

# CHALLENGES OF ORGANIC PRODUCTION AND TRADE IN UGANDA

WITH

SPECIFIC REFERENCE TO CERTIFICATION

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## 1. Inadequate understanding of how organic certification works

- Organic certification is a 'production process certification' as opposed to a 'product certification'

Therefore organic certification is a process and not an instant (or spot) ACTION THE CASE IS FOR 'product certification'

- Potential Ugandan organic traders refuse to accept this fact! I do not know why?

## 2. Inadequate technical capacity to develop certifiable production operations

- The requirements for establishing a certifiable production operation are complicated
- All commercial organic projects in Uganda (except Amfri Farms) started with donor support to cover the costs of the technical support that was required
- We are slowly developing that capacity but substantial training support is still required

## 3. Lack of finances to establish certifiable operations

Developing a certifiable system, an ICS in our Ugandan case, is a very expensive undertaking (19,628 USD and may rise to 44,835 USD when you add on the premium price for a coffee project involving 2,000 smallholder farmers)

- 6 ICS permanent staff
- Training workshops
- Transport for staff
- Farm inputs

## 4. 'Expensive' certification costs

- Certification directly provided by foreign CB is often 'expensive' (In our example it goes up to 9,000 USD for the first certification (this is about 4.5 USD per farmer about 8,325 shs per year) and may reduce to about 6,000 in subsequent years

## 5. Growing regulations

- Approval of farm Input and exemptions
- Organic seed requirements/exemptions
- Production (management plans)
- Environmental plans
- Growing demands for documentation (e.g. EU requires a transaction certificate per shipment. Cost: 60 – 80 Euros; risk assessment

## 5. Growing regulations ctn.

- Conversion period 12 months to 24 - 36 months
- KRAV Standards in 1999: 59 pages
- KRAV Standards in 2002: 136 pages
- KRAV Standards in 2004: 186 pages

Puts increasing demands on operators to understand them. Requires employment of an extra staff to handle

## 6. Growing consumer concerns

Consumers are responsible for the growth of the organic sector but can also be a problem in some cases:

- Private labels exist because of consumer preferences and the commercial interests of cert bodies
- Local food preferences
- Now 'food miles' concerns are growing!

## 7. Conclusion

- In order to overcome all these challenges to get into the organic business, and to stay there requires considerable investments
- Current successes have been possible due to donor support. This is not sustainable and government will have to come in
- The growing divergence in standards and regulations is a threat to the devt of the sector. Harmonisation has now become a necessity if the sector is to be saved from its self destruction



**DANKE SHOON!**

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