



## Organic Agriculture Outlook in Uganda

### Value Chain Actors and Market Integration Pathways – September 2025

#### ● 1. Background

Agriculture is a foundational pillar of Uganda's economy, contributing substantially to national output, rural livelihoods, and export revenues. Persistent challenges such as soil degradation, climate variability, land fragmentation, and rising input costs continue to constrain productivity and rural incomes, prompting increased interest in sustainable and ecologically based production systems. The growing prominence of organic agriculture in policy and practice reflects recognition of its potential to promote environmental sustainability, improve soil health, and enhance market opportunities for smallholder producers. Evidence from national and industry analyses indicates that organic agriculture contributes a significant share of Uganda's agricultural export value, particularly in high-value commodities such as coffee, cocoa, vanilla, and fruits, which attract premium prices in international markets (MoFPED, 2017/18; NOGAMU, 2025).

Organic agriculture operates on principles of ecological nutrient cycling, biodiversity conservation, and the use of natural inputs. These practices reduce dependence on synthetic fertilisers and pesticides and support soil organic matter accumulation and water retention, which are critical in a climate-sensitive environment where rainfall patterns are increasingly unpredictable. Increasing global consumer demand for verified chemical-free produce has further reinforced the economic case for organic systems, with world organic farmland covering nearly 99 million hectares and organic food retail sales exceeding €136 billion annually (FiBL & IFOAM – Organics International, 2025).

Additionally, Africa has demonstrated strong relative growth in organic farmland, expanding by over 24 % and reaching approximately 3.4 million hectares, indicating rising regional engagement in organic production (FiBL & IFOAM – Organics International, 2025; industry reporting).

In Uganda, the proliferation of organic farming reflects both export-oriented strategies and an emerging domestic organic market. The sector’s evolution from isolated certified farms into more coordinated value chains underscores the importance of organisational networks, quality assurance systems, and institutional support. Structured value chains linking primary producers with processors, aggregators, certification bodies, and market actors are increasingly essential for maintaining product integrity, complying with international standards, and unlocking market access. This publication therefore adopts a value chain perspective to examine the actors shaping Uganda’s organic sector and the pathways for its continued development.

## 2. Overview of Organic Value Chain Actors in Uganda

Uganda’s organic agriculture sector comprises a network of actors responsible for moving products from farm to market while preserving organic integrity and quality. The configuration of these actors determines the sector’s ability to comply with certification standards, meet export requirements, and capture value through processing and market linkages. Organised value chains, supported by certification and standards mechanisms, enable smallholder producers to aggregate outputs, access premium markets, and participate in differentiated domestic and international supply chains. Evidence from industry reporting suggests organic exports from Uganda were valued at approximately USD 159 million in 2023 and projected to grow significantly, indicating expanding participation and market integration across the chain.

### ● 2.1 Primary Producers

Primary producers constitute the structural foundation of Uganda’s organic value chains and represent the largest and most influential actor group within the sector. The organic production landscape is overwhelmingly smallholder-based, with farmers organised into cooperatives, producer associations, and contract out-grower schemes operating under internal control systems designed to meet third-party certification requirements. National and international organic sector reporting consistently ranks Uganda among the leading African countries in terms of certified organic farmer numbers, with estimates exceeding 200,000 producers under certified management systems (MAAIF, 2020; Willer et al., 2025). This scale of participation reflects the compatibility of organic systems with Uganda’s smallholder agrarian structure, where low external input use has historically characterised farming practices.

Production is geographically dispersed but exhibits commodity-specific clustering. Organic coffee dominates export volumes, particularly in Central, Eastern, and Western regions, followed by cocoa in mid-western and western districts, sesame and oilseeds in northern and eastern zones, and horticultural crops across peri-urban belts. This spatial distribution enables value chain specialisation while maintaining national scale. The predominance of group certification systems allows geographically scattered producers to aggregate volumes, reduce per-farmer certification costs, and maintain compliance

through structured internal inspection mechanisms (MAAIF, 2020). Such collective governance arrangements are critical in export-oriented chains where traceability, documentation accuracy, and input verification are mandatory for access to European Union and United States organic markets.

From a production systems perspective, organic primary producers operate under ecological management frameworks emphasising soil fertility restoration, biodiversity maintenance, and input self-reliance. Practices such as compost application, green manuring, crop rotation, intercropping, mulching, and botanical pest control are embedded within farm-level management systems. These practices contribute to soil organic matter improvement and enhanced moisture retention, factors that are increasingly important under conditions of rainfall variability and climate stress. Empirical global research has shown that organic systems can improve soil structure and long-term resilience, although transitional yield variability may occur during conversion periods (Willer et al., 2025). Within the Ugandan context, such ecological intensification aligns with national policy recognition of sustainable land management approaches (MAAIF, 2020).

Importantly, primary producers are no longer confined strictly to cultivation. A gradual but observable shift towards preliminary post-harvest handling and quality enhancement has occurred within organised farmer groups. Activities such as controlled drying, grading, sorting, moisture management, and bulk storage are increasingly undertaken at cooperative or cluster level prior to aggregation by exporters or processors. These practices reduce post-harvest losses, improve uniformity, and strengthen bargaining power within the chain. In several districts, shared infrastructure investments including solar dryers, fermentation facilities for cocoa, and centralised storage systems demonstrate movement toward functional upgrading at producer level. Although higher-order processing remains limited among most smallholder groups, this incremental vertical integration reflects an evolving producer role within Uganda's organic value chain architecture.

Collectively, primary producers remain the anchor of Uganda's organic economy. Their organisation, ecological production methods, and increasing engagement in quality assurance and pre-processing activities determine not only volume supply but also the credibility, competitiveness, and sustainability of the entire organic value chain.

## ● 2.2 Aggregators and Processors

Aggregators and processors occupy a strategic position within Uganda's organic value chains, functioning as the critical bridge between dispersed smallholder producers and domestic or international markets. Their role extends beyond simple commodity handling; they are responsible for quality assurance, traceability management, compliance with certification standards, and value addition that enhances competitiveness. In export-oriented organic systems, aggregation and processing determine whether producers are able to capture price premiums and sustain market access.

Uganda hosts a growing number of enterprises engaged in organic aggregation and processing. **Sulma Foods Uganda Limited** operates in the processing and packaging of agricultural commodities for both domestic and export markets, contributing to cleaning, grading, milling, drying, and branded packaging. Within the coffee sub-sector, companies

such as **Kyagalanyi Coffee Limited**, **Great Lakes Coffee**, **Mountain Harvest**, and **Kawacom (Uganda) Limited** have integrated organic lines within their sourcing portfolios, undertaking hulling, grading, quality testing, and export preparation. These enterprises often work through structured out-grower arrangements that incorporate internal control systems to maintain organic certification integrity.

In the cocoa and oilseed segments, firms such as **Esco (U) Limited**, **Kampala Sourcing Limited**, and regional cocoa processors have supported fermentation, drying, bulk aggregation, and export preparation for certified organic markets. Sesame and oilseed processors engage in cleaning, grading, and moisture management to meet European and Middle Eastern standards. Similarly, fruit processors and agro-enterprises are involved in drying pineapples and mangoes, pulp extraction, spice cleaning, and packaging for export and niche domestic markets.

Honey processors and herbal product enterprises also form part of the organic aggregation landscape, undertaking filtration, moisture testing, bottling, labelling, and compliance verification. In each of these segments, processors play a decisive role in reducing post-harvest losses, improving uniformity, and ensuring adherence to organic segregation requirements.

Beyond technical functions, aggregators and processors contribute to functional upgrading within the value chain. By investing in quality laboratories, moisture meters, traceability software, packaging equipment, and branding strategies, these enterprises retain greater value within Uganda rather than exporting raw, unprocessed commodities. However, processing capacity remains unevenly distributed, and financing constraints limit expansion into higher-value transformation such as roasted coffee, chocolate production, cold-pressed oils, and nutraceutical products.

The evolution of Uganda's organic sector therefore increasingly depends on strengthening processor capacity, improving aggregation logistics, expanding rural-based processing hubs, and deepening vertical integration between farmer groups and certified processing enterprises. Aggregators and processors are not merely intermediaries; they are structural determinants of value retention, export competitiveness, and sector sustainability.

### ● 2.3 Certification and Standards Bodies

Organic value chains are fundamentally governed by standards assurance systems that preserve product integrity from production to final market. Certification, inspection, labelling, and traceability mechanisms are not peripheral administrative processes; they constitute the institutional backbone of the organic sector. Without credible assurance frameworks, organic commodities cannot access premium export markets nor sustain consumer confidence in domestic markets.

In Uganda, UGOCERT serves as a nationally rooted organic certification body providing inspection and certification services aligned with international organic standards. By offering locally based certification services, UGOCERT reduces transaction costs associated with foreign certifiers and strengthens national capacity in standards verification. Its role is particularly significant for smallholder group certification systems, where internal control mechanisms must be externally validated to maintain compliance with export market requirements.

The **Uganda National Bureau of Standards (UNBS)** plays a regulatory function in harmonising national standards, labelling requirements, and quality assurance systems. While UNBS does not exclusively certify organic products, its mandate in standards development and enforcement ensures coherence between national regulatory frameworks and internationally recognised benchmarks. This alignment is critical for maintaining export credibility and protecting domestic consumers from fraudulent labelling.

At regional level, the **Kilimo Hai Organic Mark** functions as the official East African organic certification symbol under the East African Organic Products Standards (EAOPS). In Uganda, the mark is championed and coordinated by the **National Organic Agricultural Movement of Uganda (NOGAMU)** as part of a harmonised regional system. The Kilimo Hai mark certifies that products meet EAOPS requirements across production, processing, and handling stages, and it distinguishes commodities grown without synthetic agrochemicals or genetically modified organisms.

The significance of the Kilimo Hai mark lies in several dimensions. First, it provides a regionally recognised seal of authenticity that enhances consumer trust and market visibility. Second, it facilitates intra-regional trade within East Africa by standardising compliance requirements across partner states. Third, it strengthens smallholder participation by embedding certification within a harmonised but locally managed system. Regional coordination mechanisms, including the Knowledge Hub for Organic Agriculture in East Africa (KHEA) and allied networks such as PELUM Uganda, support awareness, training, and standards dissemination under this framework.

Complementing third-party certification systems are **Participatory Guarantee Systems (PGS)**, which provide locally based assurance mechanisms for domestic and territorial markets. Promoted by civil society networks and agroecology platforms, PGS models rely on peer review, transparency, and community-level accountability to verify compliance. While PGS does not replace export certification requirements, it significantly lowers the financial barriers to entry for smallholder farmers targeting domestic organic markets. In doing so, it broadens access to organic branding, strengthens local consumer confidence, and deepens the domestic organic economy.

## ● 2.4 Civil Society and Market Facilitators

The development and consolidation of Uganda's organic value chains have been significantly shaped by civil society organisations functioning as coordinators, advocates, technical facilitators, and market connectors. Beyond production and certification, organic agriculture requires sustained institutional support to align farmer practices with standards, link producers to structured markets, and influence policy environments that affect sector competitiveness. Civil society actors therefore operate as bridging institutions between grassroots producers, processors, certification bodies, regulators, and regional platforms.

Policy coherence and knowledge documentation have been strengthened through the work of the **Advocacy Coalition for Sustainable Agriculture (ACSA)**. By generating evidence, convening stakeholders, and promoting farmer-led organic innovations, ACSA contributes to expanding Uganda's organic input ecosystem and integrating organic

agriculture within broader agricultural policy discussions. Its national network of member organisations across multiple districts enables coordination among dispersed producer groups while elevating organic agriculture within advocacy and legislative processes.

Market coordination and agroecological entrepreneurship have been reinforced by **PELUM Uganda**, which operates through farmer networks and territorial market initiatives that connect producers to consumers and processors. Through convenings of agroecological entrepreneurs and territorial market actors, PELUM supports aggregation, product visibility, and enterprise development. Its engagement promotes structured domestic markets and strengthens the capacity of smallholder groups to transition from primary production into value addition and branded marketing.

Trade linkage and certification facilitation have been historically advanced by NOGAMU, which functions as both a sector platform and market intermediary. By linking organised farmer groups to exporters, certification agencies, and standards bodies, NOGAMU strengthens traceability systems and promotes the Kilimo Hai mark within Uganda. Its coordinating role supports compliance awareness, export readiness, and regional integration under harmonised East African standards.

Biodiversity conservation and indigenous food promotion have been championed by **Slow Food Uganda**, which supports producers in maintaining quality standards, promoting traditional crops, and strengthening consumer awareness around agroecological products. Through training, exhibitions, and engagement with market actors, it enhances product differentiation and strengthens the cultural and ecological dimensions of organic markets.

At continental level, the **Alliance for Food Sovereignty in Africa (AFSA)** amplifies agroecology within regional policy dialogues, advocating farmer rights, ecological sustainability, and biosafety safeguards. By linking national platforms to continental advocacy spaces, AFSA reinforces the strategic positioning of organic agriculture within broader African agricultural transformation debates. Collectively, these civil society and market facilitators form an interconnected support architecture that bridges production, certification, policy advocacy, and market integration. Their coordinated interventions enable geographically scattered smallholder producers to function within structured value chains, strengthen bargaining power, expand domestic and export markets, and progressively transition into processing and value addition enterprises within Uganda's organic sector.

## ● 2.5 Emerging Input and Service Providers

The strengthening of Uganda's organic value chains increasingly depends on the development of a credible and standards-compliant organic input ecosystem. As certified organic production expands, farmers require reliable fertilisers, biological crop protection agents, compliant seed systems, and technical advisory services that align with certification requirements. The emergence of domestic input manufacturers and biological innovators has therefore become a decisive factor in sustaining productivity while preserving organic integrity. However, the growth of this segment has not occurred in isolation; it has been shaped significantly by civil society facilitation and policy-oriented support structures.

A practical illustration of this catalytic role is the case of **BlackOff Natural Fertiliser**, a locally formulated organic fertiliser product whose standardisation and certification alignment were strengthened through institutional support. ACSA played a facilitative role by supporting the innovator to navigate certification requirements, align production processes with recognised organic standards, and connect with certification bodies for formal compliance. This intervention transformed what might have remained an informal soil amendment into a standards-compliant, market-recognised product within Uganda's organic input catalogue. By supporting innovators to formalise and certify their products, ACSA has contributed to expanding the pool of locally available organic inputs while strengthening confidence among farmer groups and processors who depend on verified inputs for certification integrity.

Beyond fertiliser production, Uganda is witnessing the rise of technically sophisticated biological input manufacturers. **Xclusive Biologicals (formerly MilkWeed Biologicals)** produces biological control agents at pathogen level, cultivating beneficial microorganisms used in bio-pesticides and soil health enhancement. The presence of laboratory-based microbial production capacity within Uganda represents a significant step in reducing reliance on imported biological products. For certified organic value chains, particularly in export crops such as coffee and cocoa, access to locally produced biological crop protection agents enhances pest management reliability while maintaining compliance with organic standards. Civil society platforms and producer networks have played an important role in linking such manufacturers to organised farmer groups and in creating awareness about certified biological alternatives.

In parallel, commercial agribusiness firms such as **Balton Uganda, Farm Inputs Care Centre (FICA)**, and **Bukoola Chemical Industries** have diversified into bio-fertiliser, bio-stimulant, and biological crop protection product lines compatible with organic systems. While these enterprises operate primarily as commercial importers and distributors, their incorporation of organic-compatible inputs into mainstream distribution channels broadens accessibility and stabilises supply within the sector. The coexistence of domestically certified products and imported biological inputs creates a hybrid input ecosystem that supports continuity of supply while domestic manufacturing capacity matures.

Other civil society organisations, including PELUM Uganda and NOGAMU, contribute to this ecosystem by promoting agroecological input innovation, disseminating technical guidance, and facilitating exposure platforms where certified input producers interact with farmer groups. Through exhibitions, territorial markets, and training programmes, these organisations help bridge the gap between innovation and adoption.

### 3. Structural Gaps in the Organic Value Chain

Notwithstanding the steady maturation of Uganda's organic sector, the value chain continues to experience structural bottlenecks that constrain competitiveness, limit value retention, and expose producers and processors to market vulnerability. These constraints are not merely operational inefficiencies; they reflect systemic coordination challenges that affect aggregation, processing, financing, logistics, and market positioning. Addressing these gaps is central to consolidating Uganda's organic agriculture as a resilient and economically viable subsector.

A persistent constraint lies in **limited cold-chain and post-harvest infrastructure**, particularly for perishable organic commodities such as fresh fruits, vegetables, and herbs. Organic systems often prioritise fresh, minimally processed produce for both domestic and export markets. However, inadequate cold storage facilities, refrigerated transport, and temperature-controlled aggregation centres contribute to post-harvest losses and quality deterioration. This infrastructure gap disproportionately affects smallholder groups located in rural production zones, where access to electricity and storage facilities remains uneven. Without investment in decentralised cold-chain systems, the expansion of high-value fresh organic markets remains structurally constrained.

Another systemic weakness is **inconsistent aggregation volumes and supply reliability**. Organic production in Uganda is largely smallholder-driven and geographically dispersed. While group certification systems facilitate compliance and coordination, seasonal variability, weather shocks, and limited working capital often lead to fluctuations in supply volumes. Export contracts require predictable quantities and quality specifications; inconsistent aggregation undermines Uganda's reliability as a supplier and may weaken bargaining power in international markets. Strengthening producer coordination mechanisms, warehousing systems, and collective marketing structures is therefore essential for stabilising supply flows.

**Financing constraints for processors and aggregators** represent a further structural barrier. Organic processing requires investment in specialised infrastructure, including segregation equipment, quality testing laboratories, traceability systems, moisture control technologies, and compliant packaging facilities. Access to affordable credit remains limited, particularly for small and medium enterprises operating outside major urban centres. Financial institutions often perceive agro-processing as high-risk due to commodity price volatility and export market uncertainty. As a result, many processors operate below optimal capacity, limiting the extent of domestic value addition in segments such as roasted coffee, chocolate production, cold-pressed oils, and nutraceutical processing. Without tailored financial instruments, including patient capital and blended finance mechanisms, the transition from raw commodity export to higher-value transformation will remain gradual.

The sector is also exposed to **export market volatility**, given its strong orientation toward European and North American organic markets. Fluctuations in global commodity prices, exchange rate movements, regulatory adjustments, and shifting consumer demand patterns directly influence profitability. Organic premiums, while significant, are not immune to global economic cycles. Dependence on a limited number of destination markets increases vulnerability to trade disruptions and certification compliance changes. Diversification of export destinations and strengthening of regional organic trade within East Africa could mitigate this exposure.

Equally important is the challenge of **inadequate domestic branding and market positioning strategies**. Although domestic demand for organic and agroecological products is gradually emerging, branding frameworks remain fragmented. Products are often marketed through informal channels or exhibitions without sustained brand identity, certification visibility, or consumer education campaigns. The Kilimo Hai mark provides a regional certification framework, yet awareness among domestic consumers remains uneven. Without structured branding strategies, consistent labelling, and retail

These structural gaps highlight that Uganda's organic sector cannot rely solely on farm-level improvements. Competitiveness requires coordinated investment in infrastructure, financing mechanisms tailored to organic processing, strengthened aggregation systems, diversified export strategies, and deliberate domestic brand development. Addressing these bottlenecks will determine whether the sector consolidates its gains and transitions from a primarily export-driven niche into a robust, integrated value chain capable of sustaining long-term growth and resilience.

## 4. Strategic Pathways for Value Chain Strengthening

The consolidation of Uganda's organic sector requires deliberate and coordinated interventions that address systemic weaknesses while building on existing institutional and enterprise capacity. Strengthening value chains demands integrated action across production, aggregation, processing, certification, finance, and market development. The following strategic pathways represent priority directions for enhancing competitiveness and long-term sustainability.

### ● 4.1 Strengthening Aggregation Hubs at District Level

Effective aggregation is foundational to stabilising volumes, maintaining quality consistency, and ensuring traceability. District-level aggregation hubs should be strengthened through investment in storage facilities, moisture control systems, grading equipment, and digital traceability platforms. Such hubs can function as structured coordination points linking farmer groups to processors and exporters while maintaining internal control system documentation. Institutionalising aggregation at district level would reduce logistical fragmentation, lower transaction costs, and improve reliability in fulfilling export contracts.

### ● 4.2 Expanding Value Addition and Rural Agro-Processing

Transitioning from raw commodity export to higher-value processing remains essential for increasing income retention within Uganda. Strategic expansion of rural agro-processing facilities, particularly in coffee roasting, cocoa fermentation and chocolate production, oilseed pressing, fruit drying, and spice packaging, would enhance domestic value capture. This requires targeted support in equipment acquisition, quality certification, food safety compliance, and technical training. Decentralised processing hubs located near production zones can reduce transport losses and stimulate rural employment, particularly among youth and women.

### ● 4.3 Formalising Domestic Organic Branding

The long-term resilience of the sector depends on strengthening domestic demand alongside export markets. Formalising organic branding requires consistent use of recognised certification marks, coordinated consumer awareness campaigns, and partnerships with retail outlets and institutional buyers. Strengthening visibility of the Kilimo Hai mark and Participatory Guarantee System labels within supermarkets, urban markets, and hospitality supply chains can enhance consumer trust. Structured branding strategies must move beyond exhibition-based marketing toward sustained retail integration and brand identity development.

#### ● 4.4 Strengthening Traceability Systems

Organic market access depends on transparent documentation and product traceability. Strengthening traceability requires digital record-keeping systems, barcode or batch tracking mechanisms, and improved coordination between farmer groups, processors, and certification bodies. Investments in digital compliance tools can reduce errors in documentation, enhance audit readiness, and increase credibility in international markets. Strengthened traceability systems also protect against contamination risks and safeguard Uganda's reputation as a reliable organic supplier.

#### ● 4.5 Improving Access to Green Finance for Processors

Financing remains a structural constraint, particularly for small and medium-scale organic processors. Dedicated green finance instruments tailored to organic agriculture could facilitate investment in compliant processing equipment, renewable energy integration, laboratory testing facilities, and cold-chain infrastructure. Blended finance models, concessional lending, and impact investment mechanisms aligned with climate-resilient agriculture objectives could lower perceived risk within the financial sector. Strengthening financial literacy among producer organisations and processors would further enhance absorption capacity.

#### ● 4.6 Scaling Participatory Guarantee Systems

Participatory Guarantee Systems offer an accessible pathway for expanding domestic organic markets by lowering certification costs for smallholders. Scaling PGS requires structured governance frameworks, consumer education initiatives, and alignment with municipal market authorities. Integration of PGS within territorial markets and urban retail networks can broaden domestic market participation while maintaining credibility through peer-review and transparency mechanisms. As domestic organic demand expands, PGS can function as a transitional mechanism that strengthens farmer organisation and prepares groups for eventual third-party certification where export opportunities arise.

Collectively, these strategic pathways emphasise that value chain strengthening is not a single intervention but a coordinated reform agenda. Investment in aggregation, processing, branding, traceability, finance, and accessible assurance systems will determine whether Uganda's organic sector evolves into a deeply integrated and competitive component of national agricultural transformation.



## About Advocacy Coalition for Sustainable Agriculture (ACSA)

The Advocacy Coalition for Sustainable Agriculture (ACSA) is a legally registered national network of Civil Society Organisations working with smallholder farmers to advance sustainable agriculture, agricultural market development, environmental conservation, research, and policy advocacy. ACSA now has **30 member organisations** operating across **52 districts** in Uganda. Its mission is to empower Civil Society Organisations, including church and non-church actors, to advocate for a favourable agrarian policy environment for sustainable communities, and its **Vision** is smallholder farmers living in a sustainable environment. ACSA advances this mandate through **advocacy and lobbying, research and documentation, capacity building** for member organisations and the Secretariat, and **networking and partnership building**, to ensure that relevant agricultural policies and services are effectively implemented to foster profitable and sustainable smallholder enterprises.

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