



MINISTRY OF AGRICULTURE, ANIMAL
INDUSTRIES AND FISHERIES

**STATEMENT ON IMPENDING EXPIRY OF COFFEE SEEDLINGS
DISTRIBUTION PROGRAMME**

PRESENTED TO PARLIAMENT

BY

VINCENT BAMULANGAKI SSEMPIJJA (MP)

MINISTER OF AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES

26 FEBRUARY 2021

STATEMENT ON IMPENDING EXPIRY OF COFFEE SEEDLINGS DISTRIBUTION PROGRAMME

1.0 Background

Rt. Honourable Speaker, Fellow Honourable Members of Parliament, you may recall that on 13th December 2018 I made a statement on the same subject matter, where I explained to the House that:

- Coffee has been the backbone of Uganda's economy for a long time and continues to be so.
- Recent statistics indicate that the demand for coffee globally is increasing at a rate of about 2.0 percent per annum, implying that by the year 2030, global demand for coffee may have a deficit of about 30 million bags (60 kg bags each) if no production increase is made.
- And that it is for the above reason that in October 2014, His Excellency the President directed that Uganda needed to plant 322 million coffee seedlings per year for 3 years so that by the year 2020, Uganda's coffee production would have reached 20 million bags per annum. Revenues from such increased production was expected to reach 2 Billion United States Dollars or above if our coffee was mainly sold in the specialty markets.

2.0 The Issue At Hand

Rt. Honourable Speaker and Honourable Members, I wish to report to you that since His Excellency the President's directive in the year 2014, the Government of Uganda through my Ministry together with Uganda Coffee Development Authority (UCDA) intensified the campaign for coffee planting. By the end of 2019, a total of 1.26 billion coffee seedlings had been supplied by private coffee nursery operators and planted in 114 districts out of the 146 districts of Uganda.

The coffee seedlings were being procured on credit under accredited PPDA guidelines and by close of season B 2019 FY, coffee seedlings arrears had accumulated to about 150 Billion shillings. This accumulation of arrears was due to low annual releases from Ministry of Finance, Planning and Economic Development for payment of the arrears.

I however wish to thank the August House, that in May 2020, Parliament approved release of shillings 73 Billion towards clearing of

coffee seedlings arrears. I am happy to report that to-date, most of the seedlings nursery operators' coffee seedlings arrears files for 2018 and 2019 FYs have been paid.

3.0 Communication and Updates to Stakeholders

On 04th January 2018, I received communication from the Honourable Minister of Finance, Planning and Economic Development (**Annex 1**), advising me as follows:

- i. Authority be granted for UCDA to procure on credit all the verified mature coffee seedlings for planting until the second planting season of 2019 and payments would be made in the medium term.
- ii. UCDA shall not procure coffee seedlings on credit beyond those provided for above until further guidance.
- iii. In light of the above, the existing verified arrears of seedlings procured on credit should have the first call on resources released to the sector.
- iv. UCDA should communicate to all nursery bed operators the above decisions and to also urge them to halt raising new nurseries until the outstanding obligations have been settled.

Rt. Honourable Speaker and Honourable members, after the above guidance from the Minister of Finance, the following communications were made for the benefit of coffee sub-sector stakeholders, particularly the coffee nursery bed operators:

- a) On 30th March 2018, a Press Release (**Annex 2**) was run in the News Paper Media (New Vision) advising on coffee planting and seedlings distribution for the March-May 2018 season.
- b) On 05th March 2019, another Press Release (**Annex 3**) was published in the Newspaper media (The New Vision) advising coffee nursery bed operators to scale down production and distribution of Elite Robusta coffee seedlings in Robusta coffee growing districts.
- c) In addition to the above Press Releases, UCDA Field Officers and MAAIF's Extension staff continued to communicate and advise coffee nursery bed operators and farmers on the above scaled down seedlings operations through group meetings, Radio and TV media.

Rt. Honourable Speaker, Fellow Honourable Members of Parliament, it is therefore not true that coffee nursery bed operators and the general public have not been informed of the scaling down of seedlings production and the stopping of procuring coffee seedlings on credit.

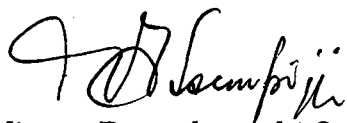
4.0 Conclusion

In conclusion therefore, I wish to inform the House that with regard to coffee planting material production, the strategy is to continue undertaking the following actions:

- v. In Robusta growing areas, we shall continue to promote and support establishment of Coffee Wilt Disease Resistant (CWDR) mother gardens;
- vi. In Arabica coffee growing areas, we shall continue to support and certify a limited number of Arabica seed gardens and Arabica coffee nurseries;
- vii. UCDA shall continue to plan and budget for any plantlets that would be required to be procured by Government and include such procurements in the budget for the FY;

Rt. Honourable Speaker, Fellow Honourable Members of Parliament, I wish to thank you for the concern towards coffee nursery bed operators and the coffee farming community at large. I request for your continued support to the coffee sub-sector and Agriculture generally.

I hereby submit this statement to you together with the attached documents for your noting and support.



Vicent Bamulangaki Sempijja (MP)

MINISTER OF AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES

ANNEX 1

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THE REPUBLIC OF UGANDA

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04th January, 2018

The Hon. Minister,
Ministry of Agriculture, Animal Industry and Fisheries,
P. O. Box 102,
ENTEBBE.

Dear Colleague,

VOTE 160: UGANDA COFFEE DEVELOPMENT AUTHORITY (UCDA) REQUEST FOR RELEASE OF USHS. 56.8 BILLION UNDER SUPPLEMENTARY BUDGET FOR FY 2017/18

We are in receipt of letter UCDA/ADM/75 dated 27th November, 2017 from the Managing Director, Uganda Coffee Development Authority requesting for a Supplementary Budget of UShs. 56.8 Billion to cater for coffee seedlings procured on credit in FY 2016/17 and procurement of all mature coffee seedlings in FY 2017/18.

Owing to the prevailing macroeconomic challenges, we are unable to provide supplementary funding as has been requested. However, in a meeting with the Managing Director Uganda Coffee Development Authority held in my office on 3rd January, 2018 it was brought to my attention that there are outstanding obligations to some coffee nursery bed operators that had already prepared seedlings for planting until the second planting seasons of 2019.

This is therefore to advise as follows:

- i). Authority be granted for UCDA to procure on credit all the verified mature coffee seedlings for planting until the second planting season of 2019 and payments will be made over the medium term.
- ii). UCDA shall not procure coffee seedlings on credit beyond those provided for above until further guidance.
- iii). In light of the above, the existing verified arrears of seedlings procured on credit should have the first call on the resources released to the sector.
- iv). UCDA should communicate to all the nursery bed operators the above decisions and to also urge them to halt raising new nurseries until the outstanding obligations have been settled.

Mission

"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to

ANNEX 2

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NEW VISION, Friday, March 30, 2018

ADVERTIS



THE REPUBLIC OF UGANDA



PRESS RELEASE

COFFEE PLANTING ADVISORY FOR MARCH-MAY 2018 SEASON

The Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) through the Uganda Coffee Development Authority (UCDA) informs the general public that the Government of Uganda is committed to its strategic objective of increasing coffee production to a target of 20 million bags per year by 2025 as set by His Excellency the President. To achieve this target, Government is distributing coffee seedlings to farmers who have dug holes in preparation for planting coffee seedlings in the **March-May 2018** planting season.

In order for the coffee seedlings to establish properly, farmers are required to prepare their gardens early, dig the right size holes (2 feet by 2 feet by 2 feet) at the recommended spacing of 10 feet by 10 feet for Robusta Coffee and 8 feet by 8 feet for Arabica Coffee.

The weather forecast from the Uganda National Meteorological Authority for March-May 2018 indicates that most coffee growing areas of the country are expected to receive near normal to above normal rainfall during the season, commencing early March and tapering in mid-June 2018.

Therefore, I appeal to the Local Government leaders and Extension Staff in coffee growing districts to mobilize farmers and ensure that coffee seedlings are distributed on time so that seedlings receive adequate rains for crop establishment. The Sub-county Extension staff and UCDA Regional Staff are expected to supervise the distribution seedlings and provide technical advice while OWC Officers will confirm that seedlings are received and planted by beneficiary farmers.

Vincent Bamulangaki Ssempijja (MP)

MINISTER OF AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES

ANNEX 3

Uganda Coffee
Development Authority

PRESS RELEASE

SCALING DOWN PRODUCTION AND DISTRIBUTION OF ELITE ROBUSTA COFFEE SEEDLINGS IN ROBUSTA COFFEE GROWING DISTRICTS

Since FY 2014/15, the Ministry of Agriculture Animal Industry and Fisheries (MAAIF), through Uganda Coffee Development Authority (UCDA), District Local Governments and Operation wealth Creation (OWC) has been implementing a coffee replanting programme. The objective of the programme was to raise, distribute and plant 300 million coffee seedlings per year and thereby contribute to attainment of 20 million bags per year target envisioned in the Coffee Roadmap recently launched by H.E the President. In the last 4 years, close to 800 million coffee seedlings have been raised and planted by farmers.

Therefore, starting with the second planting season of September-November 2019, the Ministry will start scaling down the production and distribution of elite Robusta coffee seedlings to farmers. However the promotion of multiplication of Coffee Wilt Disease Resistant (CWDR) clonal cuttings through establishment of mother gardens will continue.

Therefore, I wish to guide the coffee sub-sector as follows:

1. All coffee nursery operators with elite Robusta coffee seedlings should, with immediate effect, scale down seedlings production so as not to have any carry over stock expected to be procured under Government funding after the 2nd season of 2019 (i.e . September-November 2019 planting season);
2. No certificate will be issued to a new elite Robusta coffee nursery , except to operators in drought prone districts in Northern Uganda and parts of North Eastern and Eastern Uganda;
3. Production of coffee seedlings in the Arabica coffee growing districts, in limited quantities, shall continue but under strict guidance from UCDA;
4. Coffee nursery operators who wish to plant their already raised coffee seedlings in their gardens before the end of the second season of 2019 are free to do so as long as verification by UCDA and District Local Government Officials confirms the coffee garden's suitability and preparedness. The planted seedlings shall be recorded and verified by UCDA, District Local Governments and OWC;
5. Propagation of Coffee Wilt Disease Resistant plantlets (clonal cuttings), in Robusta coffee growing areas, shall continue and be scaled up, but under strict guidance from UCDA;
6. Only mature and quality coffee seedlings (elite and clonal) which will have been certified and are available before the end of 2nd planting season of 2019 will be procured by UCDA on credit and shall be paid for in the medium term as funds become available;
7. After the 2nd season of 2019, the Government shall redirect the support towards coffee productivity enhancement programmes such as coffee rehabilitation (stumping), soil-fertility management, farmer training in good agronomic practices and provision of water for production;
8. Farmers in Robusta coffee growing areas who may wish to plant the old clonal coffee lines (A B, C, D, F and H) may continue to do so at their own cost but under guidance of NaCORI and UCDA;
9. Coffee seed gardens shall continue to be certified by NaCORI and UCDA on behalf of MAAIF and any nursery operator that may wish to privately engage in elite coffee seedlings production must first get clearance from UCDA.



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