

Required Report: Required - Public Distribution

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Report Name: Coffee Annual

Country: Uganda

Post: Nairobi

Report Category: Coffee

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Report Highlights:

FAS Nairobi forecasts Uganda's total coffee production in marketing year (MY) 2026/27 to increase from 7.1 million to 7.2 million 60-kilogram bags (green bean equivalent). The increase is expected to be driven by expansion in area under production, supported by sustained high prices in recent years. Coffee exports in MY 2026/27 are projected to rise from 6.7 million to 6.8 million bags. Domestic consumption is forecast to increase slightly to 335,000 bags, supported by growth in the hospitality sector and a gradual rise in coffee consumption, particularly in urban areas.

Production

Table 1: Production, Supply and Demand (PSD)

Coffee, Green Market Year Begins Uganda	2024/2025		2025/2026		2026/2027	
	Oct 2024		Oct 2025		Oct 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	580	0	590	0	595
Area Harvested (1000 HA)	0	570	0	575	0	580
Bearing Trees (MILLION TREES)	0	0	0	0	0	0
Non-Bearing Trees (MILLION TREES)	0	0	0	0	0	0
Total Tree Population (MILLION TREES)	0	0	0	0	0	0
Beginning Stocks (1000 60 KG BAGS)	244	244	269	269	0	334
Arabica Production (1000 60 KG BAGS)	1030	1030	1060	1120	0	1135
Robusta Production (1000 60 KG BAGS)	5670	5670	5815	5975	0	6025
Other Production (1000 60 KG BAGS)	0	0	0	0	0	0
Total Production (1000 60 KG BAGS)	6700	6700	6875	7095	0	7160
Bean Imports (1000 60 KG BAGS)	0	0	0	0	0	0
Roast & Ground Imports (1000 60 KG BAGS)	0	0	0	0	0	0
Soluble Imports (1000 60 KG BAGS)	0	0	0	0	0	0
Total Imports (1000 60 KG BAGS)	0	0	0	0	0	0
Total Supply (1000 60 KG BAGS)	6944	6944	7144	7364	0	7494
Bean Exports (1000 60 KG BAGS)	6350	6350	6515	6700	0	6830
Rst-Grnd Exp. (1000 60 KG BAGS)	0	0	0	0	0	0
Soluble Exports (1000 60 KG BAGS)	0	0	0	0	0	0
Total Exports (1000 60 KG BAGS)	6350	6350	6515	6700	0	6830
Rst,Ground Dom. Consum (1000 60 KG BAGS)	325	325	330	330	0	335
Soluble Dom. Cons. (1000 60 KG BAGS)	0	0	0	0	0	0
Domestic Consumption (1000 60 KG BAGS)	325	325	330	330	0	335
Ending Stocks (1000 60 KG BAGS)	269	269	299	334	0	329
Total Distribution (1000 60 KG BAGS)	6944	6944	7144	7364	0	7494
(1000 HA) ,(MILLION TREES) ,(1000 60 KG BAGS)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Source: Post Estimates

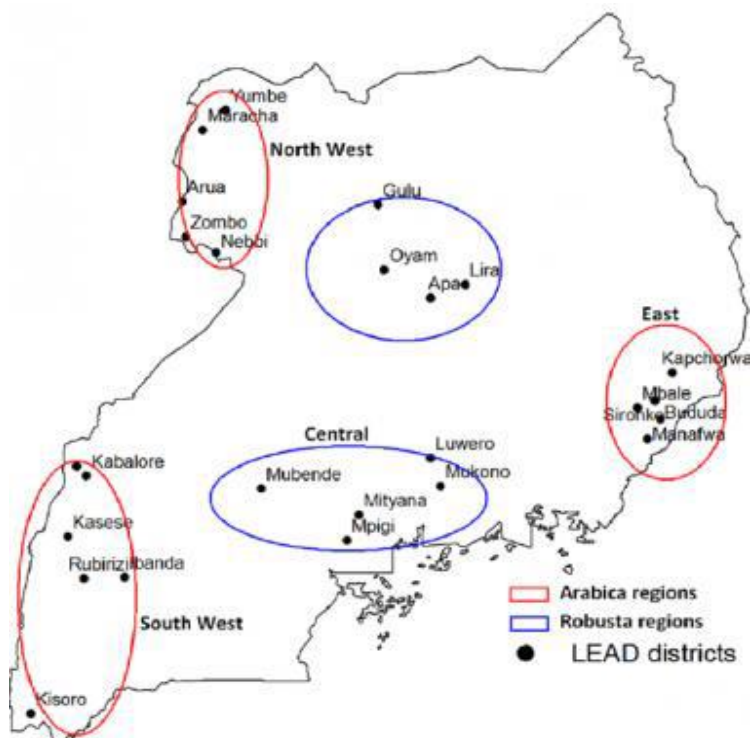
FAS Nairobi forecasts the area planted in MY 2026/27 at 595,000 hectares, up from 590,000 hectares in MY 2025/26, driven by a gradual shift in land use from timber production to coffee, particularly in the Masaka region. Uganda's smallholder coffee farmers typically farm on 0.5 to 2.5 hectares of land. Small farms dominate the sector and account for about 90 percent of total production, while medium and large-scale estates contribute the remaining 10 percent. Post estimates a marginal increase of about 0.85 percent in area harvested, reflecting the expansion in planted area.

For MY 2026/27, post forecasts robusta production at 6.0 million 60-kg bags and arabica production at 1.1 million 60-kg bags. The increase reflects marginal expansion in area planted, driven by prevailing high prices on increased area harvested. Favorable weather conditions, increased adoption of improved agronomic practices, as well as the maturation of high-yielding trees planted earlier further support growth in production.

Changes in MY 2025/26

For marketing year 2025/26, post is revising robusta production upward from 5.82 million to 5.98 million 60-kg bags, while arabica production increased from 1.06 million to 1.10 million bags. Post revised coffee production estimates upward from 6.88 million to 7.10 million 60-kg bags on increased harvested area.

Figure 1: Map of Major Coffee Growing Areas in Uganda



Source: Coffee Bean Africa

The country produces both robusta and arabica coffee varieties, with robusta accounting for approximately 80 percent of total national production and arabica accounting for the remaining 20 percent. Uganda's main coffee-growing regions are the central, eastern, and western zones, with emerging production areas in the north. Robusta coffee is mainly grown in the central region, although cultivation is increasingly expanding into the north due to increased investment and land availability. Arabica coffee is mainly cultivated in the high-altitude areas of the eastern and western regions, where cooler temperatures provide favorable conditions for production.

Agricultural Inputs

Fertilizer use among Ugandan coffee farmers remains low, although farmers are starting to adopt its use. Medium and large-scale farmers account for most fertilizer applications, while a growing number of smallholder farmers are beginning to incorporate fertilizer into their agronomic practices to improve yields. Despite this progress, high costs continue to constrain broader fertilizer uptake. Prices of commonly used nitrogen and phosphorus-based fertilizers have increased by approximately 21 percent for a 50-kilogram bag, limiting affordability for farmers.

Figure 2: Twig Borer Effects on Coffee



Source: FAS Nairobi

Most smallholder coffee farmers continue to rely primarily on mechanical and traditional control methods to control pests and diseases. However, there is a gradual increase in the use of agrochemicals, particularly pesticides, driven by persistent and increasingly severe pest and disease pressures affecting coffee production.

Many farmers have pointed out that the twig borer is the most common pest, while the coffee rust is the most recurrent disease in coffee farming in most of the growing zones. These challenges continue to affect yields and increase production costs, particularly where pest and disease management practices are limited.

Coffee production is largely rain-fed, with rainfall generally sufficient to support production. Irrigation is more relevant in areas with less reliable rainfall, including parts of the north and east. Adoption remains limited due to high capital and operational costs. To address this, the government is promoting irrigation kits. However, the program only targets producers that can self-finance large portions of installation and maintenance.

Marketing

Uganda's coffee sector is export oriented and markets its coffee as green beans. Small-scale farmers frequently sun dry robusta coffee while large scale farmers wet mill. Arabica coffee is typically wet processed before being hulled, graded, and packed for export. Once processed, coffee is shipped primarily to the European Union, the United States, and Asian markets, the latter of which has exhibited growing demand.

Marketing and export activities are concentrated among a small number of established firms that play a key role in aggregation, processing, and export logistics. These are international companies and local trading firms, both of which source coffee from smallholder farmers and intermediaries, process and grade, and connect Uganda's production to international buyers and roasters.

Figure 3: Uganda’s Robusta Coffee at Harvest Season

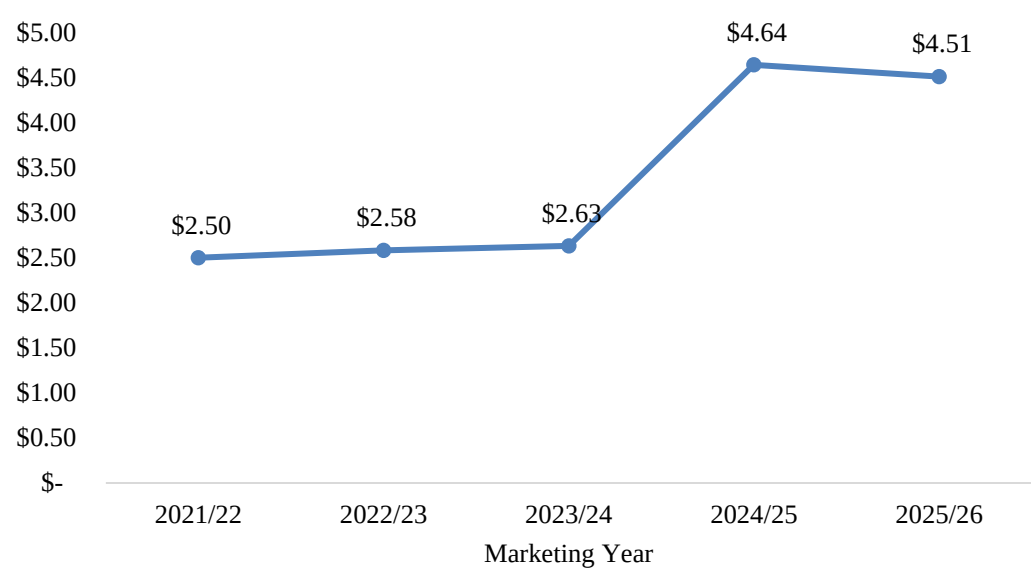


Source: FAS Nairobi

Prices

Domestic coffee prices in Uganda generally follow export price trends, but are also influenced by local factors such as farmgate demand, seasonal supply, and marketing costs. Prices increase when export demand is strong and supply is limited, benefiting farmers, while harvest peaks often lead to lower prices. Overall, domestic prices have been gradually increasing, reflecting a tight global market.

Figure 4: Uganda’s Export Coffee Prices (USD/Kg)



Source: Uganda Department of Coffee Development

Uganda's export coffee prices increased from \$2.50/kg in MY 2021/22 to a peak of \$4.64/kg in MY 2024/25, before easing slightly to \$4.51/kg in MY 2025/26. The increase was driven by tightening global supplies due to lower production in major producing countries.

Policy

Parliament passed the Protection of Sovereignty Bill, 2026 on May 5, 2026. The bill is significantly scaled back from its original draft, narrowing its focus to foreign funding specific to political purposes. While the original version of the bill presented for comment included wide-ranging implications for the private sector, the amended version explicitly exempts lawful commercial financial flows and routine trade capital. The final text of the bill will be made available after the president signs it into law.

Uganda plans to gradually reduce exports of unprocessed coffee in line with the country's focus on value addition to achieve its ambitious tenfold growth strategy. The government aims to attract investment in coffee processing activities to expand industries, increase export earnings, and create jobs across the value chain. This would prioritize exports of processed coffee products such as roasted and soluble coffee over green beans. However, officials indicate that the transition will occur gradually rather than through an immediate ban, allowing green bean exports to continue in the short to medium term as local processing capacity and supporting infrastructure expand.

In 2025, the Government of Uganda restructured the Uganda Coffee Development Authority, integrating its functions into the Ministry of Agriculture, Animal Industry and Fisheries. These functions include coffee regulation, extension services, quality control, and export promotion. Initial implementation has yielded mixed feedback, with some stakeholders reporting continued access to services with minimal disruption, while others indicate delays in service delivery.

Trade

Uganda exports over 98 percent of its coffee as green beans to international markets. Exports in MY 2026/27 are forecast to increase to approximately 6.8 million 60-kg bags, driven by sustained strong global demand, representing an estimated 1.9 percent growth. Continued demand from the European Union, United States, and emerging Asian markets is expected to remain the primary driver of export expansion.

Changes to MY 2025/26

Post revised the MY 2025/26 export estimate upward by 2.8 percent from 6.52 to 6.70 million bags to reflect additional exports to non-reporting destinations, particularly Sudan. This adjustment also reflects coffee demand in the region.

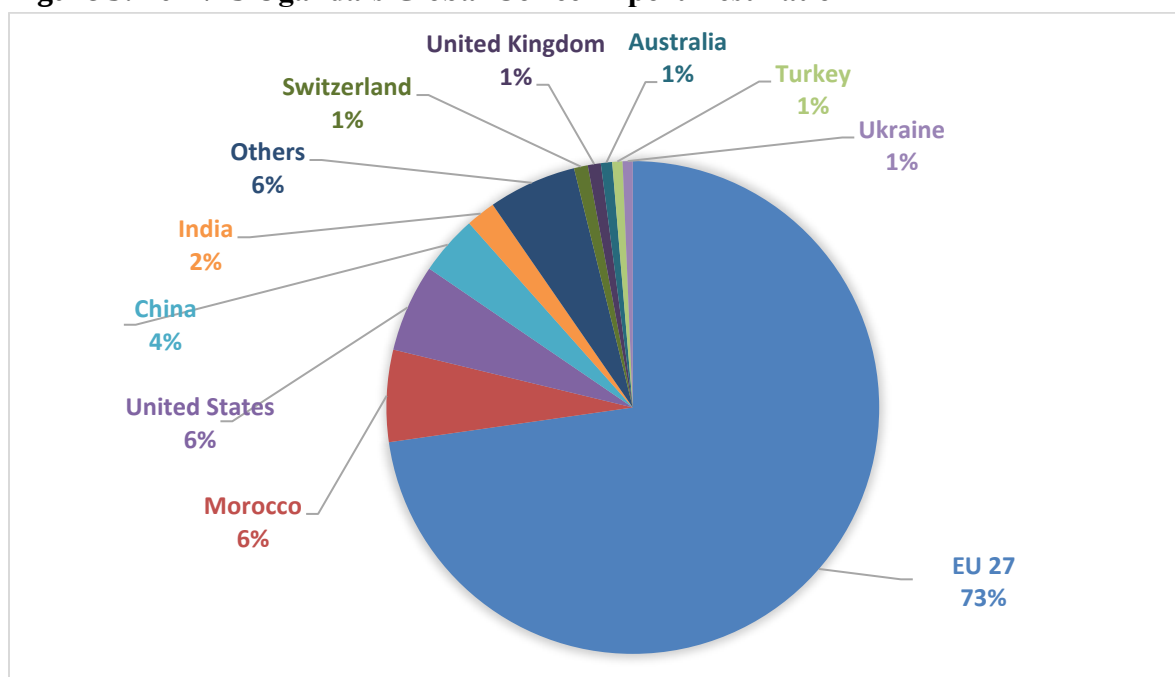
Table 2: Monthly Coffee Export TDM Data by Marketing Year in 60 Kg Bags

Month	2023/24	2024/25	2025/26 Est
October	439,418	644,965	770,706
November	448,885	520,346	648,881
December	310,693	394,827	522,410
January	320,225	462,807	515,555
February	237,125	344,403	382,000
March	289,737	325,134	339,000
April	328,312	413,670	414,000
May	367,622	475,412	475,000
June	288,739	486,466	486,000
July	301,948	488,393	488,000
August	316,824	501,668	502,000
September	511,208	602,865	603,000
Total	4,160,736	5,660,956	6,146,552
Sudan			555,000
Grand Total			6,701,552

Source: Trade Data Monitor LLC and post estimates

Post estimates MY 2025/26 coffee exports at approximately 6.7 million bags. This estimate is based on reported data from October 2025 through March 2026. Export figures from April through September are projected using trends from previous marketing year. Exports to Sudan reflect post estimates from industry sources.

Figure 5: 2024/25 Uganda's Global Coffee Export Destination



Source: Trade Data Monitor LLC

The European Union remains Uganda's main export destination and accounts for approximately 73 percent of total exports in MY 2024/25. Morocco and the United States each account for about six percent. The United Kingdom, Switzerland, Australia, Turkey, and Ukraine each take about one percent, while other destinations collectively account for about six percent. Although the EU continues to dominate Uganda's export market, Uganda is increasingly expanding its reach into non-traditional markets, with Morocco and China gaining importance.

Domestic Consumption

Post forecasts a modest increase in domestic coffee consumption to 335,000 bags in MY 2026/27. This is attributed to increasing urban demand and expansion of local roasting and soluble manufacturing capacity. The expansion of the hospitality sector is also supporting increased domestic consumption.

Stocks

Post estimates MY 2025/26 ending stocks at approximately 334,000 bags, remaining relatively low due to higher sales at the farm and exporter level. Stakeholders are currently increasing sales in response to the current high price. This behavior has been influenced by inverted spot–future price structures, which incentivize immediate sales rather than storage. Most of the stocks are held by traders and exporters, with farmers typically retaining minimal or no on-farm coffee.

Attachments:

No Attachments