

## African Pavilion at BioFach 2008

*BioFach is the largest organic trade fair in the world. Exhibitors and buyers come from Africa, Asia, Australia, Europe, Latin America, and North America to take advantage of this major business opportunity.*

Over the years, BioFach has also established itself as a meeting place for those involved in organics, including traders, exporters, researchers, national movements, consultants, NGOs, policymakers, and development partners. At BioFach 2008, many organizations are joining forces to give Africa a more prominent role.

### The African Pavilion

At the African Pavilion, visitors will enjoy African designs, colours, sounds and flavours. An African village square in the middle will make the pavilion an oasis, attracting visitors and offering them African coffee, tea, fruits, wine, snacks, and new and innovative beverages. In the country or sub-regional stands, exporters, national organic movements, and export promotion agencies will showcase the specialties from the sub-Saharan countries. The pavilion will also serve as a hub of information on the activities and services of various importers, trade promotion agencies, consultancies, NGOs and certifiers. It will also offer an opportunity for exhibitors to exchange information and contacts with relevant businesses from all over the world.

### Symposium

In addition to the African Pavilion, there will be a day-long symposium on 23 February to highlight the status of organics in Africa. Participants will hear about the opportunities for (and challenges to) trade and development, including the impact of organic agriculture on smallholder farmers and the actions being taken to promote organic by govern-



The African Pavilion's label at BioFach 2008

ments, the private sector, and development partners. A high-level panel with policy and opinion makers will discuss the potential of organic agriculture to help achieve the millennium development goals.

### Organic Trade with Africa

Traders are lining up for cocoa from East and West Africa, wine from South Africa, and tasty spices. The African pavilion will host around 50 exhibitors from 18 countries with many products of high quality from the rich and exciting corners of Africa.

### EPOPA participation

EPOPA will attend the event and support the participation of a number of producers from Uganda and Tanzania. Some of the products represented will be spices, fresh and dried fruit, and essential oil. We all hope to see you there!

The EPOPA Team



Contents	
Small Is Beautiful . . . . .	2
Association of African Organic Exporters . . . . .	3
Two Final Short Projects in Tanzania . . . . .	4
How to Ensure That Value Addition Really Adds Value? . . . . .	5

News in brief . . . . .	6
EPOPA calendar . . . . .	7
Current EPOPA projects . . . . .	7

## Small Is Beautiful

*We at EPOPA are often proud of ourselves when we talk of 'thousands of farmers benefiting from the project', 'prizes being won by an EPOPA-supported company for best export volumes', and 'the value of this EPOPA-supported company now exceeds \$1 million a year'.*

Such statistics are impressive and go a long way to convincing SIDA (the donor behind EPOPA) that their investment is being well-utilized to create sustainable livelihoods for many Ugandan smallholders. Although after four and half years of partnership with BioUganda Ltd we cannot boast such numbers, EPOPA is still rightly proud of this project.

### Family Business

BioUganda Ltd is a family-owned firm. The directors are Mr. and Mrs. Mulondo. They have been involved in trade and export for the last eight years. About five years ago they were involved in conventional fresh crop exports and began receiving requests for organic products. They already knew about organic, believed in the system of production, and felt that their marketing skills would help them sell into the organic market. They asked EPOPA for technical and financial support to assist them in converting their 50 contracted farmers to organic status. This was carried out through an EPOPA Specific Support to Exporter (SSE) project. Following the success of this partnership, the EPOPA BioUganda co-operation was extended into a full EPOPA project lasting three years and seeking to triple exports and begin fruit drying.

### Serious Exporter

By the end of the project period in June 2007, BioUganda was working with around 150 smallholder farmers, exporting about three tonnes of fresh organic fruit weekly and producing about 500 kg of organic dried fruit per month. These are not statistics that are going to greatly impact on the overall results of EPOPA. Before we dismiss the project, however, we need to look a bit more carefully at the details. At current market demand, BioUganda does not buy all the fresh fruits its farmers could provide, but it does pay over 100% above the conventional price for each pineapple or passion fruit purchased. EPOPA partly supported the supply of a drier to enable BioUganda to also buy the larger fruits which the export market



The Mulondo family sitting in the pineapple fields.

does not require as fresh (they are too large and too expensive for the average EU household) and feed these into the small processing plant that BioUganda developed. The plant now offers 12 people permanent jobs. Mr. Mulondo has worked hard in the tough international market for organic fresh fruits. He now has four regular buyers of his products, all of whom enjoy the quality, which is nearly perfect (both in taste and presentation), and who appreciate the small touches that a family-run business can offer. And it is not just people in the EU who can enjoy the goodness of BioUganda fruits. The most recent trading linkage is with an importer in South Africa. Now fellow Africans can also enjoy BioUganda quality.

### Details for goodness sake

So, don't only look at the big numbers in EPOPA, but also take time to enjoy the details. It is certain that a BioUganda pineapple sold in Europe is not cheap, but if we get the chance to buy one, we should do so and think how this one small thing has helped BioUganda, the Mulondos, a farm family, and the environment, all because of its organic goodness.

Alastair Taylor – Project Leader – EPOPA

## Association of African Organic Exporters

*Naturally, Uganda is a country blessed by God, and the majority of Ugandan agricultural practices are organic.*

Organic production in Uganda is continuously growing, along with demand (both internationally and locally) for organic products. Because of the natural advantage of Uganda, a number of exporters and producers have joined forces to promote their organic products.

“Naturally, Uganda is a God-gifted country, and the majority of Uganda agricultural practices are organic”, said Mansoor Nadir, chairman of the Jambo Africa group and director of Uganda Corp. Industries Ltd. Being a landlocked country, Uganda benefits greatly (when it comes to transport)



Mansoor showing fruits from his farm, the Sezibwa estate.

from cooperation between producers for accessing the international market. The group decided to start the export of organic agricultural produce to other countries.

### The Idea

The basic idea was generated through an EPOPA project to establish and organize an association which can support organic business in East Africa. After a year of meetings and discussions with the stakeholders of the organic agricultural sector, it was decided to form an association of African organic exporters under the name of Jambo Africa.



From the left: Mansoor Nadir, Sonia Mwadime, Kenneth Kayondo.

### Association

The association started with three members: Uganda Crop Industries Ltd., Biofresh Ltd., and Outspan Enterprises Ltd. The hope is that in the future all the East African organic exporters will join our association.

The objectives of this association are to produce a better product range, the commitment of continuous supplies, and the maintenance of standards. Mansoor expressed the hope for EPOPA and other organizations to help the association to promote the brand in Europe.



The African Pavilion's label at BioFach 2008

### Launching a Product Range

Officially, the association will launch its product range during the BioFach 2008 exhibition in Germany February 21–24.

Mansoor Nadir – Director – UCIL Ltd  
Peter Lustig – Project Leader – EPOPA

## Two Final Short Projects in Tanzania

*In June this year EPOPA Tanzania started two final projects that will last a year.*

- Organic dried ginger with TAZOP (Tanzania Zanzibar Organic Products) from the Lushoto District in the Tanga Region
- Organic Arabica coffee with Mara Coffee Ltd. from the Musoma District.

### Dried Ginger

TAZOP is an established organic-spices exporter in Tanzania. Its roots are on Zanzibar. EPOPA helps TAZOP develop exports of organic dried ginger from the Lushoto District in the Usambara Mountains in the Tanga Region. The project area is known for its ginger production. The support of EPOPA is concentrated on the training of staff and the development of an ICS. Since most of the farming is done on sloping lands, the support of EPOPA also aims to train project staff and farmers on soil and water management. Water management, part of irrigation water management, is a strict requirement for the production of ginger.

### Traditional Farming

Farmers have long been producing ginger using traditional irrigation systems in which ginger was sold as fresh ginger. The project focuses on training farmers how to process (dry) their ginger; farmers will sell dried ginger. The processing and storage facilities are constructed by farmers but the raw materials required for construction are supplied by the exporter. Ownership of the processing and storage structures is by farmers. Farmers are organized by project staff in smaller groups to harvest and dry their produce weekly, using their processing structure.

Dried ginger is less voluminous than fresh ginger and is easier to transport by the exporter. The premium received by farmers is due to organic and the value addition that emanates from processing. The project is located 50 km from the Dar es Salaam-Arusha road. The area has neither a hospital nor school facilities available in the village.

### Arabica Coffee

The Musoma district lies on the east side of Lake Victoria and borders Kenya. In the project area (around Tarime)

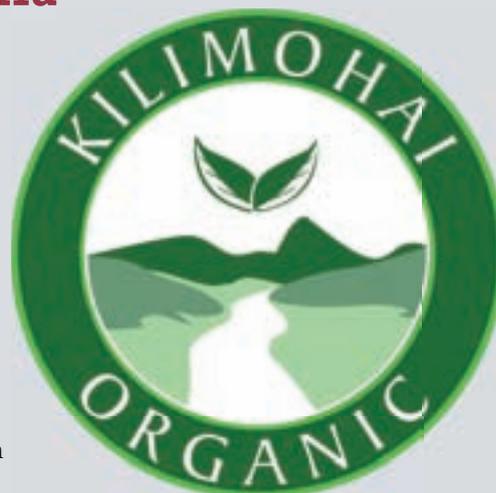
there is a lot of Arabica coffee, which is grown among many other cash crops. Kenya is nearby and a good market for maize, beans, and various types of vegetables. Coffee has long been planted, some in impressively large fields, but when prices have slumped coffee has been neglected (farmers understandably focused on other crops). The result is that by now many coffee bushes have become coffee "trees". Coffee trees produce little and the maintenance of trees and harvesting of coffee is difficult.

### 'Hard coffee'

Mara Coffee is a "hard" Arabica coffee, which means that the coffee berries are dried directly after having been harvested. Thereafter the skin/dried flesh is removed mechanically in the factory. There is also washed Arabica. Washed Arabica undergoes wet processing. Directly after having been picked, the seeds are separated from the berries by soaking in water (fermentation) and pulping, after which the coffee seeds are dried. Kilimanjaro farmers produce washed Arabica. In general wet processing produces a milder coffee.

### Certification

The project aims at certification of the Mara Arabica coffee by installing an internal control system. On top of that, the project aims at improving skills of farmers to maintain their coffee better.



The label for organic in Tanzania

Marg Leijdens – Project Leader – EPOPA  
Ray Mjunguli – Project Leader – EPOPA

## How to Ensure That Value Addition Really Adds Value?

*It is almost a mantra that developing countries should climb the value chain and in various ways add value to the products.*

Organic is in itself value addition. The same crop can suddenly fetch a 10 per cent to 50 per cent higher price when converted to organic. The value is in the story told to the consumers. Through attention to quality many farmers and exporters can create more value for their products. If they add fair-trade certification and some other standard to their product, the price may double over commodity-market prices. EPOPA is all about value addition.

### Value-addition Studies

In daily talk people associate value addition more with processing and packaging, especially in consumer-ready products. In the second phase of EPOPA more attention has been paid to this, and a number of products have been initiated: canned pineapple, dried fruit, cured vanilla, roasted cashew in consumer packages, and ginger in syrup, just to mention a few. For many of these projects, we observed delays and unexpected problems. To get an outsider's look at it, we commissioned two Ugandan consultants, Michael Kairumba and James Ssemwanga from Imani consultants, to assess the experiences of value addition in EPOPA and to develop guidance for those interested in trying. The full report has been published on the EPOPA website ([www.epopa.info](http://www.epopa.info)).

### Limited Benefits

The difficulties limiting the benefits of this potential trade taking place include difficulties in sourcing of packaging materials and processing ingredients. In most cases packaging materials are sourced from abroad and the costs can be very high, and sometimes the quality is still not good enough. For example, in one case glass jars cost five times as much in East Africa than in Europe. If that product is intended to be sold in Europe, one can understand that it is hard to compete with a product processed in Europe or Dubai, where prices are much lower. Organic sugar doesn't exist in East Africa, so EPOPA helped two exporters import organic sugar. That sugar comes from Brazil but is bought through Holland

or Germany. In addition there are import duties on sugar. In theory if the sugar is used for the production of an export product, processors can get reimbursed for the duties. However, it takes a very long time before that money is paid back (if ever). Therefore the processors make their calculations with the import tax included. In this way, organic sugar becomes very expensive. So for a sweetened product in glass jars there are two factors that make the price of the product very high. Even if the raw material is very cheap in Africa, the end product might still not be competitive on price.

### Challenges

The report notes that in some cases the processors are not preparing well and don't understand the process yields and process-capacity requirements, developing and commercializing an export product on time, and attaining quality and other certifications necessary to enter the market in time. The exporters mostly target the consumer organic market. Preparing and planning for changes in market and consumer preferences and the suitability of producer conditions are important. These challenges have contributed to the slow progress of the projects. Almost all projects with an important processing component have been very slow in their development.

### Committed Buyers

The study concludes that though these challenges are also reflected in other interventions supporting the export of agricultural products from Africa, addressing these challenges effectively can go a long way towards enabling products exported from Uganda and Tanzania to achieve better cost and product competitiveness and deliver benefits to the exporters and the smallholder farmers supplying them. The challenge is to improve the management capacity of participating companies and leverage the resources and good will of other stakeholders to systematically address institutional and other business and environment aspects that affect certain sectors. Buyers who engage themselves in product development can be very useful, but they are not numerous.

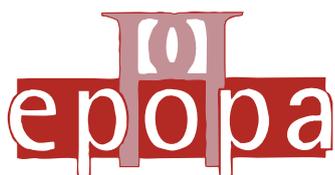
Gunnar Rundgren – Program Director – EPOPA

### EPOPA Presented at SIDA

At a lunch seminar at SIDA (the Swedish international development cooperation agency) on 26 October, the EPOPA project was presented by Gunnar Rundgren. Around 20 persons from different departments at SIDA participated. After a thorough going-through of the project, including both successes and problems, there followed some debate and many positive remarks.



Two other SIDA-supported projects were presented at the same seminar. It was the development of the East African Organic Products Standard. It was reported on in the previous issue of the EPOPA newsletter and on the International Task Force on Harmonisation and Equivalency in Organic Agriculture, an initiative to facilitate international trade and access of developing countries to international markets.



Export Promotion of  
Organic Products from Africa

[www.sida.se](http://www.sida.se)  
[www.epopa.info](http://www.epopa.info)

### EPOPA Team Comes Together

Every year, Agro Eco and Grolink hold a project-leader training course in East Africa. EPOPA teams from Uganda, Tanzania, Sweden, and the Netherlands come together for a few days for the sessions. In the past the training sessions have focused on improvement of skills and on issues that play a role in the work of the team.

This year, the fifth training course was held in Kenya on 13 and 14 September. Sharing experiences and knowledge among the whole team was the theme. The meeting also addressed the winding down of the EPOPA programme. With many projects coming to an end in 2007, discussions centred on the lessons learnt in the projects and the valuable information that has been produced. This is the last of such training courses for the EPOPA team, as the programme is coming to a close in 2008.

**Grolink**  
Serving the organic world



### Rwanda Experience

Experiences from EPOPA were presented at a stakeholders' meeting in Kigali 16-18 October. The meeting, organized by the International Trade Centre and the Ministry of Agriculture, gathered more than 60 persons and was opened by Anastase Murekezi, minister of agriculture and animal resources. Kari Örjavik of Grolink made a presentation on the challenges for organic exports, with a number of examples from EPOPA; Hilde de Beule of Agro Eco explained how an internal control system should be organized. The EPOPA programme director, Gunnar Rundgren, gave presentations on organic agriculture, standards, and certification and facilitated group work.

Organic agriculture in Rwanda is not yet as developed as it is in Uganda, Kenya, and Tanzania, but there are both NGOs and export operations. The government of Rwanda is paying much attention to the sector, as shown by the seminar and the presence of the minister. Participants had the opportunity to visit organic geranium production, fruit production, and the Gako



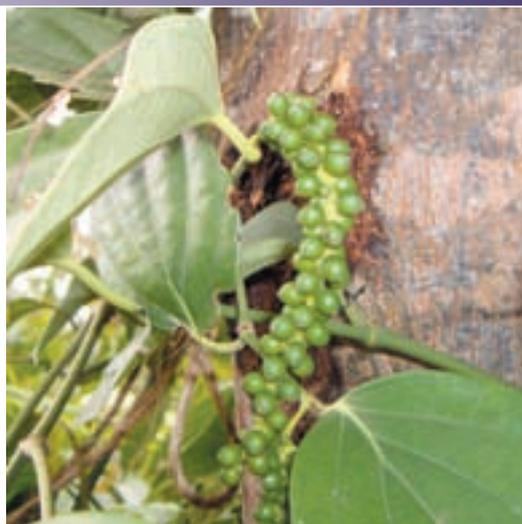
Training Centre, where a three-storey stable could be studied among many other things. Chicken on top, rabbits in the middle, and goats at the bottom (see picture).  
Gunnar Rundgren – Program Director – EPOPA

## Black and White Pepper Go to Europe

*More than 300 farmers are already certified organic with more to come from Tanzania.*

GFP and its processing facilities are located in Arusha. Cleop Ayo is the owner and managing director, together with his wife, Agnes Ayo. The production area is in the Tanga Region of north-eastern Tanzania. The district is called Muheza. More than 300 farmers are already certified organic.

A year ago, a European importer visited Ayo, and saw and smelled the wonderful spices: black and white pepper, cloves, cardamom, and lemon grass. At that time it was just a sample of what could come out of the Tanga Region. A year later the first shipment, containing 10 tons of black pepper and half a ton of white pepper, is on its way by sea to Europe. This season has been difficult, with bad weather and much work with all the new farmers.



A pepper plant

## Ayo Is Optimistic about the Future

“This is just the beginning”, Ayo said. “Next season, it will be a full container of black pepper only and half container with white pepper. I will even export the first herbal lemongrass after next season”.

Kari Örjavik – Marketing Coordinator – EPOPA

## EPOPA calendar

Date	Place	Topic
December	Uganda and Tanzania	Programme Director embassy meetings and projects tour
December 4-5	Uganda	Exporter seminar
December 5	Stockholm, Sweden	Sida development area: “Trade and Growth in Africa”
February 21–24	Nürnberg, Germany	Exhibiting in the African Pavilion at BioFach 2008
April 21–23	Tanzania	Sida review
June 18–20	Modena, Italy	The 16th IFOAM Organic World Congress: “Cultivate the Future”

## Current EPOPA projects

### Uganda

coffee robusta, Ibero  
essential oils, Tamteco  
fresh and dried fruits, Biofresh  
fresh and dried fruits, BioUganda  
hibiscus, Nile Teas  
honey, Bee Natural Products

shea oil, North Ugandan Shea Project  
spices, UCIL  
vanilla, CNPU

### Tanzania

canned pineapples, Dabaga  
coffee arabica, KNCU

dried spices, Golden Fruit Products  
peanuts, Sumbawanga  
sesame, Biosustain  
tuna, Sea Products Ltd  
vanilla, West Lake Agriculture Products

If you want to know more about a certain product or project please contact the local office; see contact info in box below.

The EPOPA Newsletter is published by the Sida programme Export Promotion of Organic Products in Africa (EPOPA). The programme is managed by Agro Eco and Grolink.



The newsletter is published four times a year and is distributed to project staff, partners, and other persons interested in EPOPA.

Editor: Kolbjörn Örjavik  
Email: kolbjorn@grolink.se

Web: [www.epopa.info](http://www.epopa.info)  
Email: [epopa@agroeco.nl](mailto:epopa@agroeco.nl)

### Agro Eco

Phone: +31 318 420 405  
Fax: +31 318 414 820  
Web: [www.agroeco.nl](http://www.agroeco.nl)

### Grolink

Phone: +46 563 723 45  
Fax: +46 563 720 66  
Web: [www.grolink.se](http://www.grolink.se)

### Local Offices/Country Manager:

#### EPOPA Uganda

Alastair Taylor  
Phone: +256 77 248 52 06  
Email: [taylor@agroeco.ug](mailto:taylor@agroeco.ug)

#### EPOPA Tanzania

Phone: +255 22 277 13 74  
Email: [epopa.tz@agroeco.net](mailto:epopa.tz@agroeco.net)