than a century old. Exports of Robusta commenced in the 1920s and of Arabica in the 1940s. The first coffee-related institution in Uganda was the Coffee Industry Board, established in 1930 to address quality control issues. The Department of Crops was created in

1946 and it was given responsibility for encouraging the expansion of Robusta coffee. In 1953, the functions of the Coffee Industry Board were expanded to include price setting while in 1959 its responsibilities were further expanded, under a new name the Coffee Marketing Board (CMB), to include marketing activities including coffee buying.



At independence in 1962 the CMB assumed full control of the Robusta coffee industry. In 1969 a Coffee Act was passed that gave the CMB full responsibility for some aspects of the coffee industry, including a monopoly of exports.

Disappearance of the Quota System

During the regulated market period prior to liberalization, the ICO composite indicator price and group indicator price levels were relatively high. This was realised because upward and downward price trends were corrected through the application of export quotas, which were in effect during the periods between 1963 and September 1972, October 1980 to February 1986, and from November 1987 to July 1989. The system was subsequently majorly suspended due to the failure of producing nations to agree on quota distribution.

Liberalisation and Regulation

The post-independence marketing structure was dismantled in 1990, when the coffee sector was liberalized under IMF policy reforms. This opened up opportunities for the private sector to perform the marketing function. Under the liberalized marketing environment, coffee producers have been free to decide how and to whom to sell their coffee. In this period there has been both price volatility and a long period of low prices, which made it difficult for export companies in Uganda.

Internal and export marketing is regulated by the Coffee Regulations 1994, a statutory instrument which stipulates the requirements which have to be met including minimum standards of coffee traded at all post-harvest levels within the coffee value chain. The Regulations provide for registration of players dealing in internal and export marketing of the coffee, inspection and quality control including issuance of quality certificates, grade analysis, mode of coffee export sales, publication of indicative prices

of various grades of coffee to all sector participants, repatriation of foreign exchange, books, records and accounts, administrative guidelines, offences, penalties as well as arbitration in case of disputes between buyers and sellers. It also provides for amendments in case the Regulations require revision.

Cooperatives

Ugandans started organizing themselves into co-operatives in 1913. They operated informally until 1946 when the first co-operative ordinance was enacted. This also marked the birth of the Co-operative Department and the present co-operative movement. By the end of 1946 there were 75 organisations of a cooperative nature mainly involved in agriculture commodities.

The earlier success of the cooperatives was undermined by governance and control issues related to the management and accountability of cooperative societies manifested mainly in the emergence of corrupt practices among cooperative leaders, and the appointment of political leaders as managers of the cooperatives who ultimately pursued their own political and economic ambitions. Many cooperatives experienced a decline in their performance in the periods after the liberalization of the economy.

However, of recent, there has been a resurgence in Government interest in re-establishing co-operatives. In the National Development Plan and the National Cooperative Policy, cooperatives are viewed as central in mobilizing and organizing farm level production, value addition, marketing, savings, financial intermediation and improving commodity storage at household and community level. The cooperatives are further seen as having the potential to greatly streamline marketing of agricultural commodities



through the Warehouse Receipt System (WRS). Currently, there are over 14,060 cooperatives categorized as production and agricultural marketing, savings and credit, multipurpose and services. The cooperatives have a membership of about 4 million people.

Huge growth in Brazil and Vietnam, but not in Uganda

South America is the world's leading coffee producing region with an annual production averaging 52.5 million bags for the crop years 1990/91 to 2012/13, representing 46.6% of total world production. Brazil alone produced an annual average of 35.7 million bags in this period. For crop year 2012/13 total production in the region is estimated at 67.6 million bags of which Brazil accounts for 50.8 million bags. Production in the region follows a biennial cycle of increases and decreases over successive crop years, except in a few cases of increases over successive years. This pattern is largely attributable to the cyclic pattern of Brazilian production. Apart from the biennial cycle characterizing its Arabica production, the marked volatility of Brazilian production is attributable mainly to the impact of climate shocks (frosts and droughts). Despite the above, Brazilian coffee remains a premium highly prized product. This is mainly due to the regional diversity in coffee production, quality of the coffee right from farm, and technological innovations. Brazil has invested heavily in the Coffee Quality Program that underlines the continuous improvement in the quality of Coffee grown in Brazil.

Production in Vietnam has increased dramatically since the 1980s. After a lengthy period of uninterrupted successive increases there has been alternation between higher and lower since crop year 2001/02. Between 1990/91 and 2012/13 production averaged 11.6 million bags.

Production in crop year 2012/13 is estimated at 22 million bags, compared to 1 million bags in 1989/90. The remarkable production growth was a result of consistent government support and encouragement and transition from large scale plantations to large state-owned farms and finally to small farmers with an average farm size of 1.2 hectares. The collapse of ICA provided an opportunity for Vietnam to implement market oriented policies that promoted free and global coffee production and competition. It is worth noting that Vietnam is blessed with a large population and the labour market easily availed labour to migrate to the highlands to engage in coffee cultivation.

The rapid increases in coffee yields and the reduction in production costs in the more developed coffee origins has left behind the less developed origins including Uganda. Indeed the massive change in other countries is in stark contrast to Uganda. Management has not changed substantially and there have been limited efforts to develop the sector in terms of research and service provision to farmers. The Coffee Wilt Disease (CWD), epidemic which first emerged in 1993 caused the destruction of 56% of Robusta trees in the country.



2. WHERE ARE WE NOW?

Coffee plays a leading role in the livelihood of Ugandans and contributes substantially to the national economy. Nearly 42% of farming households grow some coffee and coffee has contributed an average 30% to the country's foreign exchange earnings over the past 20 years, although in 2012/13 it dropped to 18.4%. The Government of Uganda regards coffee as a strategic commodity whose development should be

accelerated to enhance agricultural production and productivity. Researchers have also linked coffee to poverty reduction, asserting that poverty levels in Uganda have been relatively lower in periods when coffee prices were high and vice versa. There is also a direct linkage between coffee performance and macroeconomic performance particularly the exchange rate and inflation.

2.1 Coffee production and productivity

Conditions, crop surface and plant stock

A total of 282,284 hectares is under coffee cultivation, distributed across the following regions.

Table 2: Regional production of coffee in Uganda in 2010

Region	No. of Trees	Hectares	No. of households
North	21,067,878	14,818	75,826
Eastern	76,191,400	57,530	409,200
Central	150,370,000	136,700	767,796
Western	56,600,200	49,270	311,114
South Western	28,279,760	23,966	149,587
Totals	332,509,238	282,284	1,713,523

Source: UCDA Reports

Robusta Coffee unlike in many other countries, it is grown at a relatively high altitudes of 1,100 up to 1,500 meters above sea level in the areas of Central, Eastern, Western and South Western Uganda. Additional land suitable for Robusta production is available in northern Uganda, although the region gets a relatively longer dry spell therefore shade trees and irrigation will need to be explored. Arabica production occurs between 1,500 and 2,300 metres above sea level primarily in the Mount Elgon region in the East, the Rwenzori Mountains in the west, the Kabale region in the Southwest, and most recently in the North East. The ratio of Arabica to Robusta coffee produced in Uganda is currently approximately 1:4.

Uganda has generally favourable farming conditions for coffee in terms of altitude, climate, rainfall and soils. Coffee is available throughout the year due to equatorial conditions. However many areas face declining soil fertility. Over the next 25 years, the effects of climate change pose real threats in terms of increasing temperatures and more frequent extreme weather events such as floods and droughts. This may affect pests and diseases prevalence.

There is insufficient statistics and knowledge for public sector planning about coffee farmers, primary production, plant productivity, local marketing, etc. Comprehensive and reliable statistics will be produced during the implementation of this strategy.

1 Derived from coffee exports as a proportion of official goods exports excluding service exports based on Statistical Abstract, 2013 (p 68)

2 ATAAS 2012

3 UCDA Annual Report 2010/11



Total production

Coffee production in Uganda has stagnated since the late 1990s. In the 2012/13 coffee year it is estimated that Uganda's marketed production was nearly 3.8 million (60kg) bags of coffee of which 76% was Robusta. In the same period Uganda exported 3.58 million bags. The difference between the production and export figures is largely attributable to carry over stocks.

There is potential to increase production in Uganda. In 5 years, Uganda could produce nearly 6 million bags if this strategy is fully implemented.

Coffee plant stock reached nearly 333 million trees in 2010/11.

Yield

Statistics from UCDA depict low yields for Robusta at an average of 0.55 kg green coffee per tree or 10 bags of green coffee per ha, in comparison with 25 bags per ha in Brazil and 45 bags per ha in Vietnam. An estimated 70% of coffee trees are old (>40 years). Rejuvenation or stumping of existing tree stocks is rarely done, yet it is the first step in any yield improvement programme. In addition, yields are low due to very limited use of farm inputs, which are expensive; poor agronomical practices; and very limited access to on-farm extension services.

There is considerable potential to increase the productivity of Robusta. It is believed that applying best agronomic practices Uganda could produce twice as much Robusta i.e. 1.2 kg green coffee per tree. Arabica productivity is also very low but it is believed Uganda can similarly produce twice as much Arabica achieving 1 kg green coffee per tree.

Density

Density is very low. Robusta tree density is 1,100 trees per hectare and Arabica is 1,600 trees per

hectare compared to 4,000 for robusta and 5,000 for arabica in Brazil. There is need for research to determine potential density, bearing in mind amongst other factors the varying potential densities for intercropping and monocropping systems with or without shade trees.

The producers

Of Uganda's estimated 4.2 million agricultural households 1.7 million (42%) grow some coffee. This equates to 7-8 million people (21% of the population). The average Ugandan farm that includes some coffee is small and relies on the family unit for labour. UCDA estimates that 85 per cent of coffee producers are intercropped smallholder farms ranging in size from well under half a hectare to 2 ha.

Coffee is traditionally intercropped with staple food crops: bananas, beans, groundnuts, and shade trees. Intercropping enables households to meet their basic food requirements and generate cash income from their coffee and bananas. Intercropping makes a farming system more resilient, especially at low farming intensities.

It is estimated that only 15% of smallholder coffee farmers are members of a group, association, organisation or cooperative. This Strategy will enhance farmers' participation in groups to enable them to benefit from economies of scale and to increase their productivity and access to markets, recognising that the financial benefit of collective marketing, as opposed to selling through traders/middlemen, will need to be demonstrated.

There has been a gradual emergence of commercial and plantation scale coffee producers although reliable statistics are lacking. The following table summarises the characteristics of the three categories of farmers in Uganda.



Table 3: Categorisation of Ugandan coffee producers

Type of farmer	Economic strategies	Coffee cropping system	Organization and collective action
Smallholder	Self-reliance; coffee gives marginal returns to labour	Intercropping (matooke, maize, cassava, beans, etc.) Up to 1,000 trees	Very limited
Commercial	Commodity producer; coffee is a cash crop	Monoculture with partial shade (matooke) More than 1,000 trees and up to 10,000	Relatively high; cooperatives and farmers' associations
Plantation	Commodity producer; coffee is an agribusiness	Monoculture with no shade trees. Over 10,000 trees	Limited; emerging private business

Human resource constraints

Coffee is a labour intensive crop and urbanisation trends affect labour availability and cost. Many youth head to cities seeking more immediate returns e.g. by engaging in boda boda (motorcycle) transportation. On the other hand the growing youth population has the potential to be an engine of growth if the negative attitude towards farming amongst the young population is addressed. Women are engaged in coffee production, but less so in marketing the product, which is demotivating for them and is believed to negatively affect the quality of the coffee sold. The coffee subsector also faces competition with other investments including commodities such as sugar cane.

Inputs and investment

The major coffee production inputs at farm level are: seed/seedlings, fertilisers, farm implements (spraying pumps, pruning knives, etc.), crop protection products, rural financing and advisory services, among others. Planting materials are sometimes distributed freely; sometimes procured from commercial or communi-

ty managed nurseries; and in some cases taken from plants growing in the wild or from coffee bushes believed to be of good quality.

At the moment, coffee farmers make little use of chemical and organic fertilisers, and carry out almost no pruning at all. Effective use of high quality inputs is a key condition for sustainable increases in productivity.

Use of agricultural inputs is believed to be low due to their high cost compounded by very limited access to credit for smallholder farmers. Until rural financing is more accessible and cheaper, the subsector will continue to depend on middlemen who fill the gap but charge high rates. Stumping and rejuvenation, as well as upgrading processing machinery and tools, are also important but require long-term credit lines. Access to credit has been a milestone in coffee development in all coffee producing countries.

There is weak enforcement regarding the quality of agricultural inputs generally and significant volumes of counterfeit products are in circulation.

⁶ This is a projection based on the 1.32 million in the 2005/6 UNHS (agricultural module)

⁷ UBOS: Uganda National Household Survey (2005/2006)

⁸ Based on the Uganda Census of Agriculture 2008/9, 15% of farmers belong to farmer groups. Given that the coffee subsector has more farmers in groups, it is estimated that 15% of coffee farmers could belong to groups



There is low usage of value addition technologies at farmer levels and a low level of investment in medium and large-scale farming. Coffee is perceived to be an unattractive commercial investment. Producers have limited capacity to absorb shocks e.g. price volatility.

Research and development

There are several weaknesses including inadequate funding for coffee research and insufficient human resources. Understandably research has tended to focus on the immediate challenge of developing and disseminating technologies for sustainable control of coffee pests and diseases, namely: Coffee Wilt Diseases (CWD), Black Coffee Twig Borer (BCTB) on Robusta (which has received the most attention) and Coffee Leaf Rust (CLR) and Coffee Berry Disease (CBD), root mealy bugs and stem borers on Arabica (less attention). There has been relatively little research in other areas like genetics of Ugandan coffees, for instance on genetic diversity of Robusta coffees, and adaptation of new Arabica varieties. Socio-economic research on farmers' systems of production and multi-crop arrangements is also scanty.

CWD has caused the destruction of 56% of Robusta trees in the country since 1993, demonstrating how serious a threat a major disease can be. CWD remains to be adequately addressed given the scale of the problem. Farmers still do not have good access to resistant, genetic material. NaCORI has had CWD disease-resistant varieties of coffee trees for many years but has been unable to multiply them fast enough for farmers' use due to the challenges of the propagation of the 7CWD resistant lines using tissue culture, and lack of funds.

Extension services and advice

Overall, extension services are deemed inadequate and available extension services are poorly equipped. The current public sector extension services do not include a capacity for coffee specific extension. Some farmers' organisations provide coffee specific advice and extension with support from development partners (e.g. NUCAFE and UCFA), as do several exporters and non-governmental organisations/foundations.

The typical extension services provided to the coffee industry are focused on improving agronomic practices including pruning, fertilisation, pest and diseases management, etc. However, coverage and adoption are very low; as can be seen in the level of fertilizers use and pruning carried out. On the other hand, little attention has been allocated to Business Development Services (BDS) and to technical advice for processors and middlemen. The strategy will address this by expanding the extension services in collaboration with the private sector.

Access to extension services by small holder farmers, processors and middlemen will be enhanced through collaborative arrangements between the public and private sector and producers that will facilitate increased access to extension services, agricultural inputs, marketing services and other adaptable technologies in coffee farming.

Climate Change

Climate variability and change includes increasing temperatures that will reduce the suitability of certain areas for coffee, disrupt coffee bean development, and may increase the incidences of pests and diseases.



A recent study confirmed that coffee (both Arabica and Robusta) is one of the crops in Uganda that is the most vulnerable to climate change - the projected rising temperatures and increasingly-erratic rainfall patterns will lead to reduced productivity and a greater likelihood of pests and diseases (USAID, 2013) .

Results from a qualitative and participatory analysis on the impact of climate change on the coffee value chain within Uganda show that climate hazards already negatively affect all actors along the chain . This strategy elaborates adaptation and mitigation measures to address these hazards.

Primary constraints and opportunities

The information included in Table 4 (and in similar tables below) is not intended to be comprehensive. Rather the intent is to indicate areas for strategic intervention.

Table 4: Primary constraints and opportunities in production and productivity.

Production and productivity	
Primary constraints	Primary opportunities
<ul style="list-style-type: none"> • Weak institutional capacity for coffee-specific research due to low funding • Inadequate national research and development agenda validated by stakeholders • Inadequate extension services resulting in a very low extension worker to farmer ratio, mainly focusing on agronomic practices without emphasis on business services • Limited knowledge and slow pace in implementation of adaptation technologies 	<ul style="list-style-type: none"> • Implementation of Best Agronomic Practices (including for example fertilizers, seed and water conservation) will lead to 100% increase in productivity in the short term. • Research in high yielding, pest and disease resistant, drought resistant and fast maturing varieties will have longer term benefits • The density with which Robusta can be planted will be increased if new varieties are developed and introduced • Large genetic diversity yet to be researched



*Coffee -Banana enterprise:
A rural woman tending her coffee*

10 USAID 2013. Uganda vulnerability assessment report. African and Latin American Resilience to Climate Change Project. Tetra Tech ARD: Washington, D.C.

11 Julie Dekens and Fredrick Bagamba, promoting an integrated approach to climate adaptation: lessons from the coffee value chain in Uganda (Feb 2014)



2.2 Value addition and quality

Value addition

Uganda coffee value addition currently entails off-farm processing, export grading and marketing with limited roasting, and consumption. There is currently little value addition at farm level and coffee farmers continue to sell unprocessed coffee resulting in lower earnings than if they were selling processed coffee at the farm-gate stage.

Farmers are linked to value addition through small-scale traders or middlemen who buy fresh cherries or dried coffee (Kiboko/parchment) to supply coffee processing plants. As the unit value of coffee increases along the value chain, farmers who sell unprocessed coffee do not earn as much as they would were they to invest more in down-stream activities. The Government of Uganda is promoting value addition at primary level to enable farmers to add value and earn more money.

The main players involved in value addition are:

- a. Middlemen: they purchase coffee at farm gate and bulk it before it moves up the value chain.
- b. Primary processors: they add value through either wet or dry processing of the beans from pulp, mucilage, parchment for Arabica and Kiboko for Robusta coffee.
- c. Secondary processors: they clean the parchment and FAQ for Arabica and Robusta coffee respectively, dry (for coffee with moisture content over 13 %) and size grade it for the export market.
- d. Exporters/Traders: purchase and store coffee from various sources. They provide marketing information to the value chain. International exporters are linked to coffee trading houses. They take on most of the price risks involved in the coffee trade. Virtually all exports are green coffee.

- e. Roasters: roast, grind and package the final product for the final consumer. Their product is sold in form of roasted or roast and ground form to the local market (very little is exported).
- f. Retailers: sell manufactured coffee (roast, ground and instant forms) through shops/supermarkets, coffee shops, fast food outlets, restaurants and other outlets.
- g. Consumers who drink coffee.

The main challenge affecting value addition is the capacity of smallholder farmers to add value to coffee (since subsector liberalisation in 1991) due to the collapse of cooperatives (that previously added value) and competition from international firms, with better business skills, capital outlays and with mother firms' support and linkages throughout the world. The now liberalised coffee subsector provides no similarly supportive mechanism for smallholder farmers. To assist with the value addition aspects of this, a strengthened cadre of 'technical' extensionists will be required to work with processors and other value chain players.



Table 5: Registered post harvest value addition industry players

Player	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Exporters	30	39	42	40	42	41
Export Grading Plant	19	19	19	32	30	32
Primary processors	271	301	300	327	308	395
Roasters	4	7	8	8	14	14
Total	324	366	369	407	394	482

Source: UCDA 2014

The constraints include the lack of specialised skills for diversification into new product lines and high investment costs in value addition, especially for a soluble coffee plant. On the other hand there is potential for value addition from farm to cup. New and affordable processing and value addition technologies are available.

Some of the main value addition strategies for farmers, farmers' organisations and stakeholders are:

- Consolidation of volumes, sorting and grading, packing and storage of green beans.
- Certification of extrinsic quality attributes of coffee. There are multiple options related to sustainable, organic and fair trade standards and labels.
- Certification of intrinsic quality attributes like origin, varieties, processing methods and sensory characteristics.
- Industrial transformation of coffee beans into roast coffee, coffee extracts, soluble coffee and processing of by-products.
- Branding, marketing and retailing.

Quality

The intrinsic good quality of Ugandan coffee is due primarily to genetics and growth conditions resulting in good cup quality which is a competitive advantage. However, this is not optimised due to poor handling and processing practices and weak local level enforcement of regulations. The result of these is quality deterioration through different malpractices. On the side of farmers, quality is compromised by; strip picking of unripe cherries, drying of coffee on bare ground, insufficient drying before

transport, and in some cases drying of hulled coffee beans under the sun. And on the side of middlemen; purchases of coffee with excess moisture, mixing different origins and qualities, using inappropriate transport means and storage facilities. During regional consultations stakeholders were insistent on using regulation and enforcement to improve the quality of coffee sold and traded.

There is need to improve quality (and price) by mapping, innovating, and further differentiating and certifying Ugandan high quality coffees. Prices for high quality Robusta may increase considerably and high quality Arabicas may catch up with the best Kenyan coffees. Traceability (origin) is an important aspect of controlling quality. Registration of farmers and strengthening farmers' organisations will help.

But the main issue is the absence of a price incentive for smallholders to focus on quality. Farmers currently do not get paid for quality as it is difficult to assess at Kiboko level for individual farmers due to the small quantities they produce (quality can only be best assessed at FAQ stage).

Off-farm processes are better regulated than farm level through registration of processors and big traders under the auspices of UCDA. UCDA also carries out mandatory quality inspections for issuance of export certificates, but regulation at secondary stages of the value chain without regulation at primary stages can only guarantee a given grade but cannot cor-



Primary constraints and opportunities

Table 6: Primary constraints and opportunities in value addition and quality

Value addition and marketing	
Primary constraints	Primary opportunities
<ul style="list-style-type: none"> • Weak regulation at farm level and insufficient institutional capacity to address this without involving other LG actors • Inadequate dry processing equipment • Under-utilized secondary (grading) capacity 	<ul style="list-style-type: none"> • Improving processing facilities so that more farmers and farmer organisations can sell hulled coffee • Increasing investments in wet mills to add value especially in Arabica growing areas

2.3 Market development and intelligence

Market trends and international benchmarks

According to the best estimates available, demand for coffee in the international market will grow at a healthy pace due to growing demand in non-traditional markets. However, climate change, pests and diseases and regional conflicts may affect supply, particularly for high quality Arabica coffees. Also, any problems in Brazil and Vietnam will have enormous impact on the coffee markets.

If supply and demand trends hold, in ten years there may be a global deficit of around 20 million bags of coffee. Most of the new coffee production is likely to come from Robusta from South East Asia, mainly Vietnam and to a much lower degree from Indonesia and other smaller Robusta producing countries in the region. Secondly, it may come from Latin America, mainly from Brazil that may be able to double its production, and to a much lower extent from Ecuador and Central America. Unless concrete steps are taken now, Africa is likely to lag behind and continue to lose its share in the international coffee market due to institutional inefficiencies, under-investment and conflicts.

Also, unstable economic recovery in the USA, and slow growth in Europe and Japan may create a volatile environment in the next decade leading to more expensive and limited availability of financial resources.

This general picture may not fully hold. For instance, in Vietnam land degradation and increased labour costs have placed a limit on extensive growth. In the case of Brazil, climate change, a strong currency (Real) and other macro-economic constraints to productivity may affect the prospects for an otherwise fast expansion of Brazilian Robusta (Conilon).

Marketing structure

The present marketing structure is under a liberalized marketing system and is characterised by a large number of actors and the positioning of export firms closer to the primary buying stage to source coffee directly from or close to farmers. This arrangement has made market entry easier and bred competition and, in turn, increased the proportion of the international price paid to farmers (75% in Uganda compared to 70% in Kenya and 60% in Ethiopia). Uganda has one of the most efficient, competitive, well-regulated trading markets and with only 1% levy applied.

Nevertheless the marketing structure poses the following challenges:

- Deterioration of coffee quality at primary levels and an increase of malpractices. This is attributed to fact that buyers and processors tend to focus more on quantities that will enable them to financially break even, putting quality issues in a secondary position.



- Lacks of better price for quality differentiation making farmers less concerned about quality.
- Loss of farmer's collective identity through parallel move by coffee peddlers ('ddebey boys') who buy coffee in small quantities before selling to processors.
- Limited capacity of smallholder farmers to functionally upgrade, add value and earn higher incomes from their coffee. Functional upgrading is difficult in the current market structure because smallholder farmers lack capital, coherence and business management skills.
- Inadequate infrastructure: Poor rural community access roads, electricity and storage facilities

Exports

In 2012/13 Uganda exported 3.58 million bags of coffee (60 kg bags) worth US\$433 million and representing 18.4% of Uganda's total exports for this period. Uganda was ranked as the 9th largest coffee exporter contributing 1.56 per cent of the world's total coffee exports by value. A large percentage of the coffee is exported to re-exporting countries.

The major opportunity is that there is an annual growth in global coffee consumption of 2.4% and marked growth in demand for specialty coffee in niche markets. At current predictions, after 2016, global supply will struggle to keep up with demand.

There are however several risks:

- Fluctuating and volatile global prices
- World market prices may stagnate at low levels impacting on export revenues, coffee businesses, farm gate prices and farmers' interest in coffee production

- Further increases in production, handling, transport and haulage costs.

A major constraint is that Uganda has poor national road and rail infrastructure and is landlocked and the export trade has to absorb high road and rail transport costs to reach seaports and deal with associated delays, transit security and unreliability.

Marketing promotion and branding

Uganda exports mainly green coffee with limited branding. Ugandan Robusta is normally blended with other origins making it difficult to isolate Ugandan Robusta as an origin in the finished product. The challenge is to use the intrinsic quality characteristics of Ugandan Robusta to market it as an origin.

Sustainable coffee market

Since the mid-90s, there has been an increasing focus on sustainable coffee production; coffee produced with care for people, the planet, while earning a profit. Driven by consumer demand, international certification standards were developed to promote sustainable coffee production, including 4C, UTZ certified, Fair Trade, Rainforest Alliance and organic standards, among others. Using conditions in the Latin American coffee sector as a baseline, most standards strongly focused on social and environmental issues, while coffee productivity and profitability were less emphasised. In Africa, several standards have started to include a focus on productivity and profitability.

Worldwide, certified coffee production has seen a tremendous growth with approximately 15% of the traded coffee originating from certified farmers in 2013. Uganda is lagging behind with only 2-3% of its production being sold as certified.

12 Techno Serve business case for sustainable coffee production in Uganda

13 Derived from coffee exports as a proportion of official goods exports excluding service exports based on Statistical Abstract, 2013 (p 68)



This is largely related to the very high costs of certifying large groups of farmers (e.g. staff, operational funds, audit fees). The high costs inhibit many farmer associations to hold their own certificates. Consequently, most certified coffee projects in Uganda are led by exporters, or exporter related NGOs, and are donor dependent.

Traceability

Traceability refers to roasters being able to communicate to consumers where the coffee was produced. It is an essential element for certified and niche market coffees. Traceability in its simplest form is about geographical origin and being able to trace coffee back to the farmers that produced it. It is, however, often used to guarantee to consumers that their coffee was produced in an ethical and environmentally sensitive manner, including safe working conditions, fair wages and safeguarding of natural resources. Full traceability offers advantages for multiple players along the value chain beyond certification systems.

Competitors

Uganda Robusta is renowned for its softer cup characteristics compared to Robusta from competitors, which attracts a premium price on the international market. Uganda is recognised as being among the world's important Robusta producers being the 'birthplace of Robusta' should be taken advantage of in its marketing. Arabica coffees remain generally more competitive on the international market because of its superior quality. Although Ugandan Arabica is of the same varieties as those found on Mount Elgon in neighbouring Kenya, the Ugandan Bugisu AA fetches a relatively lower price than Kenyan AA. Within Africa, Uganda also faces competition from Cote D'Ivoire for Robusta and Ethiopia for Arabica. Globally Uganda faces competition from Brazil, Colombia, Vietnam, Indonesia and India. Competition for

global market share will increase and Uganda could lose its global market niche. Currently Uganda's share of coffee export volumes is declining compared to the increasing share in volumes of other bigger producing countries such as Vietnam. Presently, this is attributed to the decline in Robusta production volumes and, declining coffee quality from Uganda. Better Vietnamese qualities produced in the last 5 years are beginning to compete with premium Ugandan coffee, which overall still commands a much higher price, however this competitive edge is being eroded.

Uganda has a competitive advantage over the aforementioned competitors that are not part of the Africa Caribbean Pacific (ACP) marketing programme, under which Uganda has free access to Europe.

Domestic Coffee consumption

Domestic coffee consumption is gradually increasing in urban areas but is still very low, standing at just 216,000 60-kg bags in 2012. Consumption is influenced by several factors including the absence of a culture of drinking coffee and common public myths and misconceptions about the health aspects of coffee consumption. The challenges are to positively change attitude and behaviour towards coffee consumption, and increase access to coffee and coffee brands.

The Domestic Coffee Consumption Strategy 2010-2015 seeks to increase domestic coffee consumption through sensitizing the public and medical professionals on the benefits of drinking coffee; increasing numbers and capacity of coffee roasters; training in good roasting and brewing practices; development of appropriate roasting standards; development of a quality mark; and producing a generic brand for Uganda coffee. This strategy will support and carry forward these activities.



Primary constraints and opportunities

Table 7: Primary constraints and opportunities in market development and intelligence

Market development and intelligence	
Primary constraints	Primary opportunities
<ul style="list-style-type: none">• Buyers and processors focus on quantities that will enable them to financially break-even but this can lead to malpractices and poor quality• Poor market intelligence at the lower levels of the value chain• Competition for global market share will increase but Uganda could lose its global market share if production factors are not addressed.	<ul style="list-style-type: none">• Ugandan coffee has intrinsic characteristics that are attractive on the global market and Uganda can do more to market itself as an origin and specifically as the “birthplace of Robusta”• The major opportunity is that there is an annual growth in global coffee consumption of 2.4% and marked growth in demand for specialty coffee in niche markets



A barista making a cappuccino



2.4 Institutional development and accountability

Public sector institutions

Coffee being a tradable necessitates collaboration of different agencies to develop and regulate the whole value chain and market products effectively. However there have been weak linkages between MAAIF, OPM, MTIC, MoLG, UCDA, NARO and MFPED. The mandates of each agency need to be more explicitly defined in some areas in order to harmonize overlaps and strengthen institutional collaboration and inter-agency coordination.

The Coffee Production Campaign 2006-2015 was established to address declining coffee production by boosting production from 2 million bags to 4.5 million bags by 2015 through public-private sector collaboration. The Campaign is supported by four pillars – extension, research, inputs & credit and farmers organisations.

The public-private sector dialogue Platform established in 2006 to drive the Campaign includes a National Steering Committee as well as District Platforms in coffee growing areas. The public and private sector Platform stakeholders meet annually to discuss progress, share knowledge and experience and consider the way forward. The National Steering Committee of the Platform, the District Platforms and the Annual Stakeholder Meeting will be utilised in the implementation of this strategy. The Uganda Coffee Federation (UCF) represents private sector companies on the Platform.

The contribution of coffee to the national economy and livelihoods in the form of income, exports and employment warrants an increase in public sector investment.

Farmers' organisations

The organisation of farmers is pivotal especially for service delivery but Government has not intervened adequately to address this. As mentioned, as few as 15% of coffee farmers are members of a group, association, organisation or cooperative. Cooperatives in Uganda lost ground after privatisation because they were unable to access credit, purchase and consolidate coffee lots and operate dry mills. In recent years development partners have promoted farmers' organisations but this has left them too dependent on donor funds, which is why they tend to be active only as long as donor money lasts. Lessons show that there will not be substantial gains in productivity and quality without strong grass roots organisations. Addressing this is a central element of this strategy.

Compliance and enforcement

There is generally weak compliance and enforcement of coffee regulations and weak institutional capacity to address this, particularly at the local level. The presence of many unregulated players, especially middlemen, inhibits quality and makes enforcement difficult.

Planning and marketing data

There is currently insufficient data about the coffee industry especially at farm level e.g. production, productivity, marketing and value addition, and insufficient analysis of the data that is available. The strategy makes provision for an initial survey to address key information gaps in the subsector and periodic surveys and censuses thereafter to update data. There is information asymmetry along the coffee value chain and the strategy includes measures to address this as well.



Primary constraints and opportunities

Table 8: Primary constraints and opportunities in institutional development and accountability

Institutional development and accountability	
Primary constraints	Primary opportunities
<ul style="list-style-type: none">• Only a small proportion of farmers are currently members of a group, association, organization or cooperative• There are relatively weak mechanisms for coordinating interventions including at the district and lower level	<ul style="list-style-type: none">• There is an opportunity to seize the initiative with the launch of the strategy to obtain funds to undertake a rapid survey of coffee production in Uganda to provide a sound basis for planning• Interest and commitment of government and development partners to support the sub-sector



3. RISK ASSESSMENT IN THE COFFEE SUB-SECTOR

The major risks affecting the coffee value chain are categorized into:

Production Risks:

Weather related events (droughts, floods, hurricane, landslides, or increase in temperature, frost, pest and disease outbreaks) are major risks that lead to production volatility. This is reflected in the export trends since 1963/64 which reflect weather related shocks.

Enabling environment risks:

These include change in government policies, business regulations, macro-economic environment, political risks, trade restrictions which often lead to financial losses.

Market Risks:

These include commodity and input price volatility, exchange rate and interest rate volatility and associated default risk.

All these risks have different impacts on actors along the coffee value chain. Production risks in coffee mostly affect farmers. However, this impact is also transmitted to other actors along the coffee value chain. A risk assessment in Ugandan Coffee Value Chain carried by the World Bank in 2010 identified the above risks with emphasis on:

- (i) Loss of Global Market Share
- (ii) Price risk
- (iii) Pest and Disease Outbreaks
- (iv) Foreign Exchange Rate Risk.

A reduction in Uganda's Robusta Coffee Production poses a risk as buyers may opt for other Robusta origins once volumes continue to decrease. This may lead to reduced investment especially of exporters in the Ugandan coffee industry. If there is consistent low prices, producers may disinvest from coffee in preference to other enterprises.

Increasing incidences of pests and diseases pose a major risk on Uganda's coffee potential. To avert losses due to the Coffee Wilt Disease, Coffee Leaf Rust and recently the Black Coffee Twig Borer (BCTB), mitigation and adaptation measures such as farmers' response time to the outbreaks have to be devised.

Depreciation of the Ugandan shilling against the dollar, though good for exports may stifle the economy since Uganda has a trade deficit. Government, through Bank of Uganda, intervenes in order to stabilize the exchange rate market. Currency appreciation on the other hand, due to oil proceeds in the future may reduce the prices that farmers receive for their coffee. There are price and financial risk mitigation tools such as hedging which can be used to mitigate price and financial risks.

The interventions in this NCS will take into account these risks to ensure that risk mitigation measures are inbuilt in the strategic actions, work plans and activities.



4. WHERE DO WE WANT TO BE?

4.1 Strategic vision, goals and objectives

For nearly 10 years Uganda has aimed at producing 4.5 million bags of coffee, but this has been elusive. While there is nothing unusual about missing a target and coffee producing countries frequently fail to accurately predict production levels, what is important is to keep moving forward by drawing the right lessons from every missed target and by improving our understanding of constraints. To do this, it is important that coffee agencies and organisations have inbuilt accountability characterized by high quality of interaction among stakeholders, efficient operations, credible and high quality statistics and indicators, that allow for breakdown of national targets into institutional/regional/location-specific responsibilities and to carry out meaningful evaluations at every stage of the implementation process to inform further planning.

Stakeholders in the strategy consultation process were unequivocal that the coffee sector in Uganda is ready to raise the bar and to adopt an ambitious vision to transform the coffee subsector. For instance, while recognizing that there is a huge production and productivity gap between Brazil/Vietnam and Uganda, they have chosen to set high targets in order to close the gap in a relatively short period of time and enhance the position of coffee as a strategic agribusiness.

The vision statement in the National Coffee Policy is:

To have a competitive, equitable, commercialized, profitable and sustainable coffee subsector

The mission statement is:

To increase coffee production, productivity, value addition and domestic coffee consumption.

To realize these aspirations, this strategy gives a picture (vision) of what the subsector's future structure, makeup and performance will be and the commitment the stakeholders will need to make.

The picture of where the sector should be is hereby presented for two time periods: 25 years to coincide with the vision 2040 and 5 years to coincide with the strategic planning cycle in Ugandan public institutions. The main results of the national strategy by 2040 will be those listed in the following table as Strategic Goals 2040. The strategy is organized under four pillars set out in the table as Strategic Pillars. This first 5 years will be a critical transition period and the detailed strategies presented in the following table as Strategic Objectives 2020 focus on this period.

¹⁷ This target was used at least as far back as 2006 and is included in the current Development Sector and Investment Plan for Agriculture.



Table 9: Coffee Strategy Vision

Vision		A competitive, equitable, commercialized, profitable and sustainable coffee subsector	
Strategic Goals 2040	<ul style="list-style-type: none"> Transformed farming structure from subsistence to Farming as a Business Coffee transformed from a commodity to a sustainable livelihood Coffee institutions transformed to be efficient, effective and accountable Coffee subsector serving as a vehicle for national development through integrated industries. 		
Strategic Pillars			
1. Production and Productivity	2. Quality and Value Addition	3. Market Development and Intelligence	4. Institutional Development and Accountability
Strategic Objectives 2020			
1.1 Increase coffee production and productivity at farm level in a sustainable way that addresses the social, ecological and economic dimensions	2.1 Ensure quality at all stages of the coffee value chain 2.2 Promote value addition processes at all stages of the coffee value chain to respond effectively to both national and international market requirements and opportunities	3.1 Improve market access for farmers and farmers' organisations 3.2 Rebuild competitiveness and market share in traditional markets while promoting entry and penetration in new and emerging markets 3.3 Promote domestic consumption of coffee as a way of enhancing coffee industry competitiveness and developing the domestic coffee market	4.1 Strengthen the coffee research system so that it is responsive to industry requirements and demands 4.2 Establish a strong coffee specific extension capacity that meets the prevailing industry requirements 4.3 Support the formation and strengthening of coffee farmers' organisations 4.4 Streamline and strengthen existing coffee laws, regulations and standards at all stages of the coffee value chain 4.5 Develop financing instruments for investments in the coffee value chain 4.6 Strengthen governance within the coffee subsector



4.2 Targets 2020 and 2040

The following table presents selected high-level targets for the first five-year transition period and the long-term targets that contribute to the Uganda vision for 2040.

Table 10: Targets for 5 Years (2020) and 25 Years (2040)

Subject	Baseline (2014/15)	5 Years (2019/20)	25 Years (2039/40)
Production (60 Kg bags)			
• Robusta	2,844,139	4,617,000	11,510,000
• Arabica	801,919	1,252,000	3,499,000
Total	3,646,058	5,869,000	15,009,000
Export volumes (60 kg bags)	3,455,852	5,282,100	12,007,200
Export Revenues (US \$ Billions)	0.410	1,100	2,520
Market positioning (%)			
• Commodity/volume	97%	57% (incl. soluble)	20% (incl. soluble)
• Sustainable incl. specialty	3%	43%	80%
New coffee trees planted	17,020,000	225,000,000	
Density (trees/ha)			
Robusta	Less than 1,100 trees/ha	1,100 trees/ha	1,900 trees/ha
Arabica	Less than 1,600 trees/ha	1,600 trees/ha	1,760 trees/ha
Yield per tree (green coffee)			
Robusta	0.55 kg/tree	1.1 kg/tree	2.1 kg/tree
Arabica	0.31kg/tree	1 kg/tree	1.7 kg/tree
Yield per hectare			
Robusta	600 kg/ha	1,200 kg/ha	4,000 kg/ha
Arabica	500 kg/ha	1,600 kg/ha	3,000 kg/ha
Certified (%)	2%	15%	50%
Value addition (% roasted and soluble)	1%	5%	20%
Coffee rejuvenated (% per year):	1%	10%	-
Domestic consumption (average per capita consumption per year)	0.36 kg	0.5 kg	1.5 kg
Coffee farmers belonging to an organization	15%	40%	90%



5. HOW DO WE GET THERE?

5.1 Extension services and farmers' organisations are pivotal

Transforming the farming structure from smallholder, largely subsistence farming to commercial farming based on diversified agro systems and food security is one of the most important transitions required. It has to start with boosting incomes from existing smallholder farms and this requires establishing a strong coffee specific extension service to assist farmer households and farmers' organisations increase production, productivity and quality e.g. by pruning and stumping, applying inputs including fertiliser, and paying more attention to quality. Mobilising farmers into groups and organisations will be pivotal in accomplishing this and for this reason promoting and supporting farmers' organisations needs to be a pillar of the extension services.

It will be necessary to agree on a definition for 'farmers' organisations' and the various models that should be considered acceptable, and to develop a strategy for increasing the proportion of farmers who are members from the very low base of perhaps 15% to 40% in five years.

Government's preference is for farmers' organisations to grow "organically", which is appropriate because a top down approach will very likely fail – the primary lesson to be borne in mind is that the farmers must "own" their organisation. On the other hand an enabling environment and some interventions are required to encourage and facilitate the formation of farmers' organisations. Farmers need to be well informed of the benefits and pitfalls and they will need support and perhaps incentives, while understanding that they will succeed or fail depending on the quality and capacity of their leadership. Regulations will need to be extended to cover all coffee farming activities.

Training of extensionists will need to include a module on forming and managing farmers' organisations alongside training in farming as a

business. A special unit should be established to provide specialist advice and gather and disseminate best practices. The backup of researchers and a network of lead farmers and demonstration plots will be paramount.

A vastly strengthened and functional public extension system is needed and it should collaborate and share lessons with private sector actors that are providing advice to farmers and farmers' organisations. These include coffee companies and non-governmental organisations. The National Coffee Platform and the District Platforms provide a mechanism for this.

5.2 Growth will come by expanding the middle stratum of commercial farmers

Government and the coffee industry will promote the transition of smallholder, largely subsistent farmers towards more efficient production systems to accelerate the development of the coffee subsector. The main growth will come by expanding the middle stratum of commercial farmers (see Illustrations 1 and 2). Policy instruments will support the process of modernization: access to land, inputs and credit; research and extension services; and strengthening farmers' organisations. With impoverished and isolated farmers, any extension and technology transfer initiatives are likely to have minimal impact.

The Livelihoods of the remaining smallholders will be improved in three ways:

- i. Intensive coffee production (extension services, improved varieties, fertilization and pruning)
- ii. Food security through intercropping (matooke, beans)
- iii. Livestock (as a means of saving and productive investment).

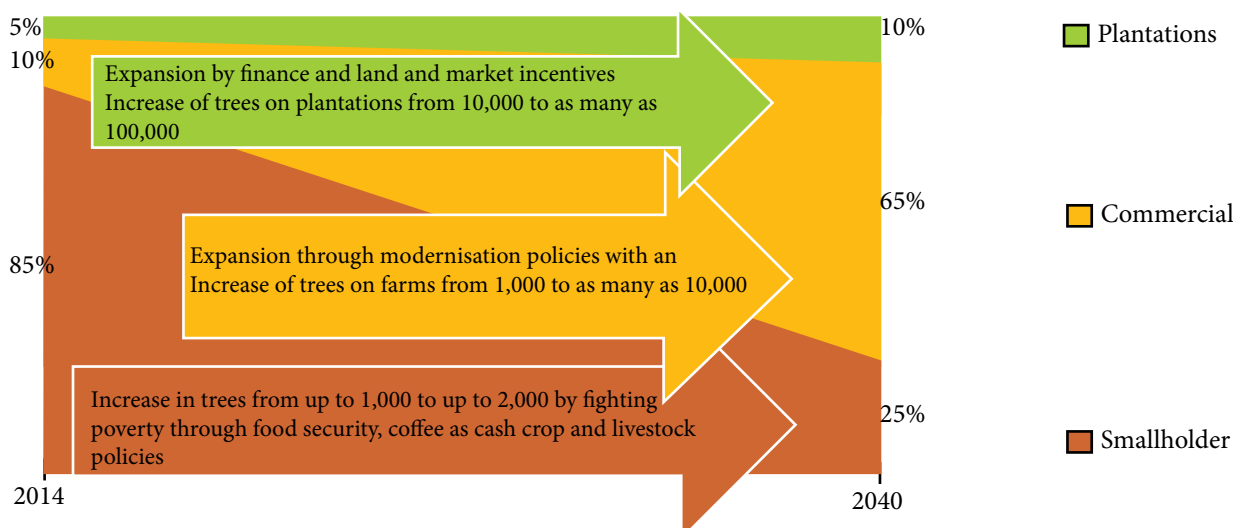


Financial institutions have a critical role to play. Smallholders usually rely on informal credit or advanced purchases from traders, sometimes selling the harvest before any fruit has been developed. Credit is also needed for harvesting and processing but poor farmers lack assets and traditional forms of collateral. Financial institutions in collaboration with the government

have to develop innovative schemes to improve access to credit.

Market incentives in the form of prices are indispensable. Intensive coffee farming (i.e. higher densities per hectare, use of inputs, pruning practices) will not emerge by extension services alone.

Illustration 1: The required transition in the structure of coffee production in Uganda



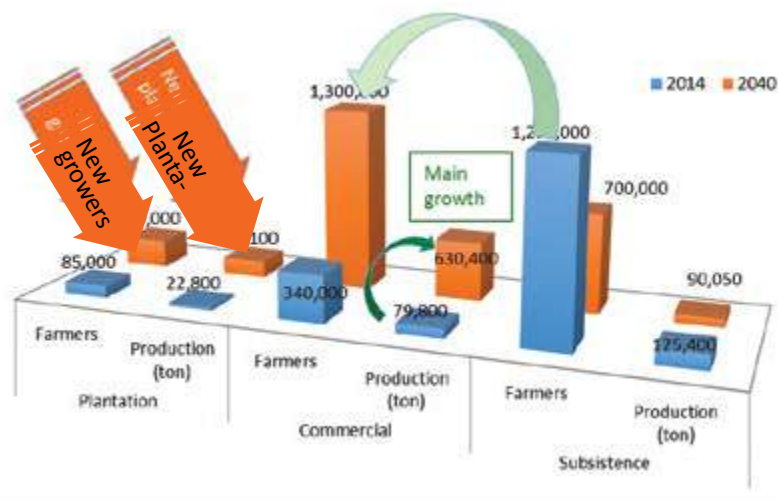
As illustrated above the main economic growth will come from greatly expanding the contribution of commercial farming (from 10% to 65% of production over 25 years). Commercial farmers are expected to emerge mainly from traditional smallholders who generate a good income through coffee. Remaining smallholders are expected to be more productive by 2040. Plantation farmers should emerge through incentives to acquire land and establish new plantations.

There are three critical ingredients:

- Access to credit and markets
- Access to land and security on property rights
- Stability, risk management (food security, livestock, crop insurance, futures contracts, etc.).



Illustration 2: Expectations for 2040



This illustration presents the transition required in terms of the increase in the number of commercial farmers (almost fourfold over 25 years) and the relative decline in the number of smallholder farmers, and the projected increase in production of commercial farmers (more than sevenfold over 25 years).

5.3 Promote institutional and human development and improve accountability

Table 1 on page 4, principles and experiences for effective institutions, indicate the institutional transformation required, including new forms of representation and collaboration between stakeholders in the coffee subsector, and horizontal collaborative clusters and representation. The existing National Coffee Platform will be utilised to strengthen collaboration and coordination between the public and private sector as well as producers.

The immediate challenge is to further develop key institutions and capacities including encouraging and strengthening farmers' organisations; setting up a coffee specific extension service; and developing a national research and development agenda for the transition period (2015-20) and beyond.

Attitudes towards development and innovation and Uganda's potential need to change in order to realise a successful national drive towards coffee development. Stakeholders need to be energised to support a drive for change and development in the subsector. This requires linking strategic goals to agencies and institutions' practices, communicating goals to stakeholders and influencing their business strategies, and motivating collective action.

Investment needs to be made in talent and knowledge, including in women and in the youth.

5.4 Build competitiveness

Ugandan coffees have potential to improve its market performance and positioning making use of comparative advantages. Robusta landraces have proven to have high density and cup quality; on the other hand labour intensive production and processing methods can lead to quality-led traditions and technologies. Competitiveness should be built on the basis of:

- Productivity
- Quality and
- Differentiation

Sustainable competitive/comparative advantage may point to what the coffee sub-sector is best at compared to competitors. Each coffee producing country strives to create an advantage that continues to be competitive over time. A genetic management strategy can be developed to tap this competitive advantage. Uganda has been slow in identifying unique genetic materials and flavour profiles. Landraces and flavour profiles need to be the basis of a new grading and marketing system and a new Robusta value chain. Emerging technologies and innovation trends should be incorporated in developing competitiveness.



5.5 Objectives, strategies and their implementation 2015/16 - 2019/20

PILLAR 1: PRODUCTIVITY AND PRODUCTION

Objective 1.1: Increase coffee production and productivity at farm level in a sustainable way that addresses the social, ecological and economic dimensions

Output: National productivity to at least double from 600kgs to 1,200 kgs per hectare

Strategy 1.1.1: Improve coffee production by rejuvenating existing trees and optimizing density

Implementation

- Through a strengthened public extension system and in collaboration with private sector actors provide advice and demonstrate to farmer households the benefits of rejuvenating older trees through stumping and pruning and complementing this with the application of chemical fertilizer and manure, aiming for the rejuvenation of older trees.
- Through public and private extension provide advice and demonstrate to farmer households the benefits of reaching the optimum tree density with existing varieties.
- Include as an immediate research priority the development of varieties that can be planted more densely in intercropping systems.

Milestones	Lead institutions	Support agencies, organisations
10% of coffee smallholder farms rejuvenated per annum (50% by end year 5)	UCDA	NAADS , NaCORI, farmers' organisations , private companies and organisations providing advice to farmers
Higher density varieties introduced into production systems in year 5		

Strategy 1.1.2: Improve coffee production by expanding the area under production

Implementation

- Expand the total area under coffee production by 30% by 2020 including an expansion of 5% in traditional coffee growing districts and 25% in new areas mainly in northern Uganda.
- Undertake feasibility and needs assessments in districts in northern Uganda identified for expansion.
- Undertake feasibility and needs assessments in traditional coffee growing districts to determine the potential for and means of expansion.
- Sensitise and support interested farmers and farmers' organisations in the districts confirmed for expansion.
- Introduce water capture and irrigation technologies and the use of shade trees and develop drought resistant varieties to support the expansion in northern Uganda and mitigate anticipated effects of climate change in general.
- Carry out characterisation of coffee in new areas so as to improve on knowledge and dissemination of relevant technologies.

Milestones	Lead institutions	Support agencies, organisations
Expand the total area under coffee production by 15% by end year 3	UCDA	MAAIF, MOLG, UIA, investors, private companies and organisations providing advice to farmers



Strategy 1.1.3: Improve productivity per tree by using best agronomic practices and improved genetic materials

Implementation (how, who, when)

- Through public and private extension, provide advice and demonstrate to farmer households Best Agronomic Practices including water management, proper spacing, pruning, mulching, inter-cropping, use of shade trees, fertilizer, manure, improved seeds, pesticides and herbicides.
- Establish a five-year plan for the development, mass multiplication, procurement and distribution of adequate quantities of improved genetic materials including CWD resistant material.
- Ensure the satisfactory completion of efforts underway to conduct national soil testing and leaf analysis to map nutrient deficiencies and provide location-specific recommendations on appropriate fertilizer use for different Agro-zones.
- Develop a joint public-private sector R&D agenda to determine the key productivity constraints and ensure these are addressed in public and private sector research and extension.
- Consider best practice applied and lessons learned from other subsectors (e.g. cotton) and other countries.

Milestones	Lead institutions	Support agencies, organisations
Yield per tree increased by an average 50% by the end of year 3	UCDA, NaCORI	NAADS, farmers' organisations, private companies and organisations providing advice to farmers

Strategy 1.1.4: Improve productivity by improving the accessibility of agro-inputs

Implementation (how, who, when)

- Improve access to high quality and price-competitive agro-inputs.
- Address the need for institutional capacity to monitor the quality of agro-inputs.
- Develop a specific intervention to make fertilizer more accessible.
- Train farmer households in the safe and efficient use of agro-inputs.

Milestones	Lead institutions	Support agencies, organisations
Intervention to make fertilizer more accessible in place by the end of year 2	MAAIF, UNBS	UCDA, NAADS, NaCORI, farmers' organisations, agro-input dealers, private companies and organisations providing advice to farmers
Monitoring of the quality of agro-inputs is being undertaken by the end of year 2		

Strategy 1.1.5: Manage coffee diseases and pests

Implementation (how, who, when)

- Develop and strengthen intervention systems for control and management of pests and diseases.
- Ensure creation of a national surveillance mechanism to monitor diseases and pest thresholds including but not limited to Coffee Wilt Disease, Black Coffee Twig Borer, Leaf Rust, and Coffee Berry Disease.
- Develop and strengthen mechanisms that trigger intervention options e.g. chemical spraying.
- Establish a mechanism for research on monitoring and identification of new pests and diseases.

Milestones	Lead institutions	Support agencies, organisations
Intervention systems for control and management of pests and diseases in place by year 2	MAAIF	UCDA, NaCORI, farmers' organisations, international research institutions, private companies and organisations providing advice to farmers

¹⁹ Reference to 'NAADS' includes its successor(s)

²⁰ Reference to 'farmers' organisations' includes cooperatives



Strategy 1.1.6: Promote and support commercial coffee farming

Implementation (how, who, when)

- Strengthen business development services including the further development of a package of information.
- Identify and promote farmer groups to engage in commercial production.
- Develop mechanisms for providing incentives to farmers engaging in medium to large scale production (rural business associations).
- Develop mechanisms for attracting agribusiness financing and long-term investment modalities.
- Improve access to land and security on property rights.
- UIA to consider identifying land specifically designated for commercial coffee farming.

Milestones	Lead institutions	Support agencies, organisations
Framework for providing incentives in place by year 2	UCDA, UIA	Farmers' organisations, investors, development partners
Business Development Services provided annually		

Strategy .1.1.7: Promote irrigation development in coffee farming

Implementation (how, who, when)

- Support the establishment of irrigation infrastructure points from where farmers can extend water to their farms.
- Promote establishment of water gravity schemes as cheap source of irrigation.
- Support the private sector in provision of irrigation services or equipment.
- Establish large-scale irrigation schemes under Public Private Partnership (PPP) arrangements.
- Undertake a research project on water and irrigation.

Milestones	Lead institutions	Support agencies, organisations
Pilot irrigation systems for small and large scale coffee production established by end of year 2 and 3 respectively	MAAIF, MOWE	UCDA, UIA, farmers' organisations, investors, private companies
The first large scale irrigation scheme under PPP arrangements operational by end of year 3		



Strategy 1.1.8: Promote and support climate change adaptation and environmentally responsible practices

Implementation (how, who, when)

- a) Develop and implement reward systems for farmers who practice good conservation practices.
- b) Promote climate and environmentally SMART agriculture (use of shade trees, mulching, water management, etc.)
- c) Promote use of alternative energy sources that reduce pressure on trees.
- d) Strengthen the dissemination mechanism for weather forecast information to reach the farmers.
- e) Assess and document the use of indigenous knowledge and early warning signals.

Milestones	Lead institutions	Support agencies, organisations
Reward systems for farmers who practice good conservation practices developed and implemented by end year 2	UCDA	NaCORI, NEMA, farmers' organisations, private companies and organisations providing advice to farmers
Use of indigenous knowledge documented and promoted by end year 2	NaCORI	MOWE, farmers' organisations, media
Weather forecast information systems strengthened by end year 3	MAAIF, MOWE	NaCORI, MOWE, international organisations

Strategy 1.1.9: Mainstream gender and youth in coffee production

Implementation (how, who, when)

- a) Develop/promote affirmative action for youth/women.
- b) Use the 'Household Approach' to ensure extension services address gender and youth issues.
- c) Document and evaluate the impact on women and youth participation of the cultural norms and taboos.
- d) Facilitate access to special fund for youth and women organized into various women/youth groups

Milestones	Lead institutions	Support agencies, organisations
Value chain activities for women and youth identified and developed by end of year 1	MAAIF	UCDA, MGLSD, NaCORI, IWCA, farmers' organisations, private companies and organisations providing advice to farmers, development partners



PILLAR 2: QUALITY AND VALUE ADDITION

Objective 2.1: Ensure quality at all stages of the coffee value chain

Output: The sale and marketing of a larger proportion of higher value products

Strategy 2.1.1: Address the factors impairing quality at the farm and higher levels

Implementation (how, who, when)

- a) Through public and private extension, demonstrate good post harvesting handling and processing practices and grading systems and standards and provide advice about the financial benefits of selling better quality coffee.
- b) Develop new grading system and standards (washed, semi-washed and naturals) for specialty Arabicas and fine Robustas to differentiate qualities and attract a price incentive through various price discovery mechanisms.
- c) Carry out quality control, grading at origin and regional branding.
- d) Accelerate the role of farmers' organisations in quality control and processing.
- e) Engage local traders, processors and exporters in a drive to improve quality.
- f) Provide information to farmer households and cupping training for farmers' organisations. This will ensure a better understanding of the use of coffee as a beverage and farmers' critical role in ensuring Uganda has a quality product for domestic consumption and export
- g) Encourage farmer households to consume coffee to improve understanding of quality issues.
- h) Improve awareness of, and enforce relevant laws and regulations.

Milestones	Lead institutions	Support agencies, organisations
Demonstrate the use of appropriate and affordable processing technologies	UCDA	MAAIF, local government authorities, civil society actors, traders, exporters, farmers' organisations, private companies and organisations providing advice to farmers
New grading system and standards developed for specialty Arabicas & fine Robustas by year 3 Role of farmers' organisations in quality control and processing enhanced by year 4		

Objective 2.2: Promote value addition processes at all stages of the coffee value chain to respond effectively to both national and international market requirements and opportunities

Output: A higher proportion of coffee traded is processed earlier in the value chain and is certified and traceable

Strategy 2.2.1: Promote processing by farmers and farmer organisations

Implementation (how, who, when)

- a) Demonstrate to farmer households and farmer organisations the use of appropriate and affordable technologies for wet and dry processing at farm level.
- b) Establish a training course for the engagement of women and youth in the coffee business.
- c) Introduce women and youth to commercial aspects of coffee production.

Milestones	Lead institutions	Support agencies, organisations
An additional 10% of coffee traded is processed earlier in the value chain by end year 3 and an additional 20% by end year 5	UCDA	Farmers' organisations, private companies and organisations providing advice to farmers

21 Whereby extension workers engage all members of the household including women and the youth



Strategy 2.2.2: Improve processing standards and capacity

Implementation (how, who, when)

- Advice and train primary processors in the application of standards.
- Engage local traders/middlemen to enhance their contribution to value addition.
- Explore a partnership for installing washing stations between the private and public sector, with the public sector representing the interests of producers.
- Review and strengthen the application of standards and guidelines for processing (including hulling coffee).
- Develop new standards in line with market requirements.
- Encourage traders and exporters to develop and apply codes of conduct consistent with the Coffee Regulations to improve processing standards and the quality of coffee traded.
- Improve awareness of and enforce relevant laws and regulations.

Milestones	Lead institutions	Support agencies, organisations
A code or codes of conduct for traders and exporters available by the end of year 1 and the majority have subscribed by the end of year 2	UCDA	UIA, UNBS, private companies engaged in trading, processing and/or exporting

Strategy 2.2.3: Develop a national roasting and soluble product industry

Implementation (how, who, when)

- Train coffee roasters & brewers/baristas.
- Provide advice to roasters in seeking funds to acquire appropriate equipment & technologies.
- Address issues roasters have with tax waivers for packaging materials.
- Establish a soluble plant initially through a partnership between the private and public sector with the public sector representing the interests of producers.

Milestones	Lead institutions	Support agencies, organisations
Strategic plan for developing the tertiary level of the value chain in place by the end of year 2	MTIC, UCDA, private companies/investors	MFPED, UIA, Uganda Coffee Roasters Association
1 soluble plant established by 2020		

Strategy 2.2.4: Promote and support production and certification schemes for sustainable, fine and specialty coffees

Implementation (how, who, when)

- Identify and map areas for sustainable, fine and specialty coffee production.
- Develop sensitization initiatives on definition and benefits of sustainable, fine and specialty coffees and avail support for certification and compliance
- Develop and implement amalgamated Internal Control System that supports the different sustainable production systems.
- Identify and develop technologies that support sustainable, fine and specialty coffee production systems
- Profile Uganda Coffees.
- Train and certify Q & R Graders and trainers.
- Train coffee farmer households and farmers' organisations in certification/verification of standards.

Milestones	Lead institutions	Support agencies, organisations
Production of certified coffees increased from 3 % to 43% by end of year 5	UCDA	UNBS, other certification bodies, farmers' organisations



PILLAR 3: MARKET DEVELOPMENT AND INTELLIGENCE

Objective 3.1: Improve market access for farmers and farmers' organisations

Output: At least one third of farmers are bulking, processing and marketing processed coffee

Strategy 3.1.1: Promote and support bulking, processing, marketing and export grading among farmers and farmers' organisations

Implementation (how, who, when)

- Guide and train farmers and farmers' organisations in bulk marketing.
- Promote the buying stores to trade in graded coffee.
- Promote traceability and support good packaging and branding.
- Provide advice to farmers and farmers' organisations about accessing export markets.
- Develop market intelligence, promotion of microlots and initiatives to open up markets for specialty coffees

Milestones	Lead institutions	Support agencies, organisations
10% of farmers have established linkages with exporters/destination markets (whether through farmers' organisations or otherwise) by end year 2	UCDA	Local governments, private companies, farmers' organisations

Strategy 3.1.2: Provide market advice and information to farmers, farmers' organisations and others with limited capacity to access it themselves

Implementation (how, who, when)

- Extension workers and private sector to advise farmer households and farmers' organisations on how coffee markets operate and how to exploit opportunities.
- Develop means of efficiently providing market information to traders and exporters that don't yet have the capacity to access it themselves e.g. ICT, use of mass text messaging, etc.

Milestones	Lead institutions	Support agencies, organisations
Efficient market information systems for farmers, farmers' organisations and others developed and operational by end year 1	UCDA	Private companies, farmers' organisations

Objective 3.2: Rebuild competitiveness and market share in traditional markets while promoting entry and penetration in new and emerging markets

Output: Increased volumes of direct exports into traditional and new markets

Strategy 3.2.1: Rebuild competitiveness and market share in traditional markets

Implementation (how, who, when)

- Strengthen the competitive advantages that Ugandan Robustas have on the basis of quality and differentiation from other Robustas in partnership with traditional buyers of Ugandan Robustas.
- Profile Ugandan Robustas by region, geographic indications, variety, altitude and sustainable or other certification.
- Establish a system that will ensure the traceability of Ugandan coffee for the purposes of international marketing.
- Develop a genetic resources management strategy to tap competitive advantage of Ugandan Robustas.
- Enhance the potential of Arabica coffees to compete favourably in international markets.
- Strengthen market development and intelligence capacity
- Collaborate with the diplomatic missions to promote Ugandan coffees abroad and promote investment in the coffee value chain in Uganda.



Milestones	Lead institutions	Support agencies, organisations
Ugandan Robustas profiled by region, GI, variety, altitude by end year 2	UCDA	Exporters, diplomatic missions, NaCORI
System for ensuring traceability of Ugandan coffee established by end year 2		
A genetic resources management strategy to tap competitive advantage of Ugandan Robustas developed by end year 2		

Strategy 3.2.2: Create an enabling environment for accessing new markets

Implementation (how, who, when)

- Develop partnerships in new markets to promote and negotiate access for Uganda coffee, including for specialty and sustainable coffee.
- Carry out regular market research on target markets and avail relevant information to the coffee subsector.
- Promote access to export finance by promoting arrangements with financial institutions.
- Promote access to specialty markets through Taste of Harvest competitions and 'know your cup' coffee tasting.
- Collaborate with the diplomatic missions to promote Ugandan coffees and investment in the coffee value chain in Uganda.

Milestones	Lead institutions	Support agencies, organisations
Partnerships developed to Uganda coffee by end year 1	UCDA	Exporters, MTIC, UEPB

Objective 3.3: Promote domestic consumption of coffee as a way of enhancing coffee industry competitiveness and developing the domestic coffee market

Output: Per capita Domestic consumption increased from 360g to 500g per year by 2020

Strategy 3.3.1: Develop a coffee drinking culture

Implementation (how, who, when)

- Engage marketing expertise to develop a media campaign to increase domestic coffee consumption, and fund and implement it.
- Engage health professionals in the promotion of coffee drinking as a healthy activity and conduct sensitization and awareness programmes on the myths and benefits of drinking coffee
- Conduct national and regional barista championships.
- Carry out regular tasting of all domestic brands and give feed back to roasters.
- Support roasters in developing brands and blends.

Milestones	Lead institutions	Support agencies, organisations
Domestic Coffee Consumption strategy developed and implemented to increase domestic coffee consumption by end year 2	UCDA	Marketing companies; MoH; MGLSD; farmers' organisations



PILLAR 4: INSTITUTIONAL DEVELOPMENT AND ACCOUNTABILITY

Objective 4.1: Strengthen the coffee research system so that it is more responsive to industry requirements and demands

Output: The research system delivers the results required to advance the coffee subsector

Strategy 4.1.1: Fully establish a coffee research institute within NARO in line with the NARS Act 2005

Implementation (how, who, when)

- a) Operationalize NaCORI by legal instrument.
- b) Strengthen human resources.
- c) Establish requisite infrastructures.
- d) Establish a mechanism for rewarding innovation.
- e) Strengthen existing research sub-centres and establish others for the remaining ecological zones.
- f) Develop mechanisms for sourcing superior technologies from regional and International institutions.

Milestones	Lead institutions	Support agencies, organisations
NaCORI operationalized by appropriate legal instrument in year 1	MAAIF	MJCA
Human resources, requisite infrastructures established for NaCORI in year 1	NARO	UCDA, development partners, private sector
Establish zonal research sub centres in all coffee growing regions by 2020		

Strategy 4.1.2: Ensure adequate and sustainable financing for coffee research

Implementation (how, who, when)

- a) Establish and operationalize the Coffee Research Trust Fund by legal instrument.
- b) Identify additional sources of public and private sector funding for coffee research.

Milestones	Lead institutions	Support agencies, organisations
Coffee Research Trust Fund established and operationalized by legal instrument by year 2	MAAIF, MFPED	UCDA, NaCORI, private sector, development partners
Additional sources for public and private sector funding for coffee research identified by year 2		

Strategy 4.1.3: Strengthen the linkages between coffee research, development and extension

Implementation (how, who, when)

- a) Establish and maintain linkages among farmers, researchers, extensionists, local governments and other relevant bodies to ensure that research initiatives respond to the needs of farmers.
- b) Establish and sustain collaborative linkages with other research institutions at regional and international levels.
- c) Establish fora for addressing coffee research related issues.
- d) Enhance farmer participatory research including adaptive trials on farmer fields.
- e) Ensure research findings are disseminated to all stakeholders.

Milestones	Lead institutions	Support agencies, organisations
Linkages for addressing coffee research related issues established by end year 1	MAAIF	UCDA, NaCORI, academia, NAADS, MOLG, local government authorities, development partners, private sector



Strategy 4.1.4: Develop a National Coffee Research and Development Agenda 2015-2040

Implementation (how, who, when)

- a) Engage all stakeholders to develop a national R&D agenda tailored to regions and including principles of adaptive research
- b) Develop a partnership and network for R&D between the private and public sector with the public sector representing the interests of producers.
- c) Establish a national genetic improvement and resource management strategy.
- d) Maintain zonal germplasm banks.

Milestones	Lead institutions	Support agencies, organisations
National Coffee Research and Development Agenda established by end year 1	NaCORI	UCDA, academia, international organisations, private companies

Strategy 4.1.5: Gain recognition for Uganda as a Centre of Robusta Excellence

Implementation (how, who, when)

- a) Establish the Centre of Robusta Excellence.
- b) Pursue Robusta centred research in collaboration with other research bodies.
- c) Profile and preserve Robusta germplasm.
- d) Undertake Robusta related promotion and training regionally and internationally.
- e) Serve as an international resource centre.

Milestones	Lead institutions	Support agencies, organisations
Centre of Robusta Excellence fully established by 2015	UCDA	

Objective 4.2: Establish a strong coffee specific extension capacity that meets the prevailing industry requirements

Output: Appropriate coffee specific advice is reasonably accessible to all actors along the value chain

Strategy 4.2.1: Scale up and strengthen coffee specific extension services along the value chain

Implementation (how, who, when)

- a) Develop and document a plan for taking coffee specific extension services to scale including a five year projection and the roles of the public sector (UCDA, NAADS), development partners and linkages to private sector actors (coffee companies, non-governmental organisations) and producers (farmers' organisations).
- b) Identify the extension methodologies to be applied in each setting including the role of demonstration plots, farmer field schools, lead farmers, farmer led extension systems, technologies, etc.
- c) Appoint coffee specialists for each coffee growing district to train and lead other public and private sector extensionists.
- d) Develop training programmes for extensionists targeting farming households and farmers' organisations that are tailored to each agro-ecological zone and farming system (modules for Best Agronomic and Processing Practices, Farming as a Business, forming and managing Farmers' Organisations and sustainable coffee production).
- e) Develop the use of ICT in extension.
- f) Establish a call centre that provides advice on coffee business development and forming and managing coffee farmers' organisations.
- g) Train and support existing extensionists at the sub-county level to deliver coffee specific advice, establish demonstration plots, engage with lead farmers, etc.
- h) Train farmers' organisations, farmer group leaders, and input suppliers, in extension methodologies.



- i) Develop training programmes for ‘technical’ extensionists for value addition and marketing that includes processing technologies, certification and other means of product differentiation, and market intelligence.
- j) Strengthen technical extension services for wet processors, primary processors, exporters, roasters, and cafe operators.
- k) Incorporate sustainable coffee production and extension training in the curriculum of schools and agricultural educational and other tertiary institutions.
- l) Engage women and youth in extension by adopting the ‘Household Approach’ .

Milestones	Lead institutions	Support agencies, organisations
A plan for scaling extension services developed and implementation commenced in year 1	MAAIF	UCDA, NAADS, NaCORI, Local Government Authorities, farmers’ organisations, educational and training institutions
Training programmes on new technologies and knowledge that is tailored to each agro-ecological zone and farming system developed and implementation commenced in year1		
Existing extensionists at the sub-county level trained and supported to deliver coffee specific advice in year 1		

Objective 4.3: Support the formation and strengthening of coffee farmers’ organisations
Output: Strong and viable organisations owned by farmers driving progress in the coffee subsector

Strategy 4.3.1: Establish an enabling environment that facilitate the formation and operation of farmers’ organisations including cooperatives

Implementation (how, who, when)

- a) Identify and disseminate best practice in the formation and operation of coffee farmers’ organisations and document lessons learned, successful models, etc.
- b) Ensure respect for the principle that farmers’ organisations must be ‘owned’ by farmer members to be viable.
- c) Develop a national plan to promote and strengthen coffee farmers’ organisations.
- d) Ensure that farmers’ organisations in their various forms are adequately regulated.
- e) Register all farmer organisations and monitor compliance with their individual constitutions.

Milestones	Lead institutions	Support agencies, organisations
Determine how coffee farmers organisations are regulated by year 1	UCDA	MTIC, MJCA, farmers’ organisations
A national plan to promote and strengthen coffee farmers organisations established by year 1		

22 Whereby extension workers engage all members of the household including women and the youth



Strategy 4.3.2: Encourage the formation of partnerships between farmers' organisations and other stakeholders in the coffee value chain

Implementation (how, who, when)

- Establish a mechanism for effective communication with farmers' organisations.
- Partner with farmers' organisations to build their capacity to improve production, productivity, value addition and marketing.
- Strengthen linkage between farmers' organisations and agro-input dealers.

Milestones	Lead institutions	Support agencies, organisations
Capacity of farmer organisations built by year 3	MTIC	UCDA, MAAIF, farmers' organisations, private companies
Marketing and value addition initiatives of farmers organisations supported by year 3		

Strategy 4.3.3: Support the formation of an apex body for coffee farmers' organisations

Implementation (how, who, when)

- Establish criteria for the formation of an apex body representing farmers' organisations.
- Determine the role the apex body should play, including in relation to supervision and monitoring.

Milestones	Lead institutions	Support agencies, organisations
Farmers' apex body formed by end of year 3	MTIC	UCDA, MAAIF, farmers' organisations

Objective 4.4: Streamline and strengthen existing coffee laws, regulations and standards at all stages of the coffee value chain

Output: Enhanced compliance at all levels of the value chain

Strategy 4.4.1: Ensure that all relevant laws and regulations reflect the National Coffee Policy

Implementation (how, who, when)

- Review and amend the Coffee Statute 1991 (amended 1994) in line with the present state of the national and international coffee industry.
- Review and amend the Coffee Regulations 1994 in line with the National Coffee Policy.
- Review and strengthen the regulation of all aspects of the value chain including addressing activities at farm level and the sale, storage and use of agro-inputs including planting material.
- Create awareness of revised Coffee Regulations.
- Continuously review and develop standards for all levels of the value chain.
- Make provision for the compulsory registration of all coffee stakeholders (farmers, farmers' organisations, nursery operators, processors, traders, exporters, input dealers, baristas and brewers).

Milestones	Lead institutions	Support agencies, organisations
Revised and amended Coffee Statute in place by end of year 1	UCDA, UNBS	MAAIF, Parliament of Uganda, MJCA, MOLG
Revised and amended Coffee Regulations in place by end of year 1		
Review and further development of standards completed by end of year 2		



Strategy 4.4.2: Compliance and enforcement of regulations and standards

Implementation (how, who, when)

- Increase the efficiency and effectiveness of enforcement of regulations and standards.
- Develop and promote a framework for industry self-regulation based on compliance and risk management.
- Encourage local governments to pass and enforce by-laws consistent with the regulations to improve coffee quality and trading at the local level.
- Assure the quality of planting material and other agro-inputs through certification, licensing and monitoring.

Milestones	Lead institutions	Support agencies, organisations
Quality of planting, agro-inputs assured on an annual basis	MAAIF	UCDA, UNADA, private sector suppliers
Framework for industry self-regulation developed by end year 2		

Objective 4.5: Develop financing instruments for investing in the coffee value chain

Output: Smallholders, commercial farmers and other stakeholders have greater access to investment funds

Strategy 4.5.1: Promote public-private financing mechanisms tailored for different segments of the coffee value chain

Implementation (how, who, when)

- Develop financing mechanisms for accessing funds to pursue countercyclical practices and investments.
- Support farmers, farmers' organisations, processors, traders and other stakeholders to develop bankable proposals for investing in coffee production, productivity, value addition and/or marketing.
- Review Cess percentage and usage in the context of coffee subsector financing.

Milestones	Lead institutions	Support agencies, organisations
Financing mechanisms for accessing funds to pursue countercyclical policies and investments developed by end of year 2	MFPED, UCDA	MAAIF, UIA, financial institutions, farmers' organisations,
The majority of stakeholders are able to access technical support in developing bankable proposals for funding by the end of year 2		
Cess percentage reviewed by the end of year 1		

²³ For example by random monitoring of farmers, middlemen, local stores and hulling plants, etc.



Objective 4.6: Strengthen coordination within the coffee subsector

Output: A coherent plan and shared responsibility for the development of the coffee subsector

Strategy 4.6.1: Establish a national data bank for coffee

Implementation (how, who, when)

- a) Conduct a census every 10 years of coffee production, internal marketing, export and domestic consumption, commencing in the first year.
- b) Conduct a survey every 2 years of coffee production, internal marketing, export and domestic consumption, in the intervening years.
- c) Capture and disseminate data regularly.
- d) Establish a web based information resource centre for coffee.

Milestones	Lead institutions	Support agencies, organisations
First census completed by the end of year 1	UBOS, UCDA	MAAIF, NPA
First survey completed by the end of year 3		

Strategy 4.6.2: Establish a framework for strengthening public sector inter-institutional coordination

Implementation (how, who, when)

- a) Harmonise overlapping mandates between institutions
- b) Quarterly national level meetings of the relevant public sector institutions to report on progress and plan.

Milestones	Lead institutions	Support agencies, organisations
Overlapping institutions' mandates identified and documented in year 1 and harmonized by end of year 2	OPM	MAAIF, UCDA, NARO, MTIC, MFPED

Strategy 4.6.3: Strengthen public-private sector dialogue and collaboration to achieve common goals

Implementation (how, who, when)

- a) Utilize the National Coffee Platform to strengthen public-private sector dialogue and collaboration at national and district levels to achieve common goals.

Milestones	Lead institutions	Support agencies, organisations
The National Coffee Platform utilized to strengthen public-private sector dialogue	UCDA	All stakeholder institutions and organisations

Strategy 4.6.4: Strengthen institutional capacity to integrate gender, youth, HIV/AIDS, climate change in planning, budgeting, implementation and reporting

Implementation (how, who, when)

- a) Encourage all institutional stakeholders to build capacity in gender analysis and mainstreaming.
- b) Ensure budgets make adequate provision for mainstreaming gender equity, youth, HIV/AIDS and climate change in coffee activities.

Milestones	Lead institutions	Support agencies, organisations
By end of year 2 the majority of stakeholders will have conducted gender analysis	MGLSD	UCDA
By the end of year 2 the majority of stakeholders will have made provision for mainstreaming	MOWE	



6. IMPLEMENTATION FRAME WORK

6.1 Implementation Mechanism

The National Coffee Strategy will be implemented by the following entities/institutions:

- Government Line Ministries, Departments and Agencies
- Local Governments
- Private sector companies and associations
- Farmers and farmers' organisations
- Academia
- Development partners
- Civil Society
- Media

For each entity, the first step in implementing the Strategy will involve planning for the activities they are responsible for through their respective plans and strategies. For public institutions, this will involve incorporating the plans into the Medium Term Expenditure Framework and annual work plans and budgets to indicate what they are intending to do and as a vehicle for securing funds.

Table 11: Mandates and proposed responsibilities of institutions

Institution	Key Mandates/Provisions	Specific Responsibility for Strategy Implementation
MAAIF	Support, promote and guide production of crops, livestock and fisheries, so as to improve quality and increased quantity of agricultural produce and products for domestic consumption, food security and export	<ul style="list-style-type: none"> • Policy formulation, regulations, provision of advisory services, research, promotion of commercialization, support to LGs. • Safe handling and disposal of agro-pesticides and fertilisers
MOLGSD	Occupational safety and health Compliance with labour laws Overseeing compliance with gender policy	<ul style="list-style-type: none"> • Enforcement of labour laws • Gender and youth mainstreaming
MFPED	Economic Management	<ul style="list-style-type: none"> • Taxation policies related to coffee • Financing public sector institutions
MOH	Food safety	<ul style="list-style-type: none"> • Education on the health benefits of drinking coffee • Assuring quality of coffee as a food product

The private sector will be encouraged to invest along the lines elaborated under this Strategy by identifying new business opportunities and supporting stakeholder initiatives. In the case of PPP-type implementation arrangements, the relevant public and private parties will agree on the modalities and steps necessary to undertake a PPP including; feasibility studies, detailed investment planning, financing arrangements and implementation.

6.2 Implementation Roles of Institutions

The mandates and functions of the major institutions follow in Table 11 together with specification of the roles they will play during the implementation of the National Coffee Strategy.



Institution	Key Mandates/Provisions	Specific Responsibility for Strategy Implementation
MOWE	Environment management/protection Climate Change Water for agricultural production	<ul style="list-style-type: none"> • Environmental Safety • Main streaming Climate Change and coordinating climate change policy implementation • Infrastructure for irrigation
MWT	Road, rail and marine transport infrastructure and regulation	<ul style="list-style-type: none"> • Provide access to coffee producing areas • Regulating transport • Support the development of the infrastructure that reduces the cost of doing business
MTIC	Policy formulation, coordination, inspection, research and information dissemination	<ul style="list-style-type: none"> • Enabling policy and regulatory environment for functioning of: • Trade • Cooperatives • Industrialization • Information on trade, international cooperation and negotiations on trade issues
MJCA	Drafting bills and regulations	<ul style="list-style-type: none"> • Drafting the principles of the new coffee law • Drafting the bill for the new coffee law • Reviewing and approving the new coffee regulations
NaCORI	Coffee research	<ul style="list-style-type: none"> • Undertake coffee research that meets industry demands • Establish adequate mother gardens of improved coffee varieties in different parts of the country • Provide technical support to the private sector in mass multiplication of improved coffee varieties in collaboration with UCDA
NEMA	Environmental Management Environmental Standards Environmental Impact Assessment (EIA)	<ul style="list-style-type: none"> • EIA Certificates
UBOS	Statistics and Data	<ul style="list-style-type: none"> • Collection of management of coffee-related data and statistics
UCDA	Development, promotion and regulation of the coffee industry	<ul style="list-style-type: none"> • Provide oversight, coordination, regulation and reporting in relation to this Strategy
UEPB	Promotion of Ugandan exports	<ul style="list-style-type: none"> • Promoting exports of coffee • Data/information on markets
UIA	Licensing investments in the subsector Marketing investments opportunities	<ul style="list-style-type: none"> • Promotion of coffee-related investments such as soluble plant, large-scale plantations.
UIRI	Technology/Innovations development Training and capacity building	<ul style="list-style-type: none"> • Product innovations, • Development of appropriate technologies • Training and Capacity building



Institution	Key Mandates/Provisions	Specific Responsibility for Strategy Implementation
UNBS	Development and enforcement of regulations and standards	<ul style="list-style-type: none"> • Develop and enforce quality and standards
UNMA	Climate monitoring Climate and weather advisories for agricultural production	<ul style="list-style-type: none"> • Infrastructure for weather observation • Accurate information on weather and climate
PSFU, UNCCI	Advocacy and lobbying organisations for private sector	<ul style="list-style-type: none"> • Coordination within the private sector • Dialogue platforms
Processors' Traders' and Roasters' Associations	Lobby and advocacy for value addition	<ul style="list-style-type: none"> • Engage in policy dialogue and facilitating businesses • Compliment public service delivery such as provision of inputs • Represent stakeholder interests in various fora • Explore and promote Uganda's coffee in traditional and new markets for Uganda coffee • Promote domestic coffee consumption • Develop coffee roasting and soluble manufacturing capacities
Producer organisations	Mobilisation, service provision and advocacy	<ul style="list-style-type: none"> • Mobilise and sensitise producers to form viable groups that operate as business units • Promote the adoption of sustainable coffee production systems • Certification • Traceability • Support and participate in value addition activities along the coffee value chain • Procure efficient extension services for coffee producers • Represent and advocate for farmer interests in various coffee fora • Collaborate with research agencies in generation and development of appropriate technologies
Local Governments	Implement devolved agricultural related functions	<ul style="list-style-type: none"> • Develop and implement appropriate by-laws to regulate standards at farm level • Supplement coffee extension services
Development partners	Technical assistance and funding	<ul style="list-style-type: none"> • Share knowledge, skills and best practices • Provide development financing to the coffee industry • Support the private sector in the coffee industry



6.3 Coordination

In order to achieve the objectives set out in this strategy, it will be important to have an effective coordination, monitoring and evaluation framework. The wide range of actors that will be involved in the strategy will require a harmonized and coordinated framework for effective and efficient management of activities and resources. The framework provides for regular feedback between agencies charged and entrusted with the implementation of the strategy. An appropriate institutional framework that utilizes existing ministries and institutions to implement activities specified in the strategy and which facilitates the active participation of the private sector, the civil society and communities, is being developed.

6.4 The role of Coffee Strategy Coordination Unit (CSCU)

The CSCU will be established under UCDA for the overall coordination among the implementing entities. CSCU will be tasked to spearhead the implementation of the Strategy. The mandate of the Unit will be to create linkages and

collaboration among the subsector players as well as provide an enabling environment for sector-wide consultations along the various levels of implementation along the value chain. It shall not be involved in the actual implementation of the strategy.

The unit will review of sub-sector strategic and annual work plans to ensure they conform to NCS, Vision 2040, the SDGs 2030 and other Government development agenda.

6.5 Priorities Setting and Phasing

NCS will be implemented over a 5 year period and will run parallel and be part and parcel of activities agreed on with the stakeholders and development partners on 2040 Targets. However, the need for a rapid growth and development of the subsector makes it necessary to identify and kick-start the implementation of actions in priority areas that impact more significantly on the immediate needs for Production and Productivity, Quality Assurance and Value addition, Market Development and Intelligence and; Institutional Development and Governance.



7 MONITORING AND REPORTING

7.1 Monitoring and Evaluation System

The NCP provides for a multi stakeholder M&E system to be established under UCDA but implemented in partnership with the other stakeholders in the coffee industry. Measuring whether progress is being made towards attaining long-term results, strategic objectives and outputs of the NCS and assessing the relevance of the methods used will be crucial. This will help with learning and adapting the Strategy in order to improve its implementation and accountability of the responsible entities. For this to take place, an effective monitoring and evaluation system will be put in place.

Coffee subsector wide monitoring and evaluation as well as periodic progress reviews will be undertaken by the implementing entities under the auspices of a unit/platform responsible for coordinating the implementation of the NCS. Corrective actions will be instituted along the programmes implementation stages. The unit/platform will further support and participate in sub-sectoral policy reviews and formulation as well as facilitate implementation of new policies. It will also play a supportive role to other players in the subsector.

7.2 Monitoring and Evaluation Indicators

The high level of Monitoring and evaluation indicators for NCS are presented in table 12 below

Table 12: Proposed High level Coffee Strategy Indicators

Long Term Results 2040

- % of farmers categorised as commercial
- % of coffee stakeholders who consider coffee as the main source of livelihood
- % of coffee institutions considered to be efficient, effective and accountable by stakeholders
- % contribution by coffee subsector to GDP and employment

Monitoring and Evaluation (M&E) will provide reliable and timely data to inform decision-makers and the public on progress, results and shortcomings of strategic interventions under implementation in the coffee subsector. This is to enable management steer and fine-tune policies and programmes and also to create transparency as a basis for accountability to the public. Further, regular monitoring of trends and dynamics in the subsector will be carried out.

An independent professional body of Monitoring and Evaluation Experts will work closely with sector players under the unit/platform to ensure elaborate monitoring and evaluation. To provide regular information on subsector performance, the information originating from the different sources will be compiled into a subsector M&E report. Accordingly, the existing M&E instruments will be harmonized to reduce duplication, overlap and fill information gaps in a coordinated way.



Pillar Indicators			
<i>Pillar 1:</i> Production and Productivity	<i>Pillar 2:</i> Quality and Value Addition	<i>Pillar 3:</i> Market Development and Intelligence	<i>Pillar 4:</i> Institutional Development and Accountability
<ul style="list-style-type: none"> • Volume and value of coffee produced • % increase in yield of coffee 	<ul style="list-style-type: none"> • Share of Ugandan coffee sold as sustainable and speciality coffee • % of Ugandan coffee processed and sold as final products 	<ul style="list-style-type: none"> • Export volumes and earnings • Share of Ugandan coffee consumed within the country • Stakeholders satisfied with the quality of information provide to them 	<ul style="list-style-type: none"> • % of coffee institutions- considered to be efficient, effective and accountable • Leading coffee institutions achieve international benchmarks
Strategic Objectives Indicators			
<i>Under Pillar 1:</i> Production and Productivity	<i>Under Pillar 2:</i> Quality and Value Addition	<i>Under Pillar 3:</i> Market Development and Intelligence	<i>Pillar 4:</i> Institutional development and Accountability
<p>Production</p> <ul style="list-style-type: none"> • % increase in new areas planted with coffee <p>Productivity</p> <ul style="list-style-type: none"> • % increase in yield per tree/area 	<p>Quality and value addition</p> <ul style="list-style-type: none"> • % increase in price at farm gate • Quantity of quality coffee sold at price premium • Number of uniquely recognized geographical locations (GI) and overall volume sold from them 	<p>Farmers' organisations involvement in marketing</p> <ul style="list-style-type: none"> • % increase in the volume and value of coffee marketed through farmers' organisations <p>Rebuilding traditional markets and penetrating new markets</p> <ul style="list-style-type: none"> • Volumes and value of exports sold in traditional and new markets <p>Domestic Consumption</p> <ul style="list-style-type: none"> • Per capita consumption of coffee 	<p>Research</p> <ul style="list-style-type: none"> • % of coffee stakeholders satisfied with outcomes of research • Degree to which research is recognized internationally <p>Extension</p> <ul style="list-style-type: none"> • % of value chain actors satisfied with quality and outcome of extension <p>Farmers organisations</p> <ul style="list-style-type: none"> • % of farmers belong to and satisfied with services provided • % of farmers/FOs involved in processing . <p>Coffee laws and regulations</p> <ul style="list-style-type: none"> • Modern laws and regulations that comply with differentiated market standards, safety, quality and sustainability enacted <p>Public-private financing instruments</p> <ul style="list-style-type: none"> • Amount of public-private developed financed invested in the coffee industry <p>Coffee subsector planning, coordination and accountability</p> <ul style="list-style-type: none"> • High quality evidence based coffee subsector plans and policies formulated and implemented



7.3 Reporting and Reviews

To build a credible reporting system, the first step will involve establishing baselines against which to monitor and evaluate progress, including farm and farmers characteristics, economic and social variables.

Reporting on the progress will comprise the following:

- a) Implementers will self-report on progress toward objectives and targets as measured by the indicators and with problems encountered, and solutions formulated.
- b) Reporting frequency will depend on the timing of information gathering and will include:

- Quarterly reports from implementing agencies
- Half yearly reports
- Annual Reports

Once reports have been shared, it will be vital that feedback and reviews be carried out. Towards this end, the following feedback events will be held:

- Annual review by coffee stakeholders
- Seasonal feedback from farmers/farmers organizations
- Review every time a sample survey is carried out.
- Comprehensive review every five years to inform the revision of the NCS for the subsequent five year period



8. COMMUNICATION STRATEGY

The implementation of the National Coffee Strategy will involve various stakeholders and as such a communication strategy that elaborates how the coffee subsector will network, participate and interact with all its stakeholders will be developed. The communication strategy will ensure visibility, synergy among key implementing partners, maximum effectiveness and coordination within the subsector and the environment at large. The communication strategy will facilitate UCDA to create a roadmap of how information on the coffee subsector will be shared, communicated, who is supposed to communicate what, when, and will define internal and external information flow mechanism.

The audiences targeted include the International Coffee organizations (ICO, IACO, IMF, WB, UNDP, AFCA), Government (Public Sector), Private Sector (Farmers, Processors, Roasters,

Exporters and Sector Associations, Development Partners, Community and Faith Based Organisations, Civil Society Organisations, the media and Academia. The information and messages to be disseminated will include, among others: laws and regulations, performance reviews, announcements, publications, operating guidelines, market reports, services, quick important messages and clarifications on misconceptions. The following channels of communication will be used during dissemination:-

- Meetings, workshops, conferences and press conferences
- Telephones
- Radio and Television
- Internet
- Newspapers and brochures
- Events
- Reports



Farmer group learning how to use smartphone to obtain extension and market information



9. COSTING

The implementation of the National Coffee Strategy will require a total of UGX 1.08 trillion for the five years. On average, to implement the strategy will require approximately UGX 216 billion per annum for five years. A summary of the costing by Year and Pillar is presented in Table 12 and by Strategic Objectives are presented in table 13 while the detailed costing is attached as annex 1.

Table 12: Summary of cost by Year and Pillar (000 UGX)

PILLAR/FY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL	%
PRODUCTION & PRODUCTIVITY	115,413,659	122,968,025	131,510,828	123,575,910	134,029,502	627,497,924	58%
QUALITY & VALUE ADDITION	10,607,637	9,421,192	235,192,007	11,216,142	11,857,233	278,294,211	26%
MARKET DEVELOPMENT & INTEL-LIGENCE	2,882,052	3,152,108	3,467,319	3,814,051	4,195,457	17,510,987	2%
INSTITUTIONAL DEVELOPMENT & ACCOUNTABILITY	33,238,763	32,927,508	29,363,359	29,356,079	32,122,791	157,008,500	15%
TOTAL	162,142,111	168,468,833	399,533,513	167,962,182	182,204,983	1,080,311,622	100%



Table 13: Summary of cost by Year, Pillar and Strategic Objectives (000 UGX)

PILLAR/FY	Objective #	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
PRODUCTION AND PRODUCTIVITY		115,413,659	122,968,025	131,510,828	123,575,910	134,029,502	627,028,465
Increase coffee production and productivity at farm level in a sustainable way that addresses the social, ecological and economic dimensions	1.1	115,413,659	122,968,025	131,510,828	123,575,910	134,029,502	627,028,465
QUALITY AND VALUE ADDITION		10,607,637	9,421,192	235,192,007	11,216,142	11,857,233	274,634,556
Ensure quality at all stages of the coffee value chain	2.1	1,905,059	1,410,450	1,516,915	1,816,207	1,835,468	8,483,841
Promote value addition processes at all stages of the coffee value chain to respond effectively to both national and international market requirements and opportunities	2.2	8,702,578	8,010,742	233,675,092	9,399,935	10,021,765	266,150,715
MARKET DEVELOPMENT AND INTELLIGENCE		2,882,052	3,152,108	3,467,319	3,814,051	4,195,457	17,494,481
Improve market access for farmers and farmers' organizations	3.1	888,662	977,529	1,075,282	1,182,810	1,301,091	5,425,372
Rebuild competitiveness and market share in traditional markets while promoting entry and penetration in new and emerging markets	3.2	741,890	816,079	897,687	987,456	1,086,202	4,529,310
Promote domestic consumption of coffee as a way of enhancing coffee industry competitiveness and developing the domestic coffee market	3.3	1,251,500	1,358,500	1,494,350	1,643,785	1,808,164	7,539,799
INSTITUTIONAL DEVELOPMENT AND ACCOUNTABILITY		33,238,763	32,927,508	29,363,359	29,356,079	32,122,791	155,689,579
Strengthen the coffee research system so that it is responsive to industry requirements and demands	4.1	11,899,400	11,150,800	11,517,300	9,598,010	10,304,815	54,470,325
Establish a strong coffee specific extension capacity that meets the prevailing industry requirements	4.2	8,183,913	7,616,263	2,599,080	2,933,443	3,116,595	24,449,293
Support the formation and strengthening of coffee farmers' organizations	4.3	866,000	798,600	873,380	955,556	1,045,867	4,539,404
Streamline and strengthen existing coffee laws, regulations and standards at all stages of the coffee value chain	4.4	11,255,500	12,227,900	13,315,280	14,671,335	16,036,829	67,506,843
Develop financing instruments for investing in the coffee value chain	4.5	490,000	546,000	556,600	656,260	673,486	2,922,346
Strengthen governance within the coffee subsector	4.6	543,950	597,945	522,719	574,575	991,608	2,331,878
TOTAL		162,142,111	168,468,833	399,533,513	167,962,182	182,204,983	1,080,311,622



Annex 1: Detailed Costing

NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
PILLAR 1: PRODUCTION AND PRODUCTIVITY			('000')	('000')	('000')	('000')	('000')	('000')
Objective 1.1: Increase coffee production and productivity at farm level in a sustainable way that addresses the social, ecological and economic dimensions								
<i>Output: National productivity to at least double from 600kgs to 1,200 kgs per hectare</i>								
Strategy 1.1.1: Improve coffee production by rejuvenating existing tree stock and optimizing density	a) Provide advice & demonstrate to farmer households tree rejuvenation benefits	Farmer training targeting 1,716 sessions per annum at UGX 200,000. 2% rehabilitation targeting 84,685 acres at UGX 675,000 per acre and 1,716 FFS sessions at UGX 50,000 per session	343,000	377,300	377,300	456,533	502,186	2,094,049
		GoU (50%)	171,500	188,650	188,650	228,267	251,093	1,047,025
		DPs (40%)	137,200	150,920	150,920	182,613	200,874	837,620
		PS (10%)	34,300	37,730	37,730	45,653	50,219	209,405
	b) Research development of varieties that can be planted more densely in intercropping systems.	Support to Nacori - Breeding (15%) of 1.1bn	165,000	181,500	181,500	219,615	241,577	1,007,342
		GoU (70%)	115,500	127,050	127,050	153,731	169,104	705,139
		DPs (30%)	49,500	54,450	54,450	65,885	72,473	302,203
		PS	0	0	0	0	0	0
		Sub Total						
	c) Provide advice & demonstrate to farmer households on optimum tree density	Will be undertaken after 5 years	0	0	0	0	0	0
		GoU	0					
		DPs	0					
		PS	0					
Sub Total 1.1.1			508,000	558,800	614,680	676,148	743,763	3,101,391
Strategy 1.1.2: Improve coffee production by expanding the area under production	a) Expansion of total area under coffee production by 30% by 2020 (plant 100million seedlings per year in three years)	Replanting	35,000,000	35,000,000	35,000,000	17,500,000	17,500,000	140,000,000
		GoU (100%)	35,000,000	35,000,000	35,000,000	17,500,000	17,500,000	140,000,000
		DPs ()	0					
		PS ()	0					



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	b) Feasibility and needs assessments in districts in northern Uganda identified for expansion.	1 survey conducted per year at a cost of UGX 20m	20,000	0	20,000	0	20,000	40,000
		GoU (100%)	20,000		20,000		20,000	40,000
		DPs	0		0		0	0
		PS	0		0		0	0
	c) Sensitise and support interested farmers and farmers' organisations.	Farmer training (10%)	0	0	0	0	0	0
	d) Introduce water capture, irrigation technologies, the use of shade trees & develop drought resistant varieties	Target 1,694 units of shade trees at UGX 300, 17,160 units of water harvesting at UGX 800,000 and 1,716 irrigation units at 25m each	58,491,074	64,340,181	70,774,200	77,851,619	85,636,781	357,093,856
		GoU (60%)	35,094,644	38,604,109	42,464,520	46,710,971	51,382,069	214,256,314
		DPs (35%)	20,471,876	22,519,063	24,770,970	27,248,067	29,972,873	124,982,850
		PS (5%)	2,924,554	3,217,009	3,538,710	3,892,581	4,281,839	17,854,693
	e) Characterize coffee in new areas so as to improve on knowledge and dissemination of relevant technologies.	Surveys (1 per year)	5,000	5,500	6,050	6,655	7,321	30,526
		GoU (100%)	5,000	5,500	6,050	6,655	7,321	30,526
		DPs (0%)	0	0	0	0	0	0
		PS (0%)	0	0	0	0	0	0
Sub Total 1.1.2			93,516,074	99,345,681	105,800,250	95,358,274	103,164,102	497,164,382
Strategy 1.1.3: Improve productivity per tree by using best agronomic practices and improved genetic materials	a) Provide advice and demonstrate to farmer households Best Agronomic Practices	Farmer training (10%)	0	0	0	0	0	0



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL	
	b) Establish a five year plan for the development, mass multiplication, procurement and distribution of adequate quantities of improved genetic materials	CWD - materials(20m per year) at UGX 1,400	16,000,000	17,600,000	19,360,000	21,296,000	23,425,600	97,681,600	
		GoU (100%)	16,000,000	17,600,000	19,360,000	21,296,000	23,425,600	97,681,600	
		DPs (0%)	0	0	0	0	0	0	
		PS (0%)	0	0	0	0	0	0	
	c) Conduct national soil testing and leaf analysis to map nutrient deficiencies and provide location specific recommendations for appropriate fertiliser use for different zones	Sampling and Testing(Per Region, Per Annum) at UGX 25m each	100,000	110,000	121,000	133,100	146,410	161,051	
		GoU (70%)	70,000	77,000	84,700	93,170	102,487	112,736	
		DPs (30%)	30,000	33,000	36,300	39,930	43,923	48,315	
		PS (0%)	0	0	0	0	0	0	
	d) Develop a joint public-private sector R&D agenda.	MOUs (Meetings - 2 per year) Covered under 4.1.4	0	0	0	0	0	0	
	Sub Total 1.1.3			16,100,000	17,710,000	19,481,000	21,429,100	23,572,010	97,842,651
Strategy 1.1.4: Improve productivity by improving the accessibility of agro-inputs	a) Improve access to high quality and price-competitive agro-inputs.	Establish / use Demo plots (Awareness, Availability-stockist and Access cost)	400,000	440,000	484,000	532,400	585,640	2,442,040	
		GoU (40%)	160,000	176,000	193,600	212,960	234,256	976,816	
		DPs (30%)	120,000	132,000	145,200	159,720	175,692	732,612	
		PS (30%)	120,000	132,000	145,200	159,720	175,692	732,612	
	b) Address the need for institutional capacity to monitor the quality of agro-inputs.	Monitoring (4 times per/annum) at UGX 20m	80,000	88,000	96,800	106,480	117,128	488,408	
		GoU (100%)	80,000	88,000	96,800	106,480	117,128	488,408	
		DPs (0%)	0	0	0	0	0	0	
		PS (0%)	0	0	0	0	0	0	
	c) Develop a specific intervention to make fertiliser more accessible.	Bulk/Subsidies	0	0	0	0	0	0	
	d) Train farmer households in the safe and efficient use of agro-inputs.	Cost covered under farmer training	0	0	0	0	0	0	
	Sub Total 1.1.4			480,000	528,000	580,800	638,880	702,768	2,930,448



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Strategy 1.1.5: Manage coffee diseases and pests	a) Develop and strengthen intervention systems for control and management of pests and diseases.	Surveillance (Monthly) at UGX 15m, Spraying at UGX 250m, IPM demonstration 1 per district at UGX 10.4m	929,585	1,022,544	1,124,798	1,237,278	1,361,005	5,675,209
		GoU (70%)	650,710	715,781	787,359	866,095	952,704	3,972,646
		DPs (10%)	92,959	102,254	112,480	123,728	136,101	567,521
		PS (20%)	185,917	204,509	224,960	247,456	272,201	1,135,042
	b) Create a national surveillance mechanism to monitor diseases and pest thresholds.	Surveillance	0	0	0	0	0	0
	c) Develop and strengthen mechanisms that trigger intervention options	Surveillance Reports	0	0	0	0	0	0
d) Establish a mechanism for research on monitoring and identification of new pests and diseases	Surveillance (Monthly) Research	0	0	0	0	0	0	
Sub Total 1.1.5			929,585	1,022,544	1,124,798	1,237,278	1,361,005	5,675,209
Strategy 1.1.6: Promote and support commercial coffee farming	a) Strengthen business development services including the further development of a package of information.	Pillar 3	0	0	0	0	0	0
	b) Identify and promote farmer groups to engage in commercial production.	Replanting	0	0	0	0	0	0
	c) Develop a legal framework for providing incentives to farmers engaging in medium- large scale production (rural business associations).	Replanting (5%) per annum (costed under replanting)	0	0	0	0	0	0
	d) Develop a framework for attracting agribusiness financing and long term investment modalities.	MoUs	0	0	0	0	0	0
	e) Improve access to land and security on property rights.	Advocacy	0	0	0	0	0	0



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	f) UIA to consider identifying land specifically designated for commercial coffee farming	Advocacy	0	0	0	0	0	0
Sub Total 1.1.6			0	0	0	0	0	0
Strategy .1.1.7: Promote irrigation development in coffee farming	a) Support the establishment of irrigation infrastructure points from where farmers can extend water to their farms.	Collaboration (dams) -Districts	0	0	0	0	0	0
	b) Promote establishment of water gravity schemes as cheap source of irrigation.	Collaboration	0	0	0	0	0	0
	c) Support the private sector in provision of irrigation services or equipment.	Irrigation (0.1% farmers per annum)	0	0	0	0	0	0
	d) Establish large scale irrigation schemes under Public Private Partnership (PPP) arrangements.	PPP	0	0	0	0	0	0
Sub Total 1.1.7			0	0	0	0	0	0
Strategy 1.1.8: Promote and support climate change adaptation and environmentally responsible practices	a) Develop and implement reward systems for farmers who practice good conservation practices.	Farmer Competitions (UGX 25m per district)	1,625,000	1,787,500	1,966,250	2,162,875	2,379,163	9,920,788
		GoU (80%)	1,300,000	1,430,000	1,573,000	1,730,300	1,903,330	7,936,630
		DPs (0%)	0	0	0	0	0	0
		PS (20%)	325,000	357,500	393,250	432,575	475,833	1,984,158
	b) Promote climate and environmentally SMART agriculture.	GAPS/BAPS	0	0	0	0	0	0
	c) Promote use of alternative energy sources that reduce pressure on trees.	Sustainable farming	0	0	0	0	0	0
	d) Strengthen the dissemination mechanism for weather forecast information to reach the farmers.	Information dissemination (Pillar 3)	0	0	0	0	0	0
Sub Total 1.1.8			1,625,000	1,787,500	1,966,250	2,162,875	2,379,163	9,920,788



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Strategy 1.1.9: Mainstream gender and youth in coffee production	a) Identify and develop activities for women and youth groups.	Cost of acquiring labor saving technology, pruning knives, drying trays and tarpaulins	105,000	115,500	127,050	139,755	153,731	641,036
		GoU (30%)	31,500	34,650	38,115	41,927	46,119	192,311
		DPs (50%)	52,500	57,750	63,525	69,878	76,866	320,518
		PS (20%)	21,000	23,100	25,410	27,951	30,746	128,207
	b) Develop /promote affirmative action for youth/women.	Develop /promote affirmative action for youth/women.	390,000	390,000	390,000	390,000	390,000	1,950,000
		GoU (50%)	195,000	195,000	195,000	195,000	195,000	975,000
		DPs (50%)	195,000	195,000	195,000	195,000	195,000	975,000
		PS (0%)	0	0	0	0	0	0
	c) Use the 'Household Approach' to ensure extension services address gender and youth issues.	Cost involves establishment of nurseries, youth mobilization, and training	400,000	550,000	450,000	550,000	550,000	2,500,000
		GoU (50%)	200,000	275,000	225,000	275,000	275,000	1,250,000
		DPs (30%)	120,000	165,000	135,000	165,000	165,000	750,000
		PS (20%)	80,000	110,000	90,000	110,000	110,000	500,000
	d) Document the cultural norms, taboos to evaluate their impact on women and youth participation.	Includes consultancy fee, field work, workshops, media campaigns and community meetings	560,000	160,000	176,000	193,600	212,960	1,302,560
		GoU (50%)	280,000	80,000	88,000	96,800	106,480	651,280
		DPs (50%)	280,000	80,000	88,000	96,800	106,480	651,280
		PS (0%)	0	0	0	0	0	0
	e) Facilitate access to special fund for youth and women organized into various women/youth groups.	Cost of establishing a challenge fund at UGX 800m per year	800,000	800,000	800,000	800,000	800,000	4,000,000
		GoU (100%)	800,000	800,000	800,000	800,000	800,000	4,000,000
		DPs (0%)	0	0	0	0	0	0
PS (0%)		0	0	0	0	0	0	
Sub Total 1.1.9			2,255,000	2,015,500	1,943,050	2,073,355	2,106,691	10,393,596



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
		GoU	90,173,853.9	95,396,739.4	101,279,413.6	90,313,354.5	97,487,690.7	474,316,430.7
		DPs	21,549,034	23,489,438	25,772,382	28,346,620	31,145,282	130,167,918
		PS	3,690,771	4,081,848	4,459,033	4,915,936	5,396,529	22,544,116
		Total	115,413,659	122,968,025	131,510,828	123,575,910	134,029,502	627,028,465
Sub Total Objective 1.1			115,413,659	122,968,025	131,510,828	123,575,910	134,029,502	627,028,465
TOTAL PILLAR 1			115,413,659	122,968,025	131,510,828	123,575,910	134,029,502	627,028,465

PILLAR 2: QUALITY AND VALUE ADDITION

Objective 2.1: Ensure quality at all stages of the coffee value chain

Output: The sale and marketing of higher value product

Strategy 2.1.1: Address the factors impairing quality at the farm and higher levels	a) Demonstration of good post harvesting, handling, processing practices, grading systems, standards, provide advice about the financial benefits of selling better quality coffee.	2 training & demos sessions/ district at UGX 2,660,000 (Year 1 ToT)	259.35	345,800	345,800	380,380	418,418	1,490,398
		GoU (60%)	155.61	207480	207480	228228	251050.8	894238.8
		DPs (30%)	77.805	103740	103740	114114	125525.4	447119.4
		PS (10%)	25.935	34580	34580	38038	41841.8	149039.8
	b) Develop new grading system and standards (washed, semi-washed and naturals) for specialty Arabicas and fine Robustas.	Consultancy fees	73,800	0	0	147,600	0	221,400
		GoU (70%)	51,660	0	0	103,320	0	154,980
		DPs (30%)	22,140	0	0	44,280	0	66,420
		PS (0%)	0	0	0	0	0	0
	c) Carry out quality control, grading at origin	5 Physical analysis Field laboratories set up & QC's trained and purchase of lab equipment's	180,000	198,000	217,800	239,580	263,538	1,098,918
		GoU (65%)	117,000	128,700	141,570	155,727	171,300	714,297
		DPs (25%)	45,000	49,500	54,450	59,895	65,885	274,730
		PS (10%)	18,000	19,800	21,780	23,958	26,354	109,892
	d) Accelerate the role of farmers' organizations in quality control and processing.	10-50 Farmer groups/ region trained in basic quality control skills	512,000	563,200	619,520	681,472	749,619	3,125,811
		GoU (50%)	256,000	281,600	309,760	340,736	374,810	1,562,906
		DPs (20%)	102,400	112,640	123,904	136,294	149,924	625,162



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
		PS (30%)	153,600	168,960	185,856	204,442	224,886	937,743
	e) Engage local traders, processors and exporters in a drive to improve quality.	Q&R graders trained, trained on post-harvest handling & regulations enforced	120,000	132,000	145,200	159,720	175,692	732,612
		GoU (50%)	60,000	66,000	72,600	79,860	87,846	366,306
		DPs (25%)	30,000	33,000	36,300	39,930	43,923	183,153
		PS (25%)	30,000	33,000	36,300	39,930	43,923	183,153
	f) Provide information to farmer households and cupping training for farmers' organizations.	Cost relates to Brochures development, dissemination, training session/ district, Conducting 2 cupping sessions and cupping materials	864,000	950	1,045	1,150	1,265	868,411
		GoU (80%)	691,200	760	836	920	1,012	694,729
		DPs (15%)	129,600	143	157	173	190	130,262
		PS (5%)	43,200	48	52	58	63	43,421
	g) Encourage farmer households to consume coffee.	Cost of holding workshop to explain the coffee drinking benefits, hall hire, refreshments, transport and flyers	60,000	66,000	72,600	79,860	87,846	366,306
		GoU (80%)	48,000	52,800	58,080	63,888	70,277	293,045
		DPs (0%)	0	0	0	0	0	0
		PS (20%)	12,000	13,200	14,520	15,972	17,569	73,261
	h) Improve awareness of and enforce relevant laws and regulations.	Education and sensitization on regulation	95,000	104,500	114,950	126,445	139,090	579,985
		GoU (100%)	95,000	104,500	114,950	126,445	139,090	579,985
		DPs (0%)	0	0	0	0	0	0
		PS (0%)	0	0	0	0	0	0



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
		GoU	1,319,016	841,840	905,276	1,099,124	1,095,385	5,260,486
		DPs	329,218	299,023	318,551	394,686	385,446	1,726,846
		PS	256,826	269,588	293,088	322,397	354,637	1,496,510
		Total	1,905,059	1,410,450	1,516,915	1,816,207	1,835,468	8,483,841
Sub Total Objective 2.1			1,905,059	1,410,450	1,516,915	1,816,207	1,835,468	8,483,841
Objective 2.2: Promote value addition processes at all stages of the coffee value chain to respond effectively to both national and international market requirements and opportunities								
<i>Output: A higher proportion of coffee traded is processed earlier in the value chain and is certified and traceable</i>								
Strategy 2.2.1: Promote processing by farmers and farmer organizations	a) Conduct a study to better understand constraints and opportunities for farmer households and farmer organizations to bulk coffee and/or participate in value addition processes, including primary processing and higher levels.	A baseline and follow up study carried out	160,000	0	0	176,000	0	336,000
		GoU (50%)	80,000	0	0	88,000	0	168,000
		DPs (50%)	80,000	0	0	88,000	0	168,000
		PS (0%)	0	0	0	0	0	0
	b) Demonstrate to farmer households and farmer organizations the use of appropriate and affordable technologies for wet and dry processing at farm level.	5 Mobile demos or sites set up per region per year	600,000	660,000	726,000	798,600	878,460	3,663
		GoU (50%)	300,000	330,000	363,000	399,300	439,230	1,832
		DPs (30%)	180,000	198,000	217,800	239,580	263,538	1,099
		PS (20%)	120,000	132,000	145,200	159,720	175,692	733
	c) Establish a training course for the engagement of women and youth in the coffee business.	Cost of Curriculum development, 2-6 training sessions in all districts and printing	70,000	0	0	0	0	70,000
		GoU (80%)	56,000	0	0	0	0	56,000
		DPs (20%)	14,000	0	0	0	0	14,000
		PS (0%)	0	0	0	0	0	0



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	d) Introduce women and youth to commercial aspects of coffee production.	10 Women & youth groups supported/year with equipment's and tools, planting materials and inputs	250,000	275,000	302,500	332,750	366,025	1,526,275
		GoU (80%)	200,000	220,000	242,000	266,200	292,820	1,221,020
		DPs (20%)	50,000	55,000	60,500	66,550	73,205	305,255
		PS (0%)	0	0	0	0	0	0
Sub Total			1,080,000	935,000	1,028,500	1,307,350	1,244,485	1,935,938
Strategy 2.2.2: Improve processing standards and capacity	a) Advice and train primary processors in the application of standards.	2 workshops for 2 days / region/ year - Hall hire, trainers fees, Transport , flyers	100,000	110,000	121,000	133,100	146,410	610,510
		GoU (70%)	70,000	77,000	84,700	93,170	102,487	427,357
		DPs (30%)	30,000	33,000	36,300	39,930	43,923	183,153
		PS (0%)	0	0	0	0	0	0
	b) Engage local traders/middlemen to enhance their contribution to value addition.	2 workshops for 2 days / region/ year - Hall hire, trainer's fees, Transport, flyers. Exchange visits	100,000	110,000	121,000	133,100	146,410	610,510
		GoU (70%)	70,000	77,000	84,700	93,170	102,487	427,357
		DPs (30%)	30,000	33,000	36,300	39,930	43,923	183,153
		PS (0%)	0	0	0	0	0	0
	c) PPP for washing stations	Install 100 washing stations at 50m each per year	5,000,000	5,500,000	6,050,000	6,655,000	7,320,500	30,525,500
		GoU (20%)	1,000,000	1,100,000	1,210,000	1,331,000	1,464,100	6,105,100
		DPs (40%)	2,000,000	2,200,000	2,420,000	2,662,000	2,928,200	12,210,200
		PS (40%)	2,000,000	2,200,000	2,420,000	2,662,000	2,928,200	12,210,200



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL	
	d) Review and strengthen the application of standards and guidelines for processing (including hulling coffee).	Engage a standards consultant	50,000	0	0	60,000	0	110,000	
		GoU (50%)	25,000	0	0	30,000	0	55,000	
		DPs (50%)	25,000	0	0	30,000	0	55,000	
		PS (0%)	0	0	0	0	0	0	
	e) Encourage traders and exporters to develop and apply codes of conduct consistent with the Coffee Regulations to improve processing standards and the quality of coffee traded.	Support development of codes of conduct Consultant and consultation fees	5,000	100,000	7,000	0	0	112,000	
		GoU (40%)	2,000	40,000	2,800	0	0	44,800	
		DPs (40%)	2,000	40,000	2,800	0	0	44,800	
		PS (20%)	1,000	20,000	1,400	0	0	22,400	
	Sub Total			5,255,000	5,820,000	6,299,000	6,981,200	7,613,320	31,968,520
	Strategy 2.2.3: Develop the coffee roasting industry.	a) Train coffee roasters & brewers/baristas.	20-40 trained / region	60,000	66,000	72,600	79,860	87,846	366,306
GoU (50%)			30,000	33,000	36,300	39,930	43,923	183,153	
DPs (25%)			15,000	16,500	18,150	19,965	21,962	91,577	
PS (25%)			15,000	16,500	18,150	19,965	21,962	91,577	
b) Provide advice to roasters in seeking funds to acquire appropriate equipment & technologies.		A coffee business consultant engaged	40,000	44,000	48,400	53,240	0	185,640	
		GoU (50%)	20,000	22,000	24,200	26,620	0	92,820	
		DPs (50%)	20,000	22,000	24,200	26,620	0	92,820	
		PS (0%)	0	0	0	0	0	0	
c) Address issues roasters have with tax waivers for packaging materials.		A Tax consultant ,URA, MFPED & UCRA engaged	70,000	0	0	0	0	70,000	
		GoU (70%)	49,000	0	0	0	0	49,000	
		DPs (0%)	0	0	0	0	0	0	
		PS (30%)	21,000	0	0	0	0	21,000	
d) Establish a soluble plant initially through PPP.		Study in year 1 and cost for the plant in the 3rd year	1,000,000	0	225,000,000	0	0	226,000,000	
		GoU (20%)	200,000	0	45,000,000	0	0	45,200,000	
		DPs (60%)	600,000	0	135,000,000	0	0	135,600,000	
		PS (20%)	200,000	0	45,000,000	0	0	45,200,000	
Sub Total			1,170,000	110,000	225,121,000	133,100	87,846	226,621,946	



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Strategy 2.2.4: Promote and support production and certification schemes for sustainable, fine and specialty coffees	a) Identify and map areas for sustainable, fine and specialty coffee production.	Sample collection from the field at UGX 3.3m and consultancy cost to develop a traceability system and data collection software	462,578	337,242	337,242	0	0	1,137,062
		GoU (80%)	370,062	269,794	269,794	0	0	909,650
		DPs (20%)	92,516	67,448	67,448	0	0	227,412
		PS (0%)	0	0	0	0	0	0
	b) Develop sensitization initiatives on definition and benefits of sustainable, fine and specialty coffees and avail support for certification and compliance	20,000 farmers & processors supported /region workshops brochures support towards processing fees & basic post-harvest handling equipment per region	250,000	275,000	302,500	332,750	366,025	1,526,275
		GoU (70%)	175,000	192,500	211,750	232,925	256,218	1,068,393
		DPs (20%)	50,000	55,000	60,500	66,550	73,205	305,255
		PS (10%)	25,000	27,500	30,250	33,275	36,603	152,628
	c) Develop and implement amalgamated Internal Control System that supports the different Sustainable production systems.	Covered under pillar 1	0	0	0	0	0	0
	d) Identify and develop technologies that support sustainable, fine and specialty coffee production systems	Research/design cost as well as innovation and appropriate technology	400,000	440,000	484,000	532,400	585,640	2,442,040
		GoU (80%)	320,000	352,000	387,200	425,920	468,512	1,953,632
		DPs (20%)	80,000	88,000	96,800	106,480	117,128	488,408
		PS (0%)	0	0	0	0	0	0
	e) Profile Uganda Coffees.	Linked to Profiling & traceability	0	0	0	0	0	0
	f) Train and certify Q & R Graders and trainers.	100 Q&R graders trained / 20 trained / region	85,000	93,500	102,850	113,135	124,449	518,934
		GoU (40%)	34,000	37,400	41,140	45,254	49,780	207,574
DPs (40%)		34,000	37,400	41,140	45,254	49,780	207,574	
PS (20%)		17,000	18,700	20,570	22,627	24,890	103,787	
subtotal			1,197,578	1,145,742	1,226,592	978,285	1,076,114	5,624,311



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
		GoU	3,001,062	2,750,694	47,957,584	3,071,489	3,219,556	58,170,686
		DPs	3,302,516	2,845,348	138,081,938	3,430,859	3,614,863	150,177,705
		PS	2,399,000	2,414,700	47,635,570	2,897,587	3,187,346	57,802,323
		Total	8,702,578	8,010,742	233,675,092	9,399,935	10,021,765	266,150,715
Sub Total Objective 2.2			8,702,578	8,010,742	233,675,092	9,399,935	10,021,765	266,150,715
TOTAL PILLAR 2			10,607,637	9,421,192	235,192,007	11,216,142	11,857,233	274,634,556

PILLAR 3: MARKET DEVELOPMENT AND INTELLIGENCE

Objective 3.1: Improve market access for farmers and farmers' organisations

Output: At least one third of farmers are bulking and marketing their own product

Strategy 3.1.1: Promote and support bulking, marketing and export grading among farmers and farmers' organisations	a) Guide and train farmers and farmers' organisations in bulk marketing.	Covered under training	-	-	-	-	-	-
	b) Promote the buying stores to trade in graded coffee.	Train 50 buying stores in trading in graded coffee per region	43,770	48,147	52,962	58,258	64,084	267,220
		GoU (50%)	21,885	24,074	26,481	29,129	32,042	133,610
		DPs	0					
		PS (50%)	21,885	24,074	26,481	29,129	32,042	133,610
		Sub-Total	43,770	48,147	52,962	58,258	64,084	267,220
	c) Promote Ugandan coffees of origin and support branding.	This activity involves branding as per profile. The costs involves registering at least 2 brands per year and marketing cost	300,000	330,000	363,000	399,300	439,230	1,831,530
		GoU (40%)	120,000	132,000	145,200	159,720	175,692	732,612
		DPs (20%)	60,000	66,000	72,600	79,860	87,846	366,306
		PS (40%)	120,000	132,000	145,200	159,720	175,692	732,612
		Sub-Total	300,000	330,000	363,000	399,300	439,230	1,831,530



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	d) Establish mechanisms for trade linkages between farmers and farmers' organisations, and export markets.	Support farm level organizations to attend exhibitions	118,250	130,075	143,083	157,391	173,130	721,928
		GoU (50%)	59,125	65,038	71,542	78,696	86,565	360,964
		DPs (20%)	23,650	26,015	28,617	31,478	34,626	144,386
		PS (30%)	35,475	39,023	42,925	47,217	51,939	216,578
		Sub-Total	118,250	130,075	143,083	157,391	173,130	721,928
	e) Develop market intelligence, promotion of microlots and initiatives to open up Arabica specialty and Fine Robusta markets for Ugandan coffees	Link microlots marketing, Profiling, intelligence to promotions	262,620	288,882	317,770	349,547	384,502	1,603,321
		GoU (50%)	131,310	144,441	158,885	174,774	192,251	801,661
		DPs (20%)	52,524	57,776	63,554	69,909	76,900	320,664
		PS (30%)	78,786	86,665	95,331	104,864	115,351	480,996
		Sub-Total	262,620	288,882	317,770	349,547	384,502	1,603,321
Sub Total		724,640	797,104	876,815	964,496	1,060,946	4,423,999	
Strategy 3.1.2: Provide market advice and information to farmers, farmers' organisations and others with limited capacity to access it themselves	a) Advise farmers' organisations on how coffee markets operate and how to exploit opportunities.	Market research and Advisory services	100,000	110,000	121,000	133,100	146,410	610,510
		GoU (80%)	80,000	88,000	96,800	106,480	117,128	488,408
		DPs	0	0	0	0	0	0
		PS (20%)	20,000	22,000	24,200	26,620	29,282	122,102
		Sub-Total	100,000	110,000	121,000	133,100	146,410	610,510
	b) Develop means of efficiently providing market information to traders and exporters that don't yet have the capacity to access it themselves e.g. ICT, use of mass text messaging, etc.	Hire a consultant to Develop a Market Information Tool, ToT training and Training of Industry Participants and provide regular market information dissemination	64,022	70,425	77,467	85,214	93,735	390,863
		GoU (70%)	44,815	49,298	54,227	59,650	65,615	273,604
		DPs (20)	12,804	14,085	15,493	17,043	18,747	78,173
		PS (10%)	6,402	7,043	7,747	8,521	9,374	39,086
		Sub-Total	64,022	70,425	77,467	85,214	93,735	390,863



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Sub Total			164,022	180,425	198,467	218,314	240,145	1,001,373
		GoU	457,135	502,850	553,134	608,448	669,293	2,790,859
		DPs	148,978	163,876	180,264	198,290	218,119	909,528
		PS	282,548	310,803	341,884	376,072	413,679	1,724,985
		Total	888,662	977,529	1,075,282	1,182,810	1,301,091	5,425,372
Sub Total Objective 3.1			888,662	977,529	1,075,282	1,182,810	1,301,091	5,425,372
Objective 3.2: Rebuild competitiveness and market share in traditional markets while promoting entry and penetration in new and emerging markets								
<i>Output: Increased volumes of direct exports into traditional and new markets</i>								
Strategy 3.2.1: Rebuild competitiveness and market share in traditional markets	a) Differentiation of Ugandan Robustas.	CORE	0	0	0	0	0	0
		GoU	0	0	0	0	0	0
		DPs						
		PS	0	0	0	0	0	0
		Sub-Total	0	0	0	0	0	0
	b) Profile Ugandan Robustas by region, geographic indications, variety, altitude and sustainable or other certification.	For Quality	0	0	0	0	0	0
		GoU	0	0	0	0	0	0
		DPs						
		PS	0	0	0	0	0	0
		Sub-Total	0	0	0	0	0	0
	c) Establish a system which will ensure the traceability of Ugandan coffee.	Develop online system to monitor the farmers' profile, quality and quantity of Coffee in year 1 and subsequent equipment's and maintenance	30,000	33,000	36,300	39,930	43,923	183,153
		GoU (60%)	18,000	19,800	21,780	23,958	26,354	109,892
		DPs (10%)	3,000	3,300	3,630	3,993	4,392	18,315
		PS (30%)	9,000	9,900	10,890	11,979	13,177	54,946
		Sub-Total	30,000	33,000	36,300	39,930	43,923	183,153



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	d) Develop a genetic resources management strategy to tap competitive advantage of Ugandan Robustas.	(Link with research, Vaporization)	0	0	0	0	0	0
		GoU (50%)	0	0	0	0	0	0
		DPs (50%)						
		PS	0	0	0	0	0	0
		Sub-Total	0	0	0	0	0	0
	e) Enhance the potential of Arabica coffees to compete favourably in international markets.	Identify the markets and demand for Ugandan Arabica through both desk and field research /Link with research/zooning, profiling and differentiation and vigorous campaign	32,410	35,651	39,216	43,137	47,451	197,864
		GoU (80%)	25,928	28,521	31,373	34,510	37,961	158,291
		DPs (20%)	6,482	7,130	7,843	8,627	9,490	39,573
		PS	0	0	0	0	0	0
		Sub-Total	32,410	35,651	39,216	43,137	47,451	197,864
	f) Strengthen market development and intelligence capacity	Train UCDA and other industry actors on market intelligence and research	236,500	260,150	286,165	314,782	346,260	1,443,856
		GoU (60%)	141,900	156,090	171,699	188,869	207,756	866,314
		DPs (20%)	47,300	52,030	57,233	62,956	69,252	288,771
		PS (20%)	47,300	52,030	57,233	62,956	69,252	288,771
		Sub-Total	236,500	260,150	286,165	314,782	346,260	1,443,856
	g) Promote Ugandan coffees abroad and promote investment in the coffee value chain in Uganda.	Promotion of Ugandan coffees catered for under promotions (Developing Catalogues)	0	0	0	0	0	0
GoU (20%)		0	0	0	0	0	0	
DPs (80%)								
PS		0	0	0	0	0	0	
Sub-Total		0	0	0	0	0	0	
Sub Total		298,910	328,801	361,681	397,849	437,634	1,824,873	



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Strategy 3.2.2: Create an enabling environment for accessing new markets	a) Develop partnerships in new markets to promote and negotiate access for Uganda coffee, including for specialty and sustainable coffee.	Cost per person for a mission is 11,825,000; 10 people for 2 missions per year	236,500	260,150	286,165	314,782	346,260	1,443,856
		GoU (80%)	189,200	208,120	228,932	251,826	277,008	1,155,085
		DPs						
		PS (20%)	47,300	52,030	57,233	62,956	69,252	288,771
		Sub-Total	236,500	260,150	286,165	314,782	346,260	1,443,856
	b) Carry out regular market research on target markets and avail relevant information to the coffee sector.	This requires desk research and dissemination of the information to stakeholders	20,000	22,000	24,200	26,620	29,282	122,102
		GoU (100%)	20,000	22,000	24,200	26,620	29,282	122,102
		DPs						
		PS	0	0	0	0	0	0
		Sub-Total	20,000	22,000	24,200	26,620	29,282	122,102
	c) Promote access to export finance by promoting arrangements with financial institutions.	Develop price guarantee mechanism, Warehouse receipt systems, Advocacy and joint evaluations and assessments of financial products	36,000	39,600	43,560	47,916	52,708	219,784
		GoU (20%)	7,200	7,920	8,712	9,583	10,542	43,957
		DPs (20%)	7,200	7,920	8,712	9,583	10,542	43,957
		PS (60%)	21,600	23,760	26,136	28,750	31,625	131,870
		Sub-Total	36,000	39,600	43,560	47,916	52,708	219,784
	d) Promote access to specialty markets through Taste of Harvest competitions and 'know your cup' coffee tasting.	Covered under Quality-profiling	0	0	0	0	0	0
		GoU	0	0	0	0	0	0
		DPs						
		Pr. Sector	0	0	0	0	0	0
		Sub-Total	0	0	0	0	0	0



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	e) Collaborate with the diplomatic missions to promote Ugandan coffees in new markets and promote investment in the coffee value chain in Uganda.	10 diplomatic missions targeted per annum, major costs involves developing catalogues, printing and translations	150,480	165,528	182,081	200,289	220,318	918,695
		GoU (100%)	150,480	165,528	182,081	200,289	220,318	918,695
		DPs						
		PS	0	0	0	0	0	0
		Sub-Total		150,480	165,528	182,081	200,289	220,318
Sub Total			442,980	487,278	536,006	589,607	648,568	2,704,437
		GoU	552,708	607,979	668,777	735,655	809,220	3,374,335
		DPs	63,982	70,380	77,418	85,160	93,676	390,616
		PS	125,200	137,720	151,492	166,641	183,306	764,359
		Total	741,890	816,079	897,687	987,456	1,086,202	4,529,310
Sub Total Objective 3.2			741,890	816,079	897,687	987,456	1,086,202	4,529,310
Objective 3.3: Promote domestic consumption of coffee as a way of enhancing coffee industry competitiveness and developing the domestic coffee market								
<i>Output: Domestic consumption of 500 g per person per year by 2020</i>								
Strategy 3.3.1: Develop a coffee drinking culture	a) Develop a media campaign to increase domestic coffee consumption, fund and implement it.	Media consultancy, radio airtime, Jingles	300,000	330,000	363,000	399,300	439,230	1,831,530
		GoU (60%)	180,000	198,000	217,800	239,580	263,538	1,098,918
		DPs (10%)	30,000	33,000	36,300	39,930	43,923	183,153
		PS (30%)	90,000	99,000	108,900	119,790	131,769	549,459
		Sub-Total	300,000	330,000	363,000	399,300	439,230	1,831,530
	b) Engage and train health personnel in the promotion of coffee drinking as a healthy activity.	Media consultancy, radio airtime, Jingles	60,000	66,000	72,600	79,860	87,846	366,306
		GoU (50%)	30,000	33,000	36,300	39,930	43,923	183,153
		DPs (20%)	12,000	13,200	14,520	15,972	17,569	73,261
		PS (30%)	18,000	19,800	21,780	23,958	26,354	109,892
		Sub-Total	60,000	66,000	72,600	79,860	87,846	366,306



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	c) Stress the economic importance of increased coffee consumption to the general public.		-	-	-	-	-	-
		GoU (100%)	0	0	0	0	0	0
		DPs						
		PS	0	0	0	0	0	0
		Sub-Total	0	0	0	0	0	0
	d) Conduct national and regional barista championships.	Covered under Quality	150,000	165,000	181,500	199,650	219,615	915,765
		GoU (50%)	75,000	82,500	90,750	99,825	109,808	457,883
		DPs (0%)	0	0	0	0	0	0
		PS (50%)	75,000	82,500	90,750	99,825	109,808	457,883
		Sub-Total	150,000	165,000	181,500	199,650	219,615	915,765
	e) Participate in all coffee shows, main trade shows and conferences.	10 shows per year @ 8m plus 5 regional shows @ 14m each	150,000	165,000	181,500	199,650	219,615	915,765
		GoU (30%)	45,000	49,500	54,450	59,895	65,885	274,730
		DPs (20)	30,000	33,000	36,300	39,930	43,923	183,153
		PS (50%)	75,000	82,500	90,750	99,825	109,808	457,883
		Sub-Total	150,000	165,000	181,500	199,650	219,615	915,765
	f) Promote coffee consumption among the youth.	Coffee campaign, formation and support coffee clubs in tertiary institutions	100,000	110,000	121,000	133,100	146,410	610,510
		GoU (50%)	50,000	55,000	60,500	66,550	73,205	305,255
		DPs (0%)	0	0	0	0	0	0
		PS (50%)	50,000	55,000	60,500	66,550	73,205	305,255
		Sub-Total	100,000	110,000	121,000	133,100	146,410	610,510
	g) Conduct sensitization and awareness programmes on the myths and benefits of drinking coffee through coffee shows and other platforms.	Cost includes printing 3m posters	300,000	330,000	363,000	399,300	439,230	1,831,530
		GoU (30%)	90,000	99,000	108,900	119,790	131,769	549,459
		DPs (10%)	30,000	33,000	36,300	39,930	43,923	183,153
		PS (60%)	180,000	198,000	217,800	239,580	263,538	1,098,918
		Sub-Total	300,000	330,000	363,000	399,300	439,230	1,831,530



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	h) Carry out regular tasting of all domestic brands and give feedback to roasters.		16,500	18,150	19,965	21,962	24,158	100,734
		GoU (50%)	8,250	9,075	9,983	10,981	12,079	50,367
		DPs	0	0	0	0	0	0
		PS (50%)	8,250	9,075	9,983	10,981	12,079	50,367
		Sub-Total	16,500	18,150	19,965	21,962	24,158	100,734
	i) Support roasters in developing brands and blends.	Involves cupping exercises, sensitization, branding, naming and packaging	175,000	192,500	211,750	232,925	256,218	1,068,393
		GoU (30%)	52,500	57,750	63,525	69,878	76,865	320,518
		DPs	0	0	0	0	0	0
		PS (70%)	122,500	134,750	148,225	163,048	179,353	747,875
		Sub-Total	175,000	192,500	211,750	232,925	256,218	1,068,393
		GoU	530,750	583,825	642,208	706,429	777,071	3,240,282
		DPs	102,000	112,200	123,420	135,762	149,338	622,720
		PS	618,750	680,625	748,688	823,557	905,912	3,777,531
	Total	1,251,500	1,376,650	1,514,315	1,665,747	1,832,322	7,640,533	
Sub Total		1,251,500	1,358,500	1,494,350	1,643,785	1,808,164	7,539,799	
Sub Total Objective 3.3			1,251,500	1,358,500	1,494,350	1,643,785	1,808,164	7,539,799
TOTAL PILLAR 3			2,882,052	3,152,108	3,467,319	3,814,051	4,195,457	17,494,481
PILLAR 4: INSTITUTIONAL DEVELOPMENT AND ACCOUNTABILITY								
Objective 4.1: Strengthen the coffee research system so that it is responsive to industry requirements and demands								
<i>Output: Public and private sector research delivers the results required to advance the coffee sub-sector</i>								
Strategy 4.1.1: Fully establish a coffee research institute within NARO in line with the NARS Act 2005	a) Operationalize NaCORI by legal instrument.	Mainly involves administrative costs of holding meetings	-	-	-	-	-	-
		GoU	0	0	0	0	0	0
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	0	0	0	0	0	0



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	b) Strengthen human resources including proactive staff motivation.	Involves recruitment and training staff as well as improving their remuneration	550,400	900,800	1,251,200	1,251,200	1,276,224	5,229,824
		GoU (90%)	495,360	810,720	1,126,080	1,126,080	1,148,602	4,706,842
		DPs	0	0	0	0	0	0
		PS (10%)	55,040	90,080	125,120	125,120	127,622	522,982
		Sub-Total	550,400	900,800	1,251,200	1,251,200	1,276,224	5,229,824
	c) Establish requisite infrastructures.	Construction, furnishing, equipping and operationalizing 4 laboratories: Tissue culture and biotechnology complex (year 1), Soil Science (year 2), Biochemical & organo-leptic quality analysis (year 2&3), general purpose and training and information centre (year 3)	5,600,000	3,600,000	3,000,000	600,000	500,000	13,300,000
		GoU (70%)	3,920,000	2,520,000	2,100,000	420,000	350,000	9,310,000
		DPs (10%)	560,000	360,000	300,000	60,000	50,000	1,330,000
		PS (20%)	1,120,000	720,000	600,000	120,000	100,000	2,660,000
		Sub-Total	5,600,000	3,600,000	3,000,000	600,000	500,000	13,300,000
	d) Establish a mechanism for rewarding innovation.	At least 3 grant awards/rewards for research related to coffee	200,000	220,000	242,000	266,200	292,820	1,221,020
		GoU (80%)	160,000	176,000	193,600	212,960	234,256	976,816
		DPs (10%)	20,000	22,000	24,200	26,620	29,282	122,102
		PS (10%)	20,000	22,000	24,200	26,620	29,282	122,102
		Sub-Total	200,000	220,000	242,000	266,200	292,820	1,221,020
	e) Strengthen existing research sub-centres and establish others for the remaining ecological zones.	Cost of establishing 4 sub centres	-	500,000	550,000	605,000	665,500	2,320,500
		GoU (80%)	0	400,000	440,000	484,000	532,400	1,856,400
		DPs (20%)	0	100,000	110,000	121,000	133,100	464,100
		PS	0	0	0	0	0	0
		Sub-Total	0	500,000	550,000	605,000	665,500	2,320,500



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	f) Develop mechanisms for sourcing superior technologies from regional and International institutions.	Technology sourcing strategy	40,000	44,000	48,400	53,240	58,564	244,204
		GoU (100%)	40,000	44,000	48,400	53,240	58,564	244,204
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	40,000	44,000	48,400	53,240	58,564	244,204
Sub Total			6,390,400	5,264,800	5,091,600	2,775,640	2,793,108	22,315,548
Strategy 4.1.2: Ensure adequate and sustainable financing for coffee research	a) Establish and operationalise the Coffee Research Trust Fund by legal instrument.	Cost related to having a legal instrument and management of the fund	100,000	100,000	100,000	100,000	100,000	100,000
		GoU (100%)	100,000	100,000	100,000	100,000	100,000	100,000
		DPs (0%)	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	100,000	100,000	100,000	100,000	100,000	100,000
	b) Identify additional sources of public and private sector funding for coffee research	Advocacy and lobbying	10,000	11,000	12,100	13,310	14,641	61,051
		GoU (50%)	5,000	5,500	6,050	6,655	7,321	30,526
		DPs (20%)	2,000	2,200	2,420	2,662	2,928	12,210
		PS (30%)	3,000	3,300	3,630	3,993	4,392	18,315
		Sub-Total	10,000	11,000	12,100	13,310	14,641	61,051
Sub Total			110,000	111,000	112,100	113,310	114,641	161,051
Strategy 4.1.3: Strengthen the linkages between coffee research, development and extension	a) Establish and maintain linkages among farmers, researchers, extensionists, local governments and other relevant bodies to ensure that research initiatives respond to the needs of farmers and other value chain actors.		150,000	165,000	181,500	199,650	219,615	915,765
		GoU (40%)	60,000	66,000	72,600	79,860	87,846	366,306
		DPs (20%)	30,000	33,000	36,300	39,930	43,923	183,153
		PS (40%)	60,000	66,000	72,600	79,860	87,846	366,306
		Sub-Total	150,000	165,000	181,500	199,650	219,615	915,765



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	b) Establish and sustain collaborative linkages with other research institutions at regional and international levels.	Collaboration with Regional and International Research Institutions	80,000	88,000	96,800	106,480	117,128	488,408
		GoU (100%)	80,000	88,000	96,800	106,480	117,128	488,408
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	80,000	88,000	96,800	106,480	117,128	488,408
	c) Establish fora for addressing coffee research related issues.	Cost related to administrative expenses	-	-	-	-	-	-
		GoU (100%)	0	0	0	0	0	0
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	0	0	0	0	0	0
	d) Enhance farmer participatory research including adaptive trials on farmer fields.	Farmer Field Schools Approach		-	-	-	-	-
		GoU (100%)	0	0	0	0	0	0
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	0	0	0	0	0	0
	e) Ensure research findings are disseminated to all stakeholders.	Research Dissemination	50,000	55,000	60,500	66,550	73,205	305,255
		GoU (40%)	20,000	22,000	24,200	26,620	29,282	122,102
		DPs (20%)	10,000	11,000	12,100	13,310	14,641	61,051
		PS (40%)	20,000	22,000	24,200	26,620	29,282	122,102
		Sub-Total	50,000	55,000	60,500	66,550	73,205	305,255
Sub Total			280,000	308,000	338,800	372,680	409,948	1,709,428
Strategy 4.1.4: Develop a National Coffee Research and Development Agenda 2015-2040	a) Engage all stakeholders to develop a national R&D agenda tailored to regions and including principles of adaptive research	Consultancy cost after every 2 years	100,000	0	110,000	0	121,000	331,000
		GoU (60%)	60,000	0	66,000	0	72,600	198,600
		DPs (10%)	10,000	0	11,000	0	12,100	33,100
		PS (30%)	30,000	0	33,000	0	36,300	99,300
		Sub-Total	100,000	0	110,000	0	121,000	331,000



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	b) Develop a PPP and network for R&D.	Networking cost	40,000	44,000	48,400	53,240	58,564	244,204
		GoU (50%)	20,000	22,000	24,200	26,620	29,282	122,102
		DPs (30%)	12,000	13,200	14,520	15,972	17,569	73,261
		PS (20%)	8,000	8,800	9,680	10,648	11,713	48,841
		Sub-Total	40,000	44,000	48,400	53,240	58,564	244,204
	c) Establish a national genetic improvement and resource management strategy.	Strategy Development and dissemination	-	50,000	10,000	0	0	60,000
		GoU (70%)	0	35,000	7,000	0	0	42,000
		DPs (30%)	0	15,000	3,000	0	0	18,000
		PS	0	0	0	0	0	0
		Sub-Total	0	50,000	10,000	0	0	60,000
	d) Maintain regional germplasm banks.	Operation and maintenance costs	300,000	330,000	363,000	399,300	439,230	1,831,530
		GoU (100%)	300,000	330,000	363,000	399,300	439,230	1,831,530
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	300,000	330,000	363,000	399,300	439,230	1,831,530
Sub Total		440,000	424,000	531,400	452,540	618,794	2,466,734	
Strategy 4.1.5: Gain recognition for Uganda as a centre of excellence for both Robusta and Arabica coffee	a) Establish the Robusta Centre of Excellence.	Cost of administration to serve as regional, international resource centre	1,139,000	1,139,000	1,139,000	1,139,000	1,139,000	5,695,000
		GoU (70%)	797,300	797,300	797,300	797,300	797,300	3,986,500
		DPs (30%)	341,700	341,700	341,700	341,700	341,700	1,708,500
		PS	0	0	0	0	0	0
		Sub-Total	1,139,000	1,139,000	1,139,000	1,139,000	1,139,000	5,695,000
	b) Pursue Robusta centred research in collaboration with other research bodies.	Cost of conducting research	1,500,000	1,650,000	1,815,000	1,996,500	2,196,150	9,157,650
		GoU (60%)	900,000	990,000	1,089,000	1,197,900	1,317,690	5,494,590
		DPs (30%)	450,000	495,000	544,500	598,950	658,845	2,747,295
		PS (10%)	150,000	165,000	181,500	199,650	219,615	915,765
Sub-Total		1,500,000	1,650,000	1,815,000	1,996,500	2,196,150	9,157,650	



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	c) Pursue Arabica coffee centered research	Cost of conducting research	1,000,000	1,100,000	1,210,000	1,331,000	1,464,100	6,105,100
		GoU (60%)	600,000	660,000	726,000	798,600	878,460	3,663,060
		DPs (30%)	300,000	330,000	363,000	399,300	439,230	1,831,530
		PS (10%)	100,000	110,000	121,000	133,100	146,410	610,510
		Sub-Total	1,000,000	1,100,000	1,210,000	1,331,000	1,464,100	6,105,100
	d) Profile and preserve Robusta germ-plasm.	Characterization and maintenance and Vaporization	240,000	264,000	290,400	319,440	351,384	1,465,224
		GoU (60%)	144,000	158,400	174,240	191,664	210,830	879,134
		DPs (30%)	72,000	79,200	87,120	95,832	105,415	439,567
		PS (10%)	24,000	26,400	29,040	31,944	35,138	146,522
		Sub-Total	240,000	264,000	290,400	319,440	351,384	1,465,224
	e) Undertake Robusta and Arabica related promotion and training regionally and internationally.	Participation in media, exhibitions and conferences	800,000	880,000	968,000	1,064,800	1,171,280	4,884,080
		GoU (50%)	400,000	440,000	484,000	532,400	585,640	2,442,040
		DPs (30%)	240,000	264,000	290,400	319,440	351,384	1,465,224
		PS (20%)	160,000	176,000	193,600	212,960	234,256	976,816
		Sub-Total	800,000	880,000	968,000	1,064,800	1,171,280	4,884,080
	f) Serve as an international resource centre.	CORE	-	-	-	-	-	-
		GoU	0	0	0	0	0	0
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	0	0	0	0	0	0
	GoU	8,101,660	7,664,920	7,938,470	6,559,679	6,996,431	36,861,160	
	DPs	2,047,700	2,066,300	2,140,260	2,034,716	2,200,118	10,489,094	
	PS	1,750,040	1,409,580	1,417,570	970,515	1,061,857	6,609,562	
	Total	11,899,400	11,140,800	11,496,300	9,564,910	10,258,405	53,959,815	
Sub Total		4,679,000	5,033,000	5,422,400	5,850,740	6,321,914	27,307,054	
Sub Total Objective 4.1		11,899,400	11,140,800	11,496,300	9,564,910	10,258,405	53,959,815	



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Objective 4.2: Establish a strong coffee specific extension capacity that meets the prevailing industry requirements								
<i>Output: Appropriate coffee specific advice is reasonably accessible to all actors along the value chain</i>								
Strategy 4.2.1: Scale up and strengthen coffee specific extension services along the value chain	a) Develop and document a plan for taking coffee specific extension services to scale including a five year projection and the roles of the public sector (UCDA, NAADS), development partners and linkages to private sector actors (coffee companies, non-governmental organisations) and producers (farmers' organisations).	Cost of development , harmonization of private extension service providers and documentation	60,000	0	0	66,000	0	126,000
		GoU (80%)	48,000	0	0	52,800	0	100,800
		DPs (0%)	0	0	0	0	0	0
		PS (20%)	12,000	0	0	13,200	0	25,200
		Sub-Total	60,000	0	0	66,000	0	126,000
	b) Identify the extension methodologies to be applied in each setting including the role of demonstration plots, farmer field schools, lead farmers, farmer led extension systems, technologies, etc.	Research related costs in year 1 and review in year 4	30,000	0	0	30,000	0	60,000
		GoU (60%)	18,000	0	0	18,000	0	36,000
		DPs	0	0	0	0	0	0
		PS (40%)	12,000	0	0	12,000	0	24,000
		Sub-Total	30,000	0	0	30,000	0	60,000
	c) Appoint coffee specialists for each coffee growing district to train and lead other public and private sector extensionists.	Staff costs	1,968,000	2,164,800	2,381,280	2,619,408	2,881,349	12,014,837
		GoU (100%)	1,968,000	2,164,800	2,381,280	2,619,408	2,881,349	12,014,837
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	1,968,000	2,164,800	2,381,280	2,619,408	2,881,349	12,014,837



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	d) Develop training programmes for extensionists targeting farming households and farmers' organisations that are tailored to each agro-ecological zone and farming system (modules for Best Agronomic and Processing Practices, Farming as a Business, forming and managing Farmers' Organisations and sustainable coffee production).	Costs related to production of training materials at 100m per manual (Printing and electronic materials)	466,000	66,000	72,600	79,860	87,846	772,306
		GoU (80%)	372,800	52,800	58,080	63,888	70,277	617,845
		DPs (20%)	93,200	13,200	14,520	15,972	17,569	154,461
		PS	0	0	0	0	0	0
		Sub-Total	466,000	66,000	72,600	79,860	87,846	772,306
	e) Develop the use of ICT in extension.	Consultancy fees for developing electronic applications, training, equipments, maintenance and subscription	215,600	30,400	35,200	40,000	44,800	366,000
		GoU (100%)	215,600	30,400	35,200	40,000	44,800	366,000
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	215,600	30,400	35,200	40,000	44,800	366,000
	f) Establish a call centre that provides advice on coffee business development and forming and managing coffee farmers' organisations.	Linked with the above activity 4.2.1 (e)	-	-	-	-	-	-
		GoU (100%)	0	0	0	0	0	0
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	0	0	0	0	0	0
	g) Train and support existing extensionists at the sub-county level to deliver coffee specific advice, establish demonstration plots, engage with lead farmers, etc.	Training 650 extension for 2 years and provision of Motor cycles and kits at 15m	5,189,063	5,189,063	0	0	0	10,378,125
		GoU (50%)	2,594,532	2,594,532	0	0	0	5,189,063
		DPs (20%)	1,037,813	1,037,813	0	0	0	2,075,625
		PS (30%)	1,556,719	1,556,719	0	0	0	3,113,438
		Sub-Total	5,189,063	5,189,063	0	0	0	10,378,125



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	h) Train farmers' organisations, farmer group leaders, inputs suppliers, in extension methodologies.	Cost covered under pillar 4.3	-	-	-	-	-	-
		GoU (50%)	0	0	0	0	0	0
		DPs (40%)	0	0	0	0	0	0
		PS (10%)	0	0	0	0	0	0
		Sub-Total	0	0	0	0	0	0
	i) Develop training programmes for 'technical' extensionists for value addition and marketing that includes processing technologies, certification and other means of product differentiation, and market intelligence.	Cost related to conducting workshops and delivery of training, printing, translations	166,000	100,000	110,000	0	30,000	406,000
		GoU (50%)	83,000	50,000	55,000	0	15,000	203,000
		DPs (10%)	16,600	10,000	11,000	0	3,000	40,600
		PS (40%)	66,400	40,000	44,000	0	12,000	162,400
		Sub-Total	166,000	100,000	110,000	0	30,000	406,000
	j) Strengthen technical extension services for wet processors, primary processors, exporters, roasters, and cafe operators.	Capacity of 170 extensionists strengthened	89,250	-	-	98,175	-	187,425
		GoU (60%)	53,550	0	0	58,905	0	112,455
		DPs (30%)	26,775	0	0	29,453	0	56,228
		PS (10%)	8,925	0	0	9,818	0	18,743
		Sub-Total	89,250	0	0	98,175	0	187,425
	k) Incorporate sustainable coffee production and extension training in the curriculum of schools and agricultural educational and other tertiary institutions.	Consultations and administrative cost	-	66,000	-	-	72,600	138,600
		GoU (70%)	0	46,200	0	0	50,820	97,020
		DPs (30%)	0	19,800	0	0	21,780	41,580
		PS	0	0	0	0	0	0
		Sub-Total	0	66,000	0	0	72,600	138,600
l) Engage women and youth in extension by adopting the 'Household Approach'.	Cost covered under pillar 1	-	-	-	-	-	-	
	GoU (100%)	0	0	0	0	0	0	
	DPs	0	0	0	0	0	0	
	PS	0	0	0	0	0	0	
	Sub-Total	0	0	0	0	0	0	



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Sub Total			8,183,913	7,616,263	2,599,080	2,933,443	3,116,595	24,449,293
		GoU	5,353,482	4,938,732	2,529,560	2,853,001	3,062,246	18,737,019
		DPs	1,174,388	1,080,813	25,520	45,425	42,349	2,368,494
		PS	1,656,044	1,596,719	44,000	35,018	12,000	3,343,780
		Total	8,183,913	7,616,263	2,599,080	2,933,443	3,116,595	24,449,293
Sub Total Objective 4.2			8,183,913	7,616,263	2,599,080	2,933,443	3,116,595	24,449,293
Objective 4.3: Support the formation and strengthening of coffee farmers' organisations								
<i>Output: Strong and viable organisations owned by farmers driving progress in the coffee sub-sector</i>								
Strategy 4.3.1: Establish an enabling environment that facilitate the formation and operation of farmers' organisations including cooperatives	a) Identify and disseminate best practice in the formation and operation of coffee farmers' organisations and document lessons learned, successful models, etc.	Involves consultancy in the first year and Exposure visits in subsequent years	270,000	240,000	264,000	290,400	319,440	1,383,840
		GoU (50%)	135,000	120,000	132,000	145,200	159,720	691,920
		DPs (30%)	81,000	72,000	79,200	87,120	95,832	415,152
		PS (20%)	54,000	48,000	52,800	58,080	63,888	276,768
		Sub-Total	270,000	240,000	264,000	290,400	319,440	1,383,840
	b) Develop a national plan to promote and strengthen farmer owned coffee organisations.	Consultancy fees	40,000	10,000	10,000	10,000	10,000	80,000
		GoU (50%)	20,000	5,000	5,000	5,000	5,000	40,000
		DPs (50%)	20,000	5,000	5,000	5,000	5,000	40,000
		PS	0	0	0	0	0	0
		Sub-Total	40,000	10,000	10,000	10,000	10,000	80,000
	c) Ensure that farmers' organisations in their various forms are adequately regulated.	Enforcement of regulations	110,000	121,000	133,100	146,410	161,051	671,561
		GoU (100%)	110,000	121,000	133,100	146,410	161,051	671,561
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	110,000	121,000	133,100	146,410	161,051	671,561
	d) Register all farmer organisations and monitor compliance with their individual constitutions	Cost related stationery, Mobilization, Sensitization and monitoring at 10m per region per year	50,000	51,000	52,020	53,060	54,122	260,202



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
		GoU (100%)	50,000	51,000	52,020	53,060	54,122	260,202
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	50,000	51,000	52,020	53,060	54,122	260,202
Sub Total			470,000	422,000	459,120	499,870	544,613	2,395,603
Strategy 4.3.2: Encourage the formation of partnerships between farmers' organisations and other stakeholders in the coffee value chain	a) Establish a mechanism for effective communication with farmers' organisations (with all stakeholders in the coffee sub sector not just FOs).	Consultancy cost of developing and implementing a communication strategy	50,000	30,000	33,000	36,300	39,930	189,230
		GoU (80%)	40,000	24,000	26,400	29,040	31,944	151,384
		DPs (20%)	10,000	6,000	6,600	7,260	7,986	37,846
		PS	0	0	0	0	0	0
		Sub-Total	50,000	30,000	33,000	36,300	39,930	189,230
	b) Partner with farmers' organisations to build their capacity to improve production, productivity, value addition and marketing.	Cost of trainings(internal and external)	296,000	325,600	358,160	393,976	433,374	1,807,110
		GoU (40%)	118,400	130,240	143,264	157,590	173,350	722,844
		DPs (60%)	177,600	195,360	214,896	236,386	260,024	1,084,266
		PS (0%)	0	0	0	0	0	0
		Sub-Total	296,000	325,600	358,160	393,976	433,374	1,807,110
	c) Strengthen linkage between farmers' organisations and agro-input dealers	Cost of holding meetings and consultations	10,000	11,000	12,100	13,310	14,641	61,051
		GoU (50%)	5,000	5,500	6,050	6,655	7,321	30,526
		DPs (50%)	5,000	5,500	6,050	6,655	7,321	30,526
		PS	0	0	0	0	0	0
		Sub-Total	10,000	11,000	12,100	13,310	14,641	61,051
Sub Total			356,000	366,600	403,260	443,586	487,945	2,057,391
Strategy 4.3.3: Support the formation of an apex body for coffee farmers' organisations	a) Establish criteria and determine the role for the formation of an apex body representing farmers' organisations.	Consultancy cost	40,000	10,000	11,000	12,100	13,310	86,410
		GoU (50%)	20,000	5,000	5,500	6,050	6,655	43,205
		DPs (30%)	12,000	3,000	3,300	3,630	3,993	25,923
		PS (20%)	8,000	2,000	2,200	2,420	2,662	17,282
		Sub-Total	40,000	10,000	11,000	12,100	13,310	86,410



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL	
	b) Determine the role the apex body should play, including in relation to supervision and monitoring.	Administrative cost	-	-	-	-	-		
		GoU	0	0	0	0	0	0	
		DPs	0	0	0	0	0	0	
		PS	0	0	0	0	0	0	
		Sub-Total	0	0	0	0	0	0	0
Sub Total			40,000	10,000	11,000	12,100	13,310	86,410	
		GoU	498,400	461,740	503,334	549,005	599,162	2,611,642	
		DPs	305,600	286,860	315,046	346,051	380,156	1,633,713	
		PS	62,000	50,000	55,000	60,500	66,550	294,050	
		Total	866,000	798,600	873,380	955,556	1,045,868	4,539,404	
Sub Total Objective 4.3			866,000	798,600	873,380	955,556	1,045,868	4,539,404	
Objective 4.4: Streamline and strengthen existing coffee laws, regulations and standards at all stages of the coffee value chain									
<i>Output: Enhanced compliance at all levels of the value chain</i>									
Strategy 4.4.1: Ensure that all relevant laws and regulations reflect the National Coffee Policy	a) Review and amend the Coffee Statute 1991 (amended 1994) in line with the present state of the national and international coffee industry.	Cost of holding meetings and consultations	100,000	-	-	-	-	100,000	
		GoU (100%)	100,000	0	0	0	0	50,000	
		DPs	0	0	0	0	0	30,000	
		PS	0	0	0	0	0	0	
		Sub-Total	100,000	0	0	0	0	0	80,000
	b) Review and amend the Coffee Regulations 1994 in line with the National Coffee Policy.	Cost of holding meetings and consultations	-	-	-	-	-	-	-
		GoU							
		DPs							
		PS							
		Sub-Total	0	0	0	0	0	0	0
	c) Review and strengthen the regulation of all aspects of the value chain including to address activities at farm level and the sale, storage and use of agro-inputs including planting material.	Cost of holding meetings and consultations	-	-	-	-	-	-	-
		GoU (50%)							
		DPs (20%)							
PS (30%)									
Sub-Total		0	0	0	0	0	0	0	



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	d) Create awareness of revised Coffee Regulations.	Sensitization of stakeholders cost printing 11,000 copies at 6,000/=, translation at 10m per language and 5 regional dissemination meetings for 100 people	253,500	253,500	253,500	253,500	253,500	1,267,500
		GoU (90%)	228,150	228,150	228,150	228,150	228,150	1,140,750
		DPs (10%)	25,350	25,350	25,350	25,350	25,350	126,750
		PS	0	0	0	0	0	0
		Sub-Total	253,500	253,500	253,500	253,500	253,500	1,267,500
	e) Continuously review and develop standards for all levels of the value chain.	Cost of holding meetings at 18m and consultations at 30m	48,000	18,000	18,000	18,000	18,000	120,000
	f) Registration of all coffee stakeholders (farmers, farmers' organisations, nursery operators, processors, traders, exporters, input dealers, baristas and brewers).	GoU (80%)	38,400	14,400	14,400	14,400	14,400	96,000
		DPs (0%)	0	0	0	0	0	0
		PS (20%)	9,600	3,600	3,600	3,600	3,600	24,000
		Sub-Total	48,000	18,000	18,000	18,000	18,000	120,000
		Cost related stationery, Mobilization, Sensitization and monitoring in 650 sub counties with an average of 7 parishes	0	91,000	0	0	0	91,000
		GoU (50%)	0	45,500	0	0	0	45,500
		DPs (00%)	0	0	0	0	0	0
		PS (50%)	0	45,500	0	0	0	45,500
		Sub-Total	0	91,000	0	0	0	91,000
Sub Total			401,500	362,500	271,500	271,500	271,500	1,558,500



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Strategy 4.4.2: Compliance and enforcement of regulations and standards	a) Increase the efficiency and effectiveness of enforcement of Regulations and standards.	Compliance monitoring cost	10,684,000	11,752,400	12,927,640	14,220,404	15,642,444	65,226,888
		GoU (100%)	10,684,000	11,752,400	12,927,640	14,220,404	15,642,444	65,226,888
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	10,684,000	11,752,400	12,927,640	14,220,404	15,642,444	65,226,888
	b) Develop and promote a framework for industry self-regulation based on compliance and risk management.	Cost of developing framework in yr 1, Administrative cost related meetings and report productions	60,000	0	0	60,000	0	120,000
		GoU (70%)	42,000	0	0	42,000	0	84,000
		DPs (10%)	6,000	0	0	6,000	0	12,000
		PS (20%)	12,000	0	0	12,000	0	24,000
		Sub-Total	60,000	0	0	60,000	0	120,000
	c) Harmonize local governments to pass and enforce by-laws consistent with the Regulations to improve coffee quality and trading at the local level.	Cost associated with meetings and travels	10,000	11,000	12,100	13,310	14,641	61,051
		GoU (100%)	10,000	11,000	12,100	13,310	14,641	61,051
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	10,000	11,000	12,100	13,310	14,641	61,051
	d) Assure the quality of planting material and other agro-inputs through certification, licensing and monitoring	Cost associated with travels at 5m per quarter for 5 days per region	100,000	102,000	104,040	106,121	108,243	520,404
		GoU (100%)	100,000	102,000	104,040	106,121	108,243	520,404
		DPs	0	0	0	0	0	0
		PS	0	0	0	0	0	0
		Sub-Total	100,000	102,000	104,040	106,121	108,243	520,404
Sub Total		10,854,000	11,865,400	13,043,780	14,399,835	15,765,329	65,928,343	
		GoU	11,202,550	12,153,450	13,286,330	14,624,385	16,007,878	67,224,593
		DPs	31,350	25,350	25,350	31,350	25,350	168,750
		PS	21,600	49,100	3,600	15,600	3,600	93,500
		Total	11,255,500	12,227,900	13,315,280	14,671,335	16,036,828	67,486,843
Sub Total Objective 4.4			11,255,500	12,227,900	13,315,280	14,671,335	16,036,829	67,486,843



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Objective 4.5: Develop financing instruments for investing in the coffee value chain								
<i>Output: Smallholders, commercial farmers and other stakeholders have greater access to investment funds</i>								
Strategy 4.5.1: Promote public-private financing mechanisms tailored for different segments of the coffee value chain	a) Develop financing mechanisms for accessing funds to pursue countercyclical practices and investments.	Consultancy cost cross reference with pillar 3 on export trade finance	0	40,000	0	44,000	0	84,000
		GoU (50%)	0	20,000	0	22,000	0	42,000
		DPs (30%)	0	12,000	0	13,200	0	25,200
		PS (20%)	0	8,000	0	8,800	0	16,800
		Sub-Total	0	40,000	0	44,000	0	84,000
	b) Support farmers, farmers' organisations, processors, traders and other stakeholders to develop bankable proposals for investing in coffee production, productivity, value addition and/or marketing.	Involves training farmers, farm level organizations, developing a framework for supporting agribusiness financing	460,000	506,000	556,600	612,260	673,486	2,808,346
		GoU (50%)	230,000	253,000	278,300	306,130	336,743	1,404,173
		DPs (10%)	46,000	50,600	55,660	61,226	67,349	280,835
		PS (40%)	184,000	202,400	222,640	244,904	269,394	1,123,338
		Sub-Total	460,000	506,000	556,600	612,260	673,486	2,808,346
	c) Review cess percentage and usage in the context of coffee subsector financing.	Major cost areas involve consultancy fees and stakeholder consultations	30,000	0	0	0	0	30,000
		GoU (70%)	21,000	0	0	0	0	21,000
		DPs (30%)	9,000	0	0	0	0	9,000
		PS	0	0	0	0	0	0
		Sub-Total	30,000	0	0	0	0	30,000
Sub Total			490,000	546,000	556,600	656,260	673,486	2,922,346
		GoU	251,000	273,000	278,300	328,130	336,743	1,467,173
		DPs	55,000	62,600	55,660	74,426	67,349	315,035
		PS	184,000	210,400	222,640	253,704	269,394	1,140,138
		Total	490,000	546,000	556,600	656,260	673,486	2,922,346
Sub Total Objective 4.5			490,000	546,000	556,600	656,260	673,486	2,922,346



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Objective 4.6: Strengthen coordination within the coffee subsector								
<i>Output: A coherent plan and shared responsibility for the development of the coffee subsector</i>								
Strategy 4.6.1: Establish a national data bank for coffee	a) Conduct a coffee tree census every 10 years	To cover questionnaire designs, pre testing's, data collection, analysis and report writing in the first year for 5 year pilot.	111,250	0	0	0	0	111,250
		GoU (60%)	66,750	0	0	0	0	66,750
		DPs (40%)	44,500	0	0	0	0	44,500
		PS	0	0	0	0	0	0
		Sub-Total	111,250	0	0	0	0	0
	b) Conduct a survey every 2 years of coffee production, internal marketing, export and domestic consumption, in the intervening years.	Based on UBOS experience	0	122,375	0	0	360,000	482,375
		GoU (50%)	0	61,188	0	0	180,000	241,188
		DPs (50%)	0	61,188	0	0	180,000	241,188
		PS	0	0	0	0	0	0
		Sub-Total	0	122,375	0	0	360,000	482,375
	c) Capture and disseminate data regularly.	Cost of dissemination	5,000	5,100	5,202	5,306	5,412	26,020
	Sub Total		166,250	182,475	65,702	71,856	438,617	924,900
	Strategy 4.6.2: Establish a framework for strengthening public sector inter-institutional coordination	a) Harmonize overlapping mandates between institutions	Activity involves no cost	0	0	0	0	0
GoU (50%)			0	0	0	0	0	0
DPs (30%)			0	0	0	0	0	0
PS (20%)			0	0	0	0	0	0
Sub-Total			0	0	0	0	0	0
b) Quarterly national level meetings of the relevant public sector institutions to report on progress and plan		4 meetings held at 25 m	100,000	110,000	121,000	133,100	146,410	610,510
		GoU (100%)	100,000	110,000	121,000	133,100	146,410	610,510
		PS	0	0	0	0	0	0
		Sub-Total	100,000	110,000	121,000	133,100	146,410	610,510
Sub Total		100,000	110,000	121,000	133,100	146,410	610,510	



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Strategy 4.6.3: Strengthen public-private sector dialogue and collaboration to achieve common goals	a) Utilize the National Coffee Platform to strengthen public-private sector dialogue and collaboration at national and district levels to achieve common goals	Based on the cost to accommodate individual attendees, facility rental, materials preparation, and staff support to plan and execute event.	67,700	74,470	81,917	90,109	99,120	413,315
		GoU (60%)	40,620	44,682	49,150	54,065	59,472	247,989
		DPs (0%)	0	0	0	0	0	0
		PS (40%)	27,080	29,788	32,767	36,044	39,648	165,326
		Sub-Total	67,700	74,470	81,917	90,109	99,120	413,315
Strategy 4.6.4: Strengthen institutional capacity to integrate gender, youth, HIV/AIDS, climate change in planning, budgeting, implementation and reporting	a) Encourage all institutional stakeholders to build capacity in gender analysis and mainstreaming.	The execution of this activity assumes involvement of 4 consultancies on Gender, Youth, HIV/AIDS and Climate Change and continuous monitoring, evaluation and mentoring of the various institutions in the implementation of the strategy and administrative costs associated with the strategy.	200,000	220,000	242,000	266,200	292,820	322,102
		GoU (50%)	100,000	110,000	121,000	133,100	146,410	161,051
		DPs (10%)	20,000	22,000	24,200	26,620	29,282	32,210
		PS (40%)	80,000	88,000	96,800	106,480	117,128	128,841
		Sub-Total	200,000	220,000	242,000	266,200	292,820	322,102
	b) Ensure budgets make adequate provision for mainstreaming gender equity, youth, HIV/AIDS and climate change in coffee activities	The execution of this activity assumes involvement of 4 consultancies on Gender, Youth, HIV/AIDS and Climate Change and continuous monitoring, evaluation and mentoring of the various institutions in the implementation of the strategy and administrative costs associated with the strategy.	10,000	11,000	12,100	13,310	14,641	61,051



NARRATIVE SUMMARY	STRATEGIC INTERVENTIONS	COST ASSUMPTIONS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
		GoU (30%)	3,000	3,300	3,630	3,993	4,392	18,315
		DPs (50%)	5,000	5,500	6,050	6,655	7,321	30,526
		PS (20%)	2,000	2,200	2,420	2,662	2,928	12,210
		Sub-Total	10,000	11,000	12,100	13,310	14,641	61,051
Sub Total			277,700	415,470	457,017	502,719	552,991	1,406,978
		GoU	365,370	389,270	360,482	396,114	615,301	1,677,078
		DPs	69,500	88,688	30,250	33,275	216,603	348,423
		PS	109,080	119,988	131,987	145,186	159,704	306,377
		Total	543,950	597,945	522,719	574,575	991,608	2,331,878
Sub Total Objective 4.6			543,950	597,945	522,719	574,575	991,608	2,331,878
TOTAL PILLAR 4			33,238,763	32,927,508	29,363,359	29,356,079	32,122,791	155,689,579
GRAND TOTAL			162,142,111	168,468,833	399,533,513	167,962,182	182,204,983	1,074,847,081

SUMMARY OF SOURCES OF FUNDING

SOURCE	PILLAR 1	PILLAR 2	PILLAR 3	PILLAR 4	TOTAL	PERCENTAGES (%)
GOU	474,316,431	63,431,172	9,405,476	128,578,665	675,731,744	63
Development Partners	130,167,918	151,904,551	1,922,864	15,323,509	299,318,842	28
Private Sector	22,544,116	59,298,833	6,166,141	11,787,405	99,796,495	9
Total	627,028,465	274,634,556	17,494,481	155,689,579	1,074,847,081	100



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