

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

**Trade and Development Board
Sixty-first session**

Geneva, 15–26 September 2014

**Item 7: Evolution of the International Trading System and its
Trends from a Development Perspective**

**Speaker: Mr. Musa Muwanga
National Organic Agricultural Movement of Uganda**

Monday, 22 September 2014

*Not checked against delivery **

* This statement is made available in the language and form in which it was received. The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.

Regional and National perspectives on International Trade; The case of Organic farming in East Africa.

Enhancing the livelihoods of Smallholder farmers in Africa

By:

Musa. K. Muwanga

Chief Executive Officer,

National Organic Agricultural
Movement of Uganda (NOGAMU)



Summary


- Status of Agriculture in Africa
- The cycle of Poverty and Food Insecurity
- The Success of Organic trade in addressing poverty and food security in East Africa.
- What needs to be done to bring about the desired future

Status of Agriculture in Africa

- Agriculture (including both primary production and trade) is the primary activity of more than 60% of the population in Africa
- Back bone of the African economy, accounting for more than 30% of the GDP in many sub Saharan countries
- Agricultural products are the main export products for most African countries

Domination of Smallholder farmers

- Vast Majority of farmers in Africa are subsistence farmers, working on small family farms
- More than 95% of farmers in Sub Saharan countries farm less than 5ha.
- In Uganda for example, over 70% of population are engaged directly in agriculture as farmers, and over 95% of these are smallholders (depending on less than 3ha of cultivated land)

- 
- There has been two perennial challenges facing rural Africa, poverty and food insecurity, and the question has been how can trade address these challenges
 - The conventional wisdom is that in order to double food supply to address food insecurity and poverty, efforts need to be re-doubled to modernize agriculture.
 - But The great technological progress in the past half a century has NOT been reflected in major reductions in hunger and poverty in developing countries

Reducing poverty and food insecurity contd....

- Reduction of poverty and food insecurity for smallholder rural populations require focus on locally adapted farming systems i.e.
 - local resources
 - Diversification of crops
 - Water management,
and
 - income generation (through access to markets).

poverty and food insecurity contd....

- According to a study carried out by IFPRI in Uganda, 60% of households in rural areas purchase more food by value than they sell
- Quoting The Government of Uganda ADSIP;
‘.....Agriculture’s ability to generate income for the poor, particularly women is more important for food security than the ability to increase local food supplies.....’

Organic farming and trade as a successful tool in poverty reduction in East Africa

- There is Increasing adoption of Organic farming by smallholder farmers in Africa, attributed to:
 - Suitability and compatibility to smallholder farming systems
 - Closer to and utilizes most traditional farming practices
 - Relatively low risk ,given production and resource constraints
 - low market entry barriers for African smallholder farmers compared to conventional fruits and vegetable exports

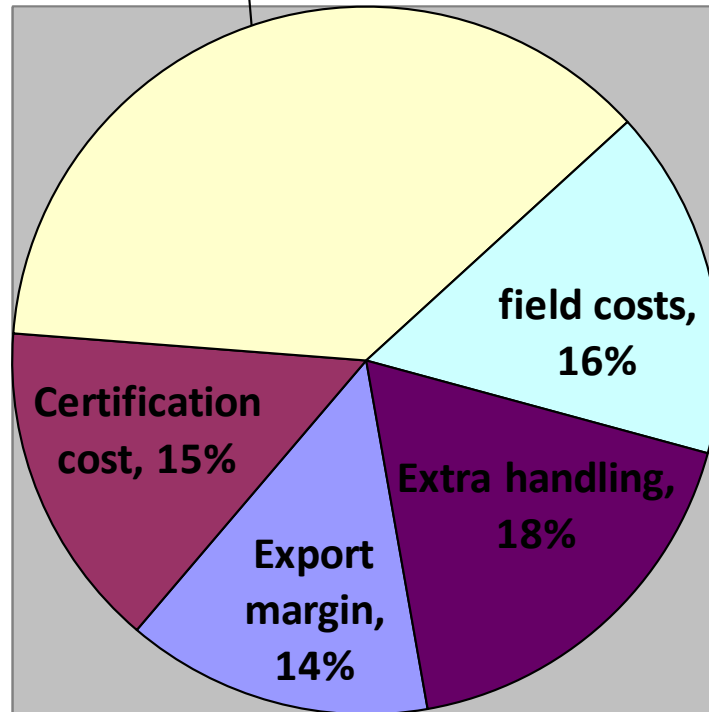
Organic farming Vs poverty reduction contd.....

- Increasing global demand for organic products and associated premium prices, contributing to improved household incomes in the rural communities

The Case of Organic Farming in Uganda

- Currently
 - Over 215,000 certified organic farmers
 - 305,000 ha of certified land
 - 44 certified export companies
 - volume of exports growing at an average of 40% per annum in the past 2 years
 - Value of exports to international markets stood at USD 43 Million by end of 2013


**farmer premium,
37%**



Source: Agro Eco Bv and Grolink (2008)

Current Status contd...

- With Support from the UNEP-UNCTAD Capacity building project, The East African Organic Product Standard (EAOPS) and the Mark (EAOM) were developed and have now been integrated and are being used for the facilitating domestic and regional marketing in organic products across East Africa

- 
- Diversity of products at domestic market growing fast, including Animal products
 - 3 supermarkets stocking organic products
 - 4 exclusive organic outlets (including the NOGAMU shop)
 - Home delivery scheme (Basket delivery)



















HENRY

PRODUCED AND PACKED BY
AFRICAN ORGANIC
P.O. BOX 29078, KAMPALA - UGANDA
E-mail: amfri-ao@africaonline.co.ug
CERTIFIED BY BICO CONTROL, SWITZERLAND
FOR PRODUCTION DIRECTOR

PRODUCED AND PACKED BY
AFRICAN ORGANIC
P.O. BOX 29078, KAMPALA - UGANDA
E-mail: amfri-ao@africaonline.co.ug
CERTIFIED BY BICO CONTROL, SWITZERLAND
FOR PRODUCTION DIRECTOR

PRODUCED AND PACKED BY
AFRICAN ORGANIC
P.O. BOX 29078, KAMPALA - UGANDA
E-mail: amfri-ao@africaonline.co.ug
CERTIFIED BY BICO CONTROL, SWITZERLAND
FOR PRODUCTION DIRECTOR

PRODUCED AND PACKED BY
AFRICAN ORGANIC
P.O. BOX 29078, KAMPALA - UGANDA
E-mail: amfri-ao@africaonline.co.ug
CERTIFIED BY BICO CONTROL, SWITZERLAND
FOR PRODUCTION DIRECTOR

PRODUCED AND PACKED BY
AFRICAN ORGANIC
P.O. BOX 29078, KAMPALA - UGANDA
E-mail: amfri-ao@africaonline.co.ug
CERTIFIED BY BICO CONTROL, SWITZERLAND
FOR PRODUCTION DIRECTOR

PRODUCED AND PACKED BY
AFRICAN ORGANIC
P.O. BOX 29078, KAMPALA - UGANDA
E-mail: amfri-ao@africaonline.co.ug

PRODUCED AND PACKED BY
AFRICAN ORGANIC
P.O. BOX 29078, KAMPALA - UGANDA
E-mail: amfri-ao@africaonline.co.ug







Stay healthy eat Organic

What needs to be done for the future

- Strengthen the institutional capacity of the smallholder farmer Associations, and networks to lead and coordinate all actors in the chain
- Direct interventions/investments to bottlenecks of entire value chains (Value chain approach), with focus to both the export and local/regional markets (e.g. Certification and Agri-financing)
- Strategic focus on research into organic friendly technologies and product development.





Thank you for your attention

mkmuwanga@nogamu.org.ug

www.nogamu.org.ug