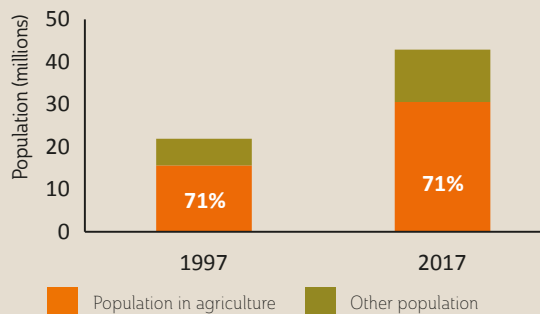
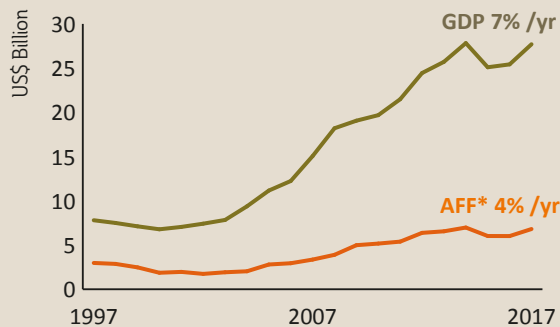




MACROECONOMIC CONTEXT

Uganda's economy grew at around 7% during the 1990s and early 2000s but has recently seen slower growth, mainly due to adverse weather and unrest in neighbouring countries. However, the economy rebounded in the latter half of 2017, driven partly by the agricultural sector.⁴

Uganda is classed by the World Bank as a low-income country and has a low Human Development Index (ranked 162 of 189 countries).



* AFF: Gross Output Agriculture, Forestry and Fishing

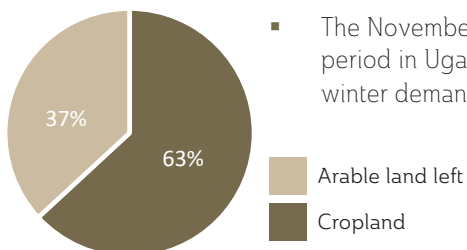
FOOD PRODUCTION

Top 10 horticultural crops (000 tons, 2017)

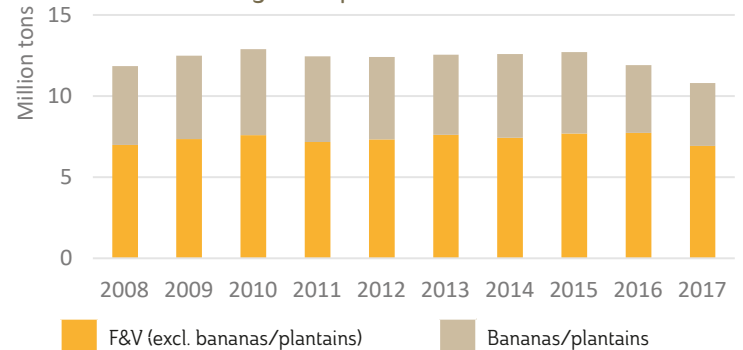
1	Plantains	3,284	6	Bananas	583
2	Cassava	2,437	7	Onions	344
3	Sweet potatoes	1,657	8	Groundnuts	215
4	Beans	1,025	9	Potatoes	165
5	Other veg.	944	10	Other fruit	53

Uganda's comparative advantages

- Investors consider Uganda's agricultural potential to be among the best in Africa, with the potential to feed 200 million people.¹
- Uganda's fertile soils and conducive climate guarantee production for most of the year.
- Uganda's National Exports Development Strategy (2017) lists fruit and vegetables, and specifically beans, as priority products over the next 5 years (although behind the highest priority given to minerals, fisheries, commodities and flowers).²
- Soils (pH 5 to 6.5) are ideal for fruit growing and have low contamination levels due to prolonged periods of minimal inputs, creating natural quasi-organic conditions. In 2016 Uganda had the largest number of organic producers in Africa (210,350), but not all are certified and therefore much of the produce is termed 'natural'.³



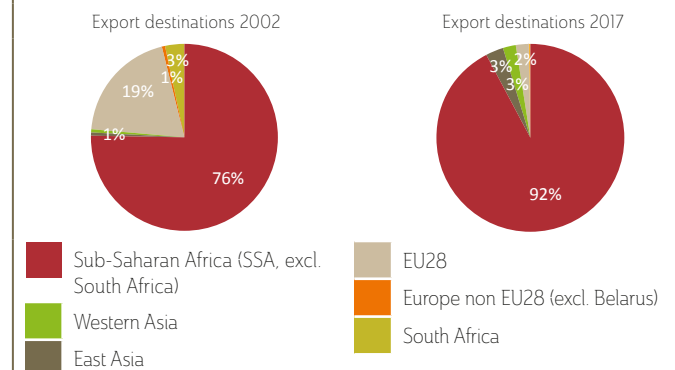
Trends in fruit and vegetable production*



TRADE

Uganda currently has a positive physical trade balance for fruit and vegetables – in 2017 it exported 269,279 tons more than it imported.

Exports are mainly to SSA, representing 92% of the quantity and 77% of the value of all exports in 2017; exports to the EU account for just 2% of volume, but 11% of value. The bulk of global exports are beans (fresh and dried) other legumes, bananas/plantains and cassava.

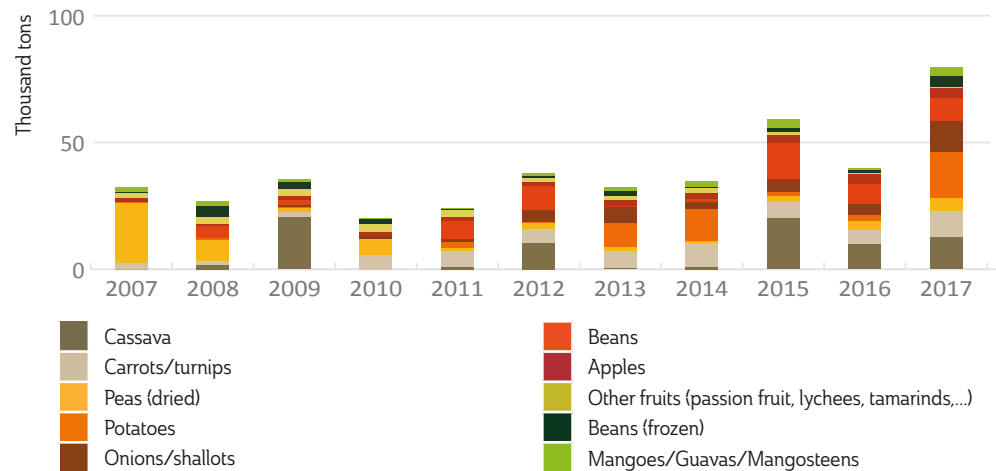


* Production values for 2007 excluded due to data errors.

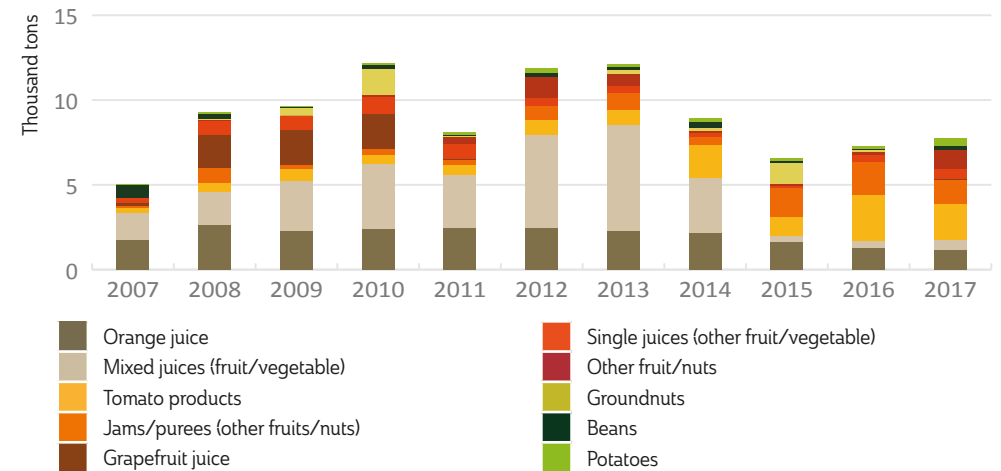


GLOBAL TRADE IN FRUITS, NUTS AND VEGETABLES (BY VOLUME)

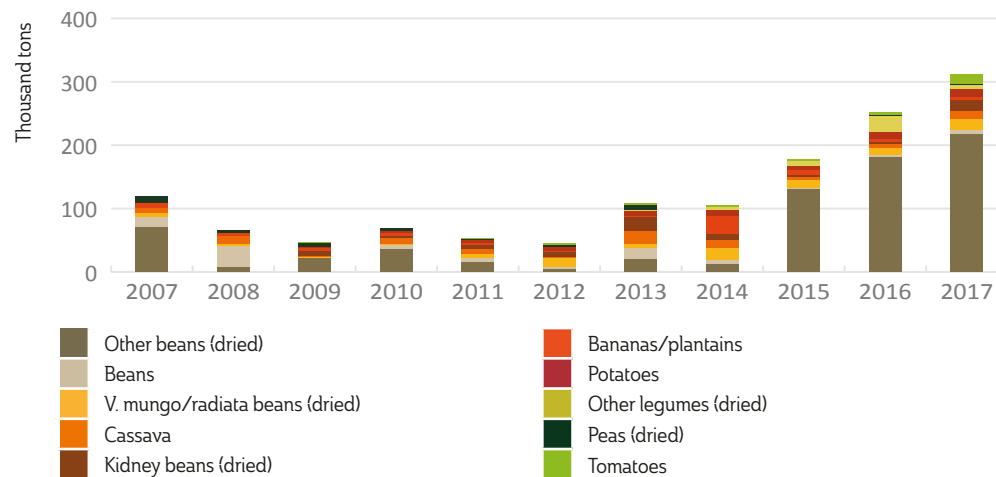
IMPORTS of top 10 FRESH fruits, nuts and vegetables



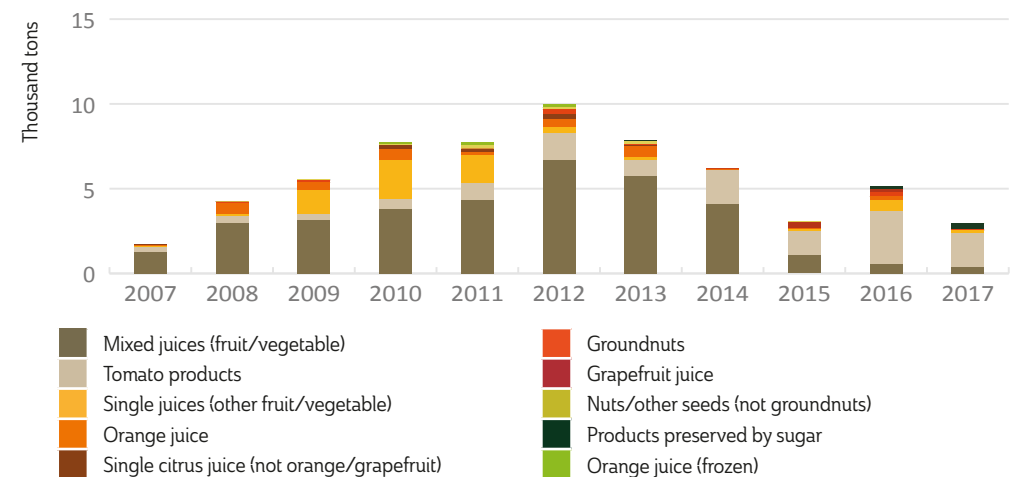
IMPORTS of top 10 PROCESSED fruits, nuts and vegetables



EXPORTS of top 10 FRESH fruits, nuts and vegetables



EXPORTS of top 10 PROCESSED fruits, nuts and vegetables





FOCUS ON THE MARKET

Local supply

The main crops produced are plantains and root vegetables (cassava, sweet potato) along with legumes, other vegetables and plantains. Agricultural production in Uganda is dominated by smallholder farmers; in the horticulture sector over 95% of farmers are smallholders.

Exports of fresh fruit and vegetables are sourced from smallholders who work as outgrowers for export companies. Use of agrochemicals is very low, probably among the lowest in Africa.⁵

Local demand

Although there is great variation across regions, the Ugandan diet is predominantly vegetarian, mostly plantains and roots/tubers (425–700 g/day), with a reasonable level of pulses and nuts (100–180 g/day) and fruit (100–150 g/day).⁶

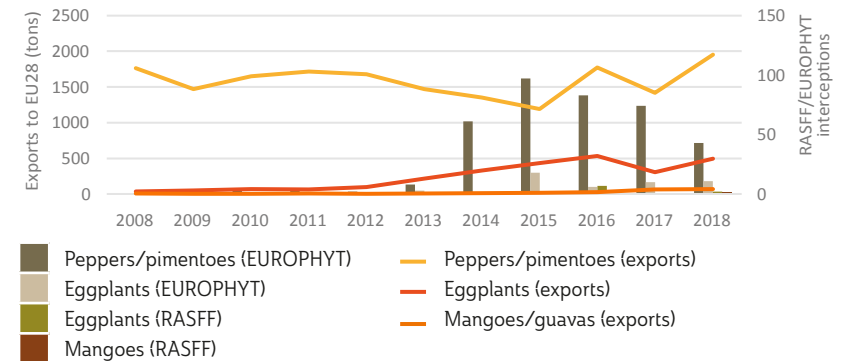
Key facts

Vegetables dominate Ugandan horticultural exports, which are mainly directed at neighbouring countries' markets. Fruit production is mostly by smallholders and centred on the Southern, Central and Eastern regions. Bananas/plantains are the most produced and exported fruits, followed by pineapples and mangoes.

Pineapple production is particularly well developed, estimated at 2,000 ha. Ugandan pineapples are well rewarded on the markets of neighbouring countries' such as Kenya due to their superior taste to the local produce.⁷ The production and exports of Hass avocados is increasing rapidly as avocado plantations are being planted by Ugandan farmers, following Kenya's lead.

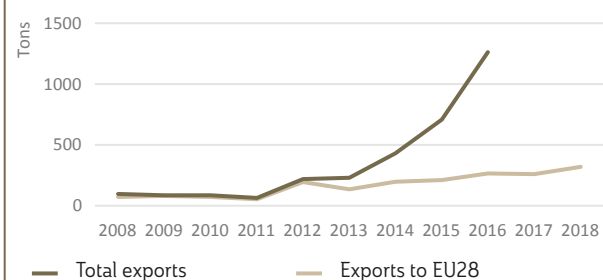
EU MARKET AND SPS ISSUES

The main issue is extremely high interceptions of peppers with false codling moth (*Thaumatotibia leucotreta*) in recent years. A 2019 EU implementing directive has imposed special measures.⁷ There are also increasing interceptions of mangoes and bitter



melons with fruit flies (Tephritidae) and other pests, and of eggplants with eggplant fruit and shoot borer (*Leucinodes orbonalis*). The high levels of harmful organisms appear to have led to increased pesticide usage and thus to increasing MRL exceedances. Uganda had seven RASFF notifications in 2016 on eggplants (for a variety of PPPs), then three in 2018 (eggplants and mangoes) – and so far three in 2019 on peppers.

One to watch: avocados



Growing international and domestic demand for avocado is leading some Ugandan farmers to switch from crops such as maize to avocado. Demand grew by 88% in 2016, earning Uganda \$1.91 million (about Shs 7.2 billion).⁸ Uganda's top export markets for avocado include Qatar, Canada, Belgium, Norway, Sweden, Spain and Egypt. Farmers are encouraged to invest in the more easily exportable Hass type in order to compete with Tanzania and Kenya.

	National	Regional	EU	World
Potential	Avocados; Fruit juices	Avocados; Fruit juices	Groundnuts	Avocados
Developing		Beans; Cassava; Potatoes; Fruit juices	Peppers; Bananas; Legumes; Sweet potatoes	Mangoes (dried)
Mature	Plantains; Cassava; Sweet potatoes; Legumes; Bananas	Fruit juices	Beans; Pineapples; Passion fruits; Chillies	



Notes

- ¹ ITA (2019) *Uganda - Agriculture*. International Trade Administration, US Department of Commerce. <https://www.trade.gov/country-commercial-guides/uganda-market-overview>
- ² Uganda Media Centre (2017) Cabinet approves National Exports Development Strategy. Kampala: Government of Uganda, 28 August. <https://ugandamediacentreblog.wordpress.com/2017/08/28/cabinet-approves-national-exports-development-strategy/>
- ³ FiBL and IFOAM (2019) *The World of Organic Agriculture 2019*. Research Institute of Organic Agriculture and IFOAM. <https://www.ifoam.bio/en/news/2019/02/13/world-organic-agriculture-2019>
- ⁴ World Bank (2019) *The World Bank in Uganda: Overview*. <https://www.worldbank.org/en/country/uganda/overview>
- ⁵ UNCTAD (2008) *Private-sector Standards and National Schemes for Good Agricultural Practices: Implications for Exports of Fresh Fruit and Vegetables from Sub-Saharan Africa. Experiences of Ghana, Kenya and Uganda*. Geneva: United Nations Conference on Trade and Development. https://unctad.org/en/Docs/ditcted200713_en.pdf
- ⁶ Harvey, P., Rambeloson, Z. and Dary, O. (2010) *Determining the Dietary Patterns of Ugandan Women and Children: The 2008 Uganda Food Consumption Survey*. USAID, Global Alliance for Improved Nutrition and World Food Programme. https://www.spring-nutrition.org/sites/default/files/a2z_materials/508-uganda_food_consumption_survey_final_08152011.pdf
- ⁷ COLEACP (2019) Important message to competent authorities and operators in the capsicum sector (chillies and peppers). *COLEACP News*, 23 May. <https://eservices.coleacp.org/en/actu/important-message-to-competent-authorities-and-operators-in-the-capsicum-sector-chillies-and>
- ⁸ The Observer (2019) Uganda: Demand for avocado soars as overseas market opens. *The Observer (Kampala)*, 10 April. <https://allafrica.com/stories/201904100936.html>

Local research: Sunripe Ltd

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World Bank Country Overviews: www.worldbank.org/en/where-we-work
CIA World Factbook: <https://www.cia.gov/the-world-factbook/>
Human Development Index 2018 – a composite index of life expectancy, education and per capita income indicators: http://hdr.undp.org/sites/default/files/2018_human_development_statistical_update.pdf
AFF as percentage of GDP (AFF = Gross Output Agriculture, Forestry and Fishing): <https://data.worldbank.org/indicator/nv.agr.totl.zs>
Population: <https://data.worldbank.org/country/>
Population employed in agriculture: <https://data.worldbank.org/indicator/sp.rur.totl.zs>
Food production: www.fao.org/faostat/
Trends in fruit and vegetable production: www.fao.org/faostat/
Cropland and arable land left: World Bank
Total exports (quantity and value): IFPRI
Global imports and exports, top 10 fresh fruit and vegetables, and top 10 processed fruit and vegetables: IFPRI
Regional imports and exports, top 10 fresh fruit and vegetables, and top 10 processed fruit and vegetables: IFPRI
Exports to EU28, top 10 fresh fruit and vegetables, and top 10 processed fruit and vegetables: <https://ec.europa.eu/eurostat>
Focus on the EU market: https://ec.europa.eu/food/plant/plant_health_biosecurity/europhyt_en