

BioFach 2007 larger than ever

BioFach, the world's biggest exhibition for organic products, was held in Nuremberg, Germany February 15-18. There were 2,565 exhibitors and more than 45,000 trade visitors from 116 countries.

BioFach 2007 was one of the best fairs ever for business. All EPOPA exporters were very busy and proactive. Many of the exporters got new buyer's contacts, and they will be fully occupied with follow-up after this fair.

Fifteen exporters participated: Edward Mulondo, Bio Uganda; Sonia Mwadime, Biofresh; Vikram Desai, Dabaga; Justine Wakabi, Greenfields; John Kanjag-aile, KCU; Leonard Mtama, TanCert; Luke Kageni, UgoCert; Klaus Fehling, KFP; Cleopa Ayo, GFP; Hawa Kimolo, TOAM; George Calder, Fairshare; Mansoor Nadir and Samash Nathu, UCIL; Riyaz Haider, Bio-Sustain; and Brian Ssebunya, Amfri Farms.

Kari Örvjavik – marketing coordinator – EPOPA

My first BioFach

Clearly, I have been outside the organic mainstream in recent decades. Having lived in developing countries most of the years desperately looking for organic products in the local 'upscale' supermarkets, I was completely overwhelmed by the amount of organic products on display.

Five hundred olive oil producers, at least a thousand types of wine, certified organic sanitary napkins and diapers, and cheeses made with all kinds of flowers and herbs. And not to forget the pet foods! There we were with our EPOPA-supported exporters trying to sell some very basic products. Although good-quality peanuts, cashews, and honey are the basis of those posh packed retailer products.



The business was hectic in the EPOPA stand at BioFach.

I must admit that I did go astray on several occasions on my way between the EPOPA base and the interesting presentations and seminars in the meeting rooms. Alastair Taylor was at his best during a presentation stressing the importance of Africa as a recognized organic producer and the contribution of EPOPA in this field. Magnus represented AquaEco at an international fish platform. Unfortunately, the production of 'tropical' fish is still very small but the projects EPOPA has on fish (Nile perch and tilapia from Lake Victoria and tuna from the Tanzanian coast) will play a prominent role in the future. I noticed clear interest on the part of potential buyers for the fish displayed. It is a growing and unique market.

Whereas I was at times feeling lost in the crowd, I could clearly see that the 'old guys', who have been involved in BioFach from its inception some 15 years ago, were like fish in the water, running around meeting old friends and luring new customers into the Grolink-AgroEco-EPOPA booth as if it were a hive of busy bees! I look forward to next year's African pavilion and hope to feel a bit more like a fish or a bee myself.

Alida Laurence – country manager – EPOPA Tanzania

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Dabaga is shipping canned pineapple to Europe

The Dabaga Fruit and Vegetable Canning Company is Tanzania's best-established producer of canned and bottled foodstuffs. They manufacture a wide range of sauces, chutneys, jams, and preserves for the local and regional market.



These tins are produced by Dabaga for a German brand owner.

In 2003 the company chose to move into the production of organic products for the export market. They selected canned pineapple to be their first organic export product. In January 2007, after overcoming numerous obstacles, they succeeded in shipping their first 18-foot container

of canned organic pineapple to the EU. The shipment consisted of 450 gram tins with ring-pull lids. Contacts made at BioFach 2007 have left Dabaga management feeling upbeat about the prospects of making more shipments this season.

Fifty-one farmers obtained EU, NOP, and Naturland organic certification for the 2004–2005 season. As of this date there are 90 certified organic pineapple farmers who produce around 950 tons of fresh pineapple per year. Seventy-six of these are currently supplying the project. The majority are small-scale subsistence farmers who reside in Madeke village. Located in the district of Njombe in Tanzania's southern highlands, Madeke is surrounded by natural forest and is characterized by steep hills and generous rainfall.

Advice on erosion control

The pineapples are generally grown on the tops of the hills and the upper slopes, whilst maize and other food crops are farmed in the valley bottoms. With technical advice from EPOPA the farmers managed to largely control the problem of soil erosion using a range of physical and biological measures.

The EPOPA project has substantially improved the farmer's livelihood through a combination of higher prices, higher yields and reduction in losses from spoilage. Currently prices for their organic pineapple are 260 per cent

higher than they were when the project commenced in 2003–2004. Farmers report that the average yield per acre has improved as a result of the improvements in soil fertility and water management.

Road repairs lead to less spoilage

Recognizing the importance of the project to the local economy, the local government made repairs to the feeder road, which has opened up the village to local traders. This has substantially reduced the percentage of the farmers' crops which spoils in the fields.

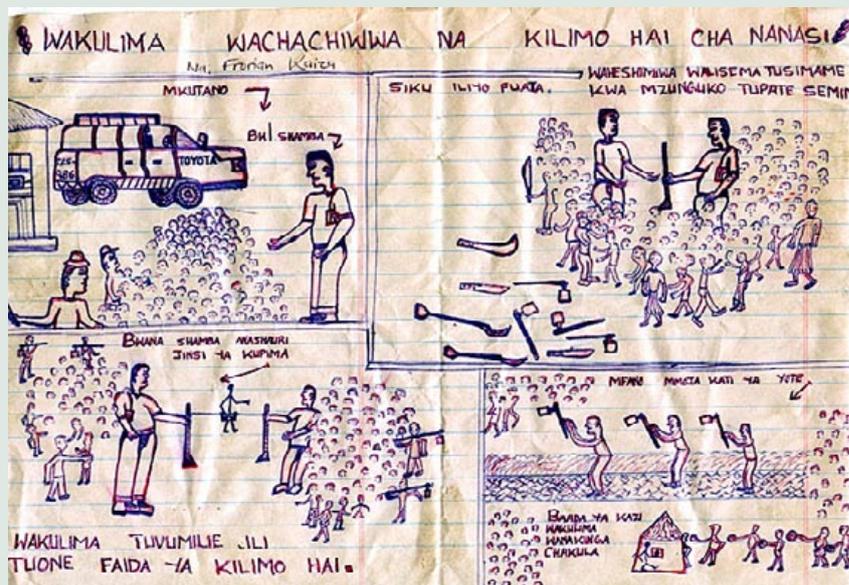
Farmers now can purchase daily necessities and even little luxuries at two new shops which have opened up as a result of the farmers' increased spending power. Even such a simple item as salt or cooking oil used to require a 14-kilometre walk from Madeke.

Bernie Hewett – project leader – EPOPA Tanzania



The erosion is controlled in many ways. Above, farmers make barriers for the water.

Below: a picture drawn by one of the farmers depicting one of the training sessions where they receive technical advice from EPOPA.



Vanilla: boom and bust

Vanilla took off seriously in Uganda about 10 years ago. It became a valuable cash crop for smallholder farmers by many support organizations, among them EPOPA.

The wonderful thing about vanilla is that it fits perfectly into the mixed farming system used in many parts of Uganda. The traditional cash crop in these areas was coffee. The main food crop was cooking bananas, locally called matoke. Smallholder farmers grow these perennial crops in a lovely integrated mix, in which vanilla, which loves the shade, and coffee grow beneath tall matoke plants and large shade trees (usually a type of Ficus).

Vanilla price peaked at \$50 per kilogram

Vanilla farming took off. Among the EPOPA partner companies, more than 3,000 farmers were growing vanilla. Then came disaster in Madagascar (the main producer of vanilla): a hurricane and some rebel activity. Vanilla became a product in demand, and prices on the world market soared. At the peak of the price rise, Ugandan vanilla farmers were getting 100,000 Ugandan shillings (more than \$50) per kilogram of green beans. Such values were unthinkable. Farmers trembled holding a handful of vanilla worth so much money. Having a field crop with such value led to security problems. Vanilla theft became the order of the day, security guards were hired to protect fields, and farmers decided to harvest their crop while it was still theirs to harvest. But the early harvested beans were of a very poor quality. Some farmers became very rich, others lost everything, and unfortunately some people even died. Organization within the vanilla sector was destroyed.

But as is always the case with agricultural crops, after the boom comes the bust. Prices collapsed. Many farmers quickly abandoned their vanilla fields and moved on to other crops.

EPOPA buyers and farmers endure

However, within the organic sector, the situation was not as extreme. As in the conventional sector, prices rose as the world's demand increased and collapsed after it was oversupplied. But farmers did not simply give up and get out as the price fell. The EPOPA exporters involved in vanilla production are committed to buying organic product from their contracted farmers, and they found that the organic vanilla sec-



tor could switch less easily to artificial replacements. Market demand, therefore, remained reasonable, even if prices were much lower. The exporters kept buying and the farmers kept supplying. At the end of 2006 (the most recent vanilla season) organic buyers were paying 100 per cent more to farmers for their organic vanilla than conventional buyers were willing to pay. In fact, many conventional vanilla farmers were unable to sell their crop.

Commitment makes a difference

Organic agriculture is also about fairer trade, and fairer trade involves a commitment between the buyer and the farmer. The main reason for this is to ensure organic integrity, but it also means a reliance on each other: neither has the option to easily chop and change. Commitment is required. This trading stability helps the farmer greatly. A family can be surer of its expected income from a particular crop. The family can plan for school fees and other household requirements, and the exporter can be sure of obtaining a quality product. The boom-bust cycle of agricultural trading has been a feature of human existence since historians first started writing, but with organic agriculture the booms might not be quite as dramatic, and perhaps the busts won't happen at all.

Alastair Taylor – country manager – EPOPA Uganda

Fairshare Ltd continues the peanut project

Sumbawanga Tanzania

In 2004 EPOPA partnered with the Tanzanian Company TANPRO Investments Limited to initiate a project to export organic peanuts. The project officially began on 1 July 2005. Things went well at first, especially the activities which were initiated and led by EPOPA. The farmers' interest was high, and the number of farmers who joined the project was substantially more than had initially been estimated. Considerable training was given to the project management, field officers (FOs), and farmers on the principles of organic agriculture, soil and water conservation, mobilization of farmers, internal inspection, and buying procedures. An internal control system (ICS) was developed, and organic certification of more than 900 farmers was obtained in 2006.

Unfortunately, it became apparent that there were irreconcilable differences between EPOPA's objectives and those of TANPRO. In addition, TANPRO's failure to purchase peanuts in 2005 and 2006 seriously damaged their relationship with the farmers. Farmers began to leave the project, and EPOPA, in an attempt to protect the investments which the farmers and EPOPA had made in getting organically certified, finally decided to look for another partner to take on the role of exporter. Eventually, a trading company named Fairshare Ltd expressed interest in taking over the project. Their ethos and objectives are compatible with the vision of EPOPA, and for this reason a new partnership was formed.



Good performance at one of the demonstration plots in the village of Mikonko.



A group of farmers during the exchange visit at Mikonko.



In the plots, where recommendations such as proper watering, application of sufficient farmyard manure, and weed management were applied, each plant produced between 200 and 210 pods.

The prevailing belief not to use the farmyard manure on peanuts because it will stimulate vegetative growth without producing nuts was proven to be wrong.



Farmers digging a canal for irrigation and drainage.

Improvement made so far

Fairshare Ltd has made considerable improvements in the implementation of the project, including clear contracts with the FOs, salary increments, and payment of FOs on time. Several meetings were held with the growers as part of an investigation to assess the major problems with TANPRO's involvement. Among the constraints (explained above) was the failure of the company to buy peanuts for the last two years. Good arrangements have now been put in place, including preparation for storage facilities and for processing. Farmers have been provided with peanut seeds and, as part of the effort to motivate farmers to increase production, an agreement has been made to pay them during the harvesting time.

Present development at field level

EPOPA has established three demonstration plots for small-scale irrigation in the villages of Mikonko, Matai "A" and Kalalasi. In each plot different measures for soil and water conservation, including water management, were put in place. The pictures show one of the demonstration plots and farmers at work improving the drainage system.

Farmers exchange visits

EPOPA organized exchange visits to create dialogue among the farmers and encourage them to share their experiences with organic agriculture. The three villages with demonstration plots hosted 135 farmers from six other villages involved in the project.

Samuel A. Zongolo – assistant project leader – EPOPA Tanzania

Phenix Logistics exports organic cotton garments

Phenix Logistics processes organic cotton from former EPOPA projects. You can read about their successful exports in these news briefs.

Phenix Logistics gets export orders from U.S.

Published by www.fibre2fashion.com, February 7, 2007

Among 48 sub-Saharan African countries 37 were made eligible for benefits under the Africa Growth and Opportunity Act (AGOA). Since its inception in 2000, the two-way trade between The United States and sub-Saharan African countries has increased by 115 percent.

AGOA provides duty-free entrance for the African countries to the U.S. market for almost all products.

A Ugandan garment maker, Phenix Logistics, specializes in manufacturing high-quality textile garments from knitted fabric made with locally produced organic cotton. Phenix Logistics has received an export order from the Edun Live, a high-end apparel brand.

The global demand for organic-cotton products is growing at 35 percent annually. Uganda is among the top-positioned countries to become a major player in the international market.

Uganda's export value under AGOA was US\$4.9 million in 2005. Nineteen per cent of Ugandan exports went to the United States.

In 2005, total exports to the U.S. from the sub-Saharan Africa rose 22 per cent from 2004, to \$10.3 billion. U.S. imports from Africa increased by 40 percent to \$50.3 billion. More than 98 per cent of the exported goods to the U.S. from AGOA countries was duty-free.

Uganda sells more textiles to America

Published by www.newvision.co.ug, Friday 23 February 2007

By Alfred Wasike

President Yoweri Museveni yesterday flagged off the first textile consignment made from naturally grown cotton for export to the United States of America with a call to industrialize Uganda.

The consignment, worth \$125,000, contained 50,000 pieces of children, women, and men's wear.

The clothes were made by Phenix Logistics Uganda

Limited from cotton organically grown by Ugandan farmers.

Managing director Yuichi Kashiwada said the products are exported under the African Growth and Opportunity Act (AGOA), adding that more clothes are to be sent to Europe and Japan.



Museveni, Kashiwada, and Wavamunno inspect the consignment of organic T-shirts to the United States.

Moments before flagging off the container at the company plant in Industrial Area, Museveni stressed, "We need to industrialize our country. We urgently need to go from a peasant to an industrial one. Industrialization will create more jobs for us.

"For us to effectively industrialise, we needed markets, which we managed to secure in the USA, Europe, Japan, China, Africa, and other places. For example, the USA's \$11 trillion market alone has given a tax- and tariff-free access to 6,500 products," he said.

He said Uganda needs entrepreneurs but urged government departments to treat them with courtesy and speed.

"We have a gold mine of raw materials that we can convert into untold wealth. But we need to add value to the raw materials," he emphasized.

Museveni said the government was improving infrastructure to enhance investment.

The U.S. ambassador, Steven Browning, said Uganda has the capacity to use its domestic resources to compete fully in the U.S. market.

Kashiwada, a Japanese entrepreneur, asserted: "These exports make us the first textile company in Africa to export genuine organic cotton products."

Phenix is owned by Kashiwada, city businessman Gordon Wavamunno, and Hian-Tsin Tan, a Malaysian based in Singapore.

The buyers of the exports are Edun Apparel in Dublin, Ireland.

Peter Lustig – project leader – EPOPA Uganda



Launching the East African Organic Product Standard and Mark

May 28th to 1st June 2007, Dar es Salaam, Tanzania



East African organic conference May 28 to June 1

The conference aims to show the potential of organic agriculture as a market and as a sustainable-development opportunity. It will provide a platform for dialogue on the findings of studies and country projects in the region and for the development of an action plan. The conference will also launch the East African organic products standard and the associated East African Organic Mark. Days 1 and 2 of the conference are open to all interested colleagues. Participation in the conference during the last three days is subject to invitation by the organizing committee. For more information, visit <http://www.unep-unctad.org/cbtf/>

The conference is being jointly organized by:

- » UNEP-UNCTAD Capacity Building Task Force on Trade, Environment and Development (CBTF), a joint initiative of the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Environment Programme (UNEP)
- » International Federation of Organic Agriculture Movements (IFOAM)
- » Tanzania Organic Agriculture Movement (TOAM)
- » Export Promotion of Organic Products from Africa (EPOPA)

In cooperation with:

- » Ministry of Agriculture, Food and Cooperatives, United Republic of Tanzania
- » Food and Agriculture Organization of the United Nations (FAO)
- » International Trade Centre (UNCTAD/WTO)

The conference is supported by:

- » the European Union and Sida

EPOPA projects attract attention at FAO conference

The International Conference on Organic Agriculture and Food Security was held from 3 to 5 May 2007 in FAO's Headquarters in Rome, Italy, in connection with the 33rd session of the Committee on World Food Security (7-10 May 2007).

EPOPA is represented in the agenda and the submitted papers. On Day 1 of the conference, the participants had the opportunity to listen to Victoria Burke who presented a case study about East African smallholders' access to organic export markets.

Of the papers submitted to the conference, two are related to EPOPA. Both were presented by the Danish Institute for International Studies (DIIS). The papers are based on research carried out in 2005 and 2006 among smallholder farmers in Uganda.

Household food-security study

The DIIS study "Household Food-security Effects of Certified Organic-export Production in Tropical Africa: A Gendered Analysis" is an effort to answer the criticism that organic conversion could jeopardize food security in developing countries. There are very little empirical data on the issue, and this study finds no support for the fear. The following quote from the summary of the paper gives a short answer to the

sceptics: "The study indicates that conversion to organic export production has not reduced food security in the examined cases but rather improved it by raising cash incomes that have enabled households to increase the amount and quality of food purchased in the market."



Economics of tropical organic farming

The other study from DIIS, "The economics of certified organic farming in tropical Africa: a preliminary assessment" is an official working paper. It can be downloaded from www.diis.dk. It is an examination of the relative profitability of certified organic and conventional farming in tropical Africa. The following quote from the abstract serves as a short introduction to the paper: "It is worth underlining that, in contrast to the experience in developed countries, we found that organic conversion in tropical Africa is associated with increases rather than reductions in yield, which relates to the low-input characteristics of conventional farming on the continent."

Conference documentation online

You can read more about the conference and download the whole collection of papers from the FAO home page: www.fao.org/organicag/ofsf/

Sida review: a positive meeting

Ten representatives of Sida and the EPOPA management team conducted the review meeting of the EPOPA programme in Kampala, Uganda, March 19–21. On the first day of the meeting, the progress of organic agriculture in East Africa and the developments in the global market in the sector were of interest. The achievements in 2006 in Uganda and Tanzania and outputs of the completed work in Zambia were presented. The work plans for 2007 and the budget for the programme in Uganda and Tanzania were agreed upon. In Uganda, the available budget is fully allocated to the current projects, while in Tanzania there is room for one more specific support to exporter (short) project to begin in the near future.

Visiting northern Uganda Shea Project

The second day was spent on a field visit in Lira to the women gatherers of the northern Uganda Shea project currently being implemented. Visits were also made to the Lira office of Outspan/Lango Union/Dunavant's North Ugandan Eco Organic Ltd (completed project) and the office of Lango Organic Farmers Promotion- LOFP/Boll Weevil (first project, started before EPOPA).

Development of organic sector in focus

The EPOPA 'institutional development and capacity building' activities were chosen as the main focus for the 2007 review and discussed on the third day. Invited guests for this session from UgoCert, NOGAMU, Uganda Martyrs University (UMU), and the ministry of agriculture spoke about their experiences and ex-



The review team from Sida and EPOPA at a study visit in the Lira region, northern Uganda.

pressed views on EPOPA's activities in the sector. They also outlined the future interventions needed in the organic sector once the EPOPA programme has ended.

Sharing of knowledge is key

As the programme is being phased out by 2008, Sida acknowledges that a wealth of information has been generated from the EPOPA programme regarding organic farming and organic trade and that something should be done with all the knowledge that has been acquired. This is planned to be in the form of an assessment of the potential of continued support to the organic sector in Uganda and possibly other countries, on the basis the experiences gained from the EPOPA programme.

Positive conclusions

The review meetings concluded on a positive note. The sustainability of the export business and the organic sector were the subjects that attracted the most attention.

Deepa van Staalduinen – Programme officer – EPOPA

News in brief

EPOPA at exhibition in London

The Natural and Organic Products Europe (NPE) exhibition was held from 15-16 April 2007 in Olympia Grand Hall in Kensington, London. EPOPA participated with a stand for the second year in a row. Many companies from the United Kingdom showed interest for the EPOPA products.

EPOPA featured in Copenhagen

EPOPA attracted much attention at the seminar Organic Agriculture in Development in Copenhagen, Denmark on 24 November 2007. The seminar attracted some 100 participants, from development cooperation organizations to universities. It focused on

the role that organic agriculture can play in development and food security. Gunnar Rundgren, programme director for EPOPA, presented the program. In addition, EPOPA was referred to in presentations by Brian Ssebunya from Amfri farms, one of the companies EPOPA is working with in Uganda, and Michael Hauser from BOKU University in Austria. The representative of the Danish Institute for International Studies also told the participants how organic projects, part of EPOPA, did indeed deliver benefits to the participating farmers. Other presenters in the seminar were Andrew Stevenson from UNCTAD, Peter Neuenschwander (ITTA), Markus Knapp (ICIPE), and Nanna Roos (KVL).

News in brief

EPOPA in exhibition at UNEP

EPOPA was presented in an exhibition at the UNEP Governing council in Nairobi 5-9 Feb together with KOAN, IFOAM and the UNEP/UNCTAD CBTF East African Organic Standards project.

Impact report: Outspan Enterprises Ltd

As for all EPOPA projects there has been made an impact report of the exports of organic sesame from Apach Lira and Kaberamaido districts, Uganda 1999-2006.

Some of the key conclusions of the Impact Survey are:

- A significant increase of farmers' knowledge of organic farming and adoption of organic practices were noted at the end of the organic project.
- Direct benefits indicated by the majority of project farmers were: a stable market for their sesame production and the provision of high quality sesame seeds.
- Farmer income from sesame quadrupled between 1999 and 2006. In 2006, 85% of the interviewed

farmers delivered their produce to Outspan organic stores. 95% of the farmers interviewed indicated that organic farming had improved their standards of living. The most mentioned indirect benefits were improved housing, transport means, more animals and education for children.

- 72% of the interviewed farmers acknowledged that there were fewer cases of family members falling sick compared with 3 years ago.
- However, the decrease in trees indicates a non-sustainable management of the environment.
- Most of the interviewed farmers highlighted 'low premium price' as a main problem that could prevent further progress of the project if competitors manage to offer higher sesame prices. However, there was a high enthusiasm among the interviewed farmers for continuing to plant more export crop to increase their income, so that they would be able to send their children to school and build permanent iron roofed houses in the nearby future.

EPOPA calendar

Date	Place	Topic
May 28 – June 1	Dar es Salaam Tanzania	East African Organic Conference, with launch of East African organic product standards and mark.
June 18 – 20	Masaka, Uganda	Uganda Organic Sector Training at Uganda Martyrs University
July 3 – 12	Uganda	EPOPA Programme Directors on tour
September 4 – 6	Gothenburg, Sweden	Interfood 07 – food industry fair, theme of the year is organic

Current EPOPA projects

Uganda

Cardamom, UCIL
dried fruits, Amfri
essential oils, Tamteco
fresh and dried fruits, BioUganda
fresh fruits, Biofresh
hibiscus, Nile Teas

honey, Bee Natural Products
shea oil, North Ugandan Shea Project
vanilla, Ibero Robusta coffee

Tanzania

arabica coffee, KNCU
canned pineapples, Dabaga

dried spices, Golden African
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 country manager; see contact info in box below.

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