

Vote: 160 Uganda Coffee Development Authority

QUARTER 1: Highlights of Vote Performance

V1: Summary of Issues in Budget Execution

This section provides an overview of Vote expenditure

(i) Snapshot of Vote Releases and Expenditures

Table V1.1 below summarises cumulative releases and expenditures by the end of the quarter:

Table V1.1: Overview of Vote Expenditures (US\$ Billion)

(i) Excluding Arrears, Taxes	Approved Budget	Cashlimits by End	Released by End	Spent by End Sep	% Budget Released	% Budget Spent	% Releases Spent
Recurrent Wage	0.000	0.000	0.000	0.000	N/A	N/A	N/A
Recurrent Non Wage	7.912	1.978	1.978	1.945	25.0%	24.6%	98.3%
Development GoU	0.000	0.000	0.000	0.000	N/A	N/A	N/A
Development Donor*	0.000	N/A	0.000	0.000	N/A	N/A	N/A
GoU Total	7.912	1.978	1.978	1.945	25.0%	24.6%	98.3%
Total GoU+Donor (MTEF)	7.912	N/A	1.978	1.945	25.0%	24.6%	98.3%
(ii) Arrears and Taxes Arrears	0.000	N/A	0.000	0.000	N/A	N/A	N/A
(ii) Arrears and Taxes Taxes**	0.000	N/A	0.000	0.000	N/A	N/A	N/A
Total Budget	7.912	1.978	1.978	1.945	25.0%	24.6%	98.3%
(iii) Non Tax Revenue	14.274	N/A	3.033	3.033	21.2%	21.2%	100.0%
Grand Total	22.187	1.978	5.011	4.978	22.6%	22.4%	99.3%
Excluding Taxes, Arrears	22.187	1.978	5.011	4.978	22.6%	22.4%	99.3%

* Donor expenditure information available

** Non VAT on capital expenditure

The table below shows cumulative releases and expenditures to the Vote by Vote Function :

Table V1.2: Releases and Expenditure by Vote Function*

Billion Uganda Shillings	Approved Budget	Released	Spent	% Budget Released	% Budget Spent	% Releases Spent
VF:0153 Coffee Development	22.19	5.01	4.98	22.6%	22.4%	99.3%
Total For Vote	22.19	5.01	4.98	22.6%	22.4%	99.3%

* Excluding Taxes and Arrears

(ii) Matters to note in budget execution

The total volume of exports in the first quarter of the FY 2014/15 declined by 15.8% while the total value of exports declined by 8.5% from US\$ 106,054,299 in the first quarter of FY 2013/14 to US\$ 97,031,962 in the quarter under review.

Table V1.3: High Unspent Balances and Over-Expenditure in the Domestic Budget (US\$ Bn)

(i) Major unspent balances
(ii) Expenditures in excess of the original approved budget

* Excluding Taxes and Arrears

V2: Performance Highlights

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This section provides highlights of output performance, focusing on key outputs and actions implemented to improve section performance.

Table V2.1: Key Vote Output Indicators and Expenditures*

<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
<i>Vote Function: 0153 Coffee Development</i>			
Output: 015301	Production, Research & Coordination		
<i>Description of Performance:</i>	<ul style="list-style-type: none"> - Raise 96 million seedlings; 60.48 Million seedlings of Robusta and 1.6 Million seedlings Arabica - 9.6 Million Agro Forestry Tree Shade seedlings raised - 96 million seedlings potted. - 200,000 CWD-R plantlets distributed to at least 285 CWD-R Nursery operators - I million tissue culture seedlings procured - Provision for weaning and Hardening of 1 million - Pests and diseases surveillance carried out and reports submitted. - Development of training and awareness material for farmers. - Set 1 acre demonstration on Integrated pest Management (IPM) per district – 33 districts - 3.34 million seedlings distributed and planted by identified Groups - 0.905 million seedlings planted by commercial coffee farmers in total - 250 farmers establish 1 acre demonstration plots. - 5 districts per region involving 50 farmers each, participate in farmer competitions (Prizes include; hand pulpers, tarpaulins, bicycles, radios, and solar panels) - 50 Coffee farms demonstrate 	<ul style="list-style-type: none"> Production 8 million seedlings raised. 2.3MT of Robusta seed was distributed raising 4.6 million seedlings and 1.7 MT of Arabica distributed raising 3.4 million seedlings. Financial and Technical support given to the seed gardens, except Nyamigogo. 27 Sets of Nursery equipment procured for 27 mother gardens. (Hife Nets, Metal bars, Timber, Wheelbarrows, drums, Hoes, Spades, Shovels, Trowels, soil sieves) 25,000 Coffee Wilt Disease Resistant seedlings allocated to 60 mother gardens. 1 Service provider secured to undertake CWD-R plantlets generation by Tissue culture. Disease & Pest Management Surveillance reports indicate continued spread of the Black Twig Borer. 3,200 liters of chemical procured. 34 IPM demonstration sites set up in 34 Districts. Replanting 10.29 million Seedlings planted by farmers/farmer groups, and veterans, benefiting a total of 51,451 households. 0.280 Million seedlings planted by 12 commercial farmers Rehabilitation 250 demonstration plots (1 acre 	<ul style="list-style-type: none"> There was no procurement made for Agroforestry shade tree during the quarter due to its association with black twig borer 2. Performance of seedlings generated below target due to mis-posting of targets of Q1. Will be achieved in Q2, Q3 and Q4.

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
	appropriate soil and water management practices for hilly areas.	each) established.	
	- 5 farmers per region are supported to establish water harvesting facilities – water tanks	25 Districts with 1,250 farmers participated in farmer competitions	
	- 5 farmers per region are supported to establish water harvesting facilities – water ponds using polythene sheets.	50 coffee farms demonstrating soil and water management set up in the 10 districts.	
	- 15 farmer groups mapped and input into a GIS system and maps generated.	25 farmers supported with polythene sheets.	
	- Ten (10) farmer groups (in Kasese, Kisoro, Nebbi, Sironko, Kapchorwa, Bushenyi, Ibanda, Bukwo, Kween, Bulambuli) trained	Sustainable Coffee production All farmer groups practicing sustainable coffee production registered.	
	3 farmer groups supported to access external markets.	3 farmer groups trained in Kapchorwa, Kasese and Zombo	
	- 200,000 seedlings planted by the farmer groups; Gumutindo, Bukhonzon organics, Kawacom, NIHACOFA and Ankole Processors	1 group Kibinge Coffee Farmers Co-operative supported.	
	- Different soil characteristics identified & coffee marketed according to location	240,000 seedlings planted; Ugacof – 100,000 UCFA – 100,000, NIHACOFA – 40,000	
	- 1000 copies of manual printed & distributed	Soil analysis report submitted by UF.	
	- 3 Certifications attained.	Manuals procured and to be distributed.	
	- 500 Buyers' Stores registered and licensed	1 Certification supported.	
	- 300 Primary Processing Factories Licensed	Technical Extension 175 store registered and licensed, 105 primary processing factories licensed.	
	- 20 Export Grading factories registered and licensed	2 training sessions carried out for 70 buyers, processors, covering quality aspects and coffee regulations.	
	- 250 Processors and Buyers trained on; Hygiene requirements, Processing standards and Coffee regulations	1 Multi-stakeholder task force set up for quality improvement in South Western region.	
	- Set up 1 field quality	1 Regional Taskforce set up for Quality improvement in	

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
	<p>improvement teams per Region to have 1 Week Crackdown per Main season:</p> <ul style="list-style-type: none"> - 384 training sessions carried out and 38,400 Farmers trained on GAPs. - All Seed gardens and Nurseries certified and issued with certificates - 30 Coffee Platforms facilitated to carry out coffee activities; Quality improvement Organize and participate in Coffee shows - National Steering committee meets monthly to discuss value chain activities Inputs Dealers, Farmers, Researchers and other stakeholder linkage strengthened - Annual stakeholder Meeting held attended by at least 200 stakeholders; new strategies presented and views collected, New developments in Coffee Research, Trends along the value chain and other initiatives are discussed. - Inter-Regional Farmers Study Tours undertaken :(Eastern to Northern; Northern to Western; Western to Eastern; South/Western to Central; Central to South/Western) - 100 farmers per region learn new GAPs; Improved GAPS and coffee quality - 10 Radio Stations used to air programmes covering season based activities and new developments in the value chain - Attend the Global Robusta Conference 	<p>Western Region. Mal-practices of post-harvest handling were observed in almost all the areas visited. operations of several stores and factories were suspended and a number of suspects were handed over to police.</p> <p>Collaborative Extension 32 training sessions carried out attracting 3,520 farmers</p> <p>All nurseries certified.</p> <p>13 District platforms facilitated to organize coffee shows in 13 Districts</p> <p>Three Meetings of the NSC held;</p> <p>Finalization on extension materials</p> <p>Proposal for a Pilot District Project on Training Extension staff and farmers on Sustainable coffee production systems</p> <p>Discussions of recommendations on evaluation of the Coffee Platforms</p> <p>Preparations for the ASHM</p> <p>13 Coffee shows were held attracting over 14,000 participants.</p> <p>4 Inter regional farmers tours carried out. (Eastern to Central; Western to South Western; South – Western to Central; Central to South Western)</p> <p>1,200 Minutes of air time on 10 radio stations was used to air messages on GAPs, Management of Diseases and Pests especially BCTB, Guidelines on planting.</p> <p>Attended ASIC in Columbia All monthly supervisory activities carried out</p>	

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
		Research Coffee research provided with Financial support for Research programmes	
<i>Performance Indicators:</i>			
Number of Coffee District Platforms facilitated for coffee activities	8,000		13
No. of coffee seedlings produced (million)	59		8
No. of Coffee Wilt Disease Resistant (CWDr) Mother Gardens Established & Supported	6		26
<i>Output Cost:</i>	US\$ Bn:	12.283	US\$ Bn: 3.038 % Budget Spent: 24.7%
Vote Function Cost	US\$ Bn:	22.187	US\$ Bn: 4.978 % Budget Spent: 22.4%
Cost of Vote Services:	US\$ Bn:	22.187	US\$ Bn: 4.978 % Budget Spent: 22.4%

* Excluding Taxes and Arrears

The total volume of exports in the first quarter of the FY 2014/15 was 790,260 bags (60-Kgs) compared to 938,259 bags in the same period in 2013/14. This represents a decrease in volume performance by 15.8%. By coffee type, 675,282 bags of Robusta coffee was exported compared to 763,600 bags in 2013/14 (11.6% decrease). While 114,978 bags of Arabica coffee were exported compared to 174,659 bags in 2013/14 (34.2% reduction). The decrease in volume of exports is attributed to the dry weather experienced in the Southern, an off-cycle production for Arabica and significant stocks at exporter level in anticipation of higher prices in the future.

The total value of exports for the first quarter was US\$ 97,031,962 compared to US\$ 106,054,299 in 2013/14 representing an overall percentage decrease of 8.5%. By coffee type, the value of Robusta exports was US\$ 76,117,040 compared to US\$ 84,238,078 in 2013/14 (9.6% decrease). The value of Arabica Value exports was US\$ 20,914,923 compared to US\$ 21,816,221 in the same quarter in 2013/14 representing a performance decrease of 4.1%. The decline in aggregate value of exports is due to the drop in the international prices.

The performance highlights by vote function outputs for the quarter is presented below:

Production, Research and Coordination

Distributed 4MT of seeds consisting of 2.3MT of Robusta and 1.7 MT of Arabica. This raised 8 million seedlings comprising 4.6 million Robusta and 3.4 million Arabica. Procured and distributed 27 Sets of Nursery equipment to 27 mother gardens. The sets of equipment comprised Hife Nets, Metal bars, Timber, Wheelbarrows, drums, Hoes, Spades, Shovels, Trowels and soil sieves

Allocated 25,000 Coffee Wilt Disease Resistant seedlings to 60 mother gardens. Procured 3,200 liters of chemical and established 34 IPM demonstration sites in 34 Districts.

Planted 10.29 million seedlings by farmers/farmer groups, and veterans, benefiting a total of 51,451 households. 0.280 Million seedlings were planted by 12 commercial farmers

Established 250 demonstration plots under the coffee rehabilitation program comprising 1 acre in 25 Districts. 1,250 farmers participated in farmer competitions

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Set 50 coffee farms as demonstration sites for soil and water management in 10 districts and supported 25 farmers with water harvesting facilities (water tanks) and polythene sheets.

Facilitated 13 District platforms to organize coffee shows which attracted over 14,000 participants

Quality Assurance

Analyzed 83 field coffee samples (60 Robusta & 23 Arabica) to determine Moisture Content (12%), Outturn (90%) and Screen Retention

Analyzed 268 FAQ samples at export level comprising 198 samples of Natural Robusta and 79 samples of Natural Arabica. The average MC for Natural Robusta was 13.27% and average Out Turn was 81%. On the other hand the average MC for Natural Arabica 12.9%, and the average Outturn was 81.29%. The Screen retention for Natural Robusta-SC 1800 was 13.84%, SC 1500: 59.92%, and SC 1200: 24.45%
Natural Arabica: SC 1800: 31.17%, SC 1600: 45.13%, SC 1400: 18.13% & SC 1200: 3.99%

Held a consultative meeting with the Political leaders in Busoga sub region and discussed how to improve coffee production and quality.

Inspected 0.790m bags for export, Issued 2,438 Quality Certificates, 2281 ICO certificates

Trained 489 participants comprising of farmers, students, exporters, roasters and brewers on: coffee quality control technique (31), Best handling practices (403), Coffee grading and roasting (15) and physical grading and introductory cupping (40)

Established 3 Laboratories in Kampala (Central), Iganga (Eastern) and Bushenyi (Western) and fully equipped with equipment and staff and 6 microcentres in the districts of Rakai, Bukomansimbi, Iganga, Mayuge, Kyenjojo and Kabarole

Value Addition and Generic Promotion

Promoted coffee at the Annual Source of the Nile Agricultural Show in Jinja and coffee consumption in 10 local shows in Kayunga, Ntungamo, Mityana, Kamwenge, Kumi, Soroti, Lira, Gulu, Arua and Zombo.

Supported 4 Coffee clubs during the university bazaars- (MUK, KYU, KIU & MUBS)

Penetrated the new and emerging coffee market in the Asia Pacific region by exporting 22,532 bags of coffee.

Promoted coffee at 2 international events: the Specialty Coffee Association of Japan exhibition, conference and cupping session in Tokyo, Japan and Uganda North American Association exhibition- San Diego, USA.

Information Dissemination for Marketing and Production

Developed Concept Notes and ToRs for; Value Chain activities for women and youth groups and A Study on input credit guarantee scheme

Completed Background Research (Position) Paper on the Revision of Coffee Laws and Regulations

Ascertained Quarterly stock levels and forecast production at different levels of the coffee chain

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Produced and disseminated 76 Daily Coffee Market Analysis Reports and 3 monthly coffee reports to stakeholders through SMS, website, emails and press releases

Coffee Development in Northern Uganda

Distributed inputs to coffee farmers comprising, 3.06MT of poly-pots and 6,000 banana suckers. Planted 322,380 coffee seedlings and 6,500 shade trees

Held one Coffee show in Lira and 2 Intra-Regional farmers tour in Northern Region

Conducted 2 FFS sessions with 30 farmers participating and established 10 Technology Development Sites and supported 5 old ones

Establishment Cost

Held 1 full Board and 3 Board Committee meetings where the Board approved and provided policy guidance on the Human Resource Manual, National Coffee Strategy, and Nine months performance report and budget estimates

Enhanced corporate visibility by featuring Uganda Coffee in the USA Today newspaper in the United States; featuring in the Ministry of Agriculture Animal Industry and Fisheries (MAAIF) Joint Agriculture Sector Annual Review (JASAR) media supplement and recording 606,691 hits and 977 unique visits to the UCDA website.

Table V2.2: Implementing Actions to Improve Vote Performance

Planned Actions:	Actual Actions:	Reasons for Variation
Vote: 160 Uganda Coffee Development Authority		
Vote Function: 01 53 Coffee Development		
- Raise 96 million seedlings	Production	Production are on a positive trend
- Support 30 CWD Mother gardens to produce 10,000 cuttings	8 million seedlings raised.	
- Procure 1 million tissue culture seedlings	2.3MT of Robusta seed was distributed raising 4.6 million seedlings	
- Distribute and plant 3.34 million seedlings	1.7 MT of Arabica distributed raising 3.4 million seedlin	
	Financial and Technical support given to 4 seed gardens	
	27 Sets of Nursery equipment procured for 27 mother gardens. (Hife Nets, Metal bars, Timber, Wheelbarrows, drums, Hoes, Spades, Shovels, Trowels, soil sieves)	
	25,000 Coffee Wilt Disease Resistant seedlings allocated to 60 mother gardens.	
	1 Service provider secured to undertake CWD-R plantlets generation by Tissue culture.	
	3,200 liters of chemical procured.	
	34 IPM demonstration sites set up in 34 Districts.	
	Replanting	

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Planned Actions:	Actual Actions:	Reasons for Variation
	10.29 million Seedlings planted by farmers/farmer groups, and veterans, benefiting a total of 51,451 households.	
	0.280 Million seedlings planted by 12 commercial farmers	
	Rehabilitation 250 demonstration plots (1 acre each) established.	
	25 Districts with 1,250 farmers participated in farmer competitions	
	50 coffee farms demonstrating soil and water management set up in the 10 districts.	
	25 farmers supported with water harvesting facilities – water tanks	
	25 farmers supported with polythene sheets.	
	Sustainable Coffee production All farmer groups practicing sustainable coffee production registered.	
	3 farmer groups trained in Kapchorwa, Kasese and Zombo	
	1 group Kibinge Coffee Farmers Co-operative supported.	
	240,000 seedlings planted; Ugacof – 100,000, UCFA – 100,000, NIHACOFA – 40,000	
	Soil analysis report submitted by UF.	
	Manuals procured and to be distributed.	
	1 Certification supported.	
	Technical Extension	
	175 store registered and licensed	
	105 primary processing factories licensed.	
	2 training sessions carried out for 70 buyers, processors, covering quality aspects and coffee regulations.	
	1 Multi-stakeholder task force set up for quality improvement in South Western region.	

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Planned Actions:	Actual Actions:	Reasons for Variation
<p>- Support the establishment of a Coffee Research Institute and a Coffee Research Trust Fund to ensure sustainable financing for coffee research as well as strengthening the linkages among coffee research, development and extension.</p>	<p>1 Regional Taskforce set up for Quality improvement in Western Region.</p> <p>Collaborative Extension 32 training sessions carried out attracting 3,520 farmers</p> <p>All nurseries certified.</p> <p>13 District platforms facilitated to organize coffee shows in 13 Districts</p> <p>Three Meetings of the NSC held;</p> <p>Finalization on extension materials</p> <p>Proposal for a Pilot District Project on Training Extension staff and farmers on Sustainable coffee production systems</p> <p>Discussions of recommendations on evaluation of the Coffee Platforms</p> <p>Preparations for the ASHM</p> <p>13 Coffee shows were held attracting over 14,000 participants.</p> <p>4 Inter regional farmers tours carried out. (Eastern to Central; Western to South Western; South – Western to Central; Central to South Western)</p> <p>1,200 Minutes of air time on 10 radio stations was used to air messages on GAPs, Management of Diseases and Pests especially BCTB, Guidelines on planting.</p> <p>Attended ASIC in Columbia.</p> <p>All monthly supervisory activities carried out</p> <p>Research Coffee research provided with Financial support for Research programmes</p> <p>The National Coffee Research Institute was established</p>	<p>No variation recorded</p>
<p>Vote: 160 Uganda Coffee Development Authority</p>		
<p>Vote Function: 01 53 Coffee Development</p>		
<p>- Amend the 1991 Coffee Statute</p>	<p>Background Research (Position) Paper</p>	<p>No variation recorded</p>

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Planned Actions:	Actual Actions:	Reasons for Variation
- Review and revise the 1994 Coffee Regulations	on the Revision of Coffee Laws and Regulations completed. The Paper is to be submitted and presented to UCDA Senior Management and Board and MAAIF Top Management.	

V3: Details of Releases and Expenditure

This section provides a comprehensive summary of the outputs delivered by the Vote and further details of Vote expenditures by Vote Function and Expenditure Item.

Table V3.1: GoU Releases and Expenditure by Output*

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:0153 Coffee Development	7.91	1.98	1.95	25.0%	24.6%	98.3%
<i>Class: Outputs Provided</i>	7.91	1.98	1.95	25.0%	24.6%	98.3%
015301 Production, Research & Coordination	7.91	1.98	1.95	25.0%	24.6%	98.3%
Total For Vote	7.91	1.98	1.95	25.0%	24.6%	98.3%

* Excluding Taxes and Arrears

Table V3.2: 2014/15 GoU Expenditure by Item

Billion Uganda Shillings	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
Output Class: Outputs Provided	7.91	1.98	1.95	25.0%	24.6%	98.3%
224001 Medical and Agricultural supplies	7.91	1.98	1.95	25.0%	24.6%	98.3%
Grand Total:	7.91	1.98	1.95	25.0%	24.6%	98.3%
Total Excluding Taxes and Arrears:	7.91	1.98	1.95	25.0%	24.6%	98.3%

Table V3.3: GoU Releases and Expenditure by Project and Programme*

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:0153 Coffee Development	7.91	1.98	1.95	25.0%	24.6%	98.3%
<i>Recurrent Programmes</i>						
01 Headquarters	7.91	1.98	1.95	25.0%	24.6%	98.3%
Total For Vote	7.91	1.98	1.95	25.0%	24.6%	98.3%

* Excluding Taxes and Arrears

Table V3.4: Donor Releases and Expenditure by Project and Programme*