

CHAPTER 38

THE NATIONAL COFFEE ACT

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CHAPTER 38

THE NATIONAL COFFEE ACT

Commencement: 13 September, 2021

An Act to provide for the Uganda Coffee Development Authority, to regulate, promote and oversee the coffee subsector; to provide for the Authority to regulate all on-farm and off-farm activities in the coffee value chain; to provide for a coffee auction system and for related matters.

PART I—PRELIMINARY

1. Purpose of Act

The purpose of this Act is to—

- (a) provide for the regulation, promotion and overseeing of the coffee subsector by the Uganda Coffee Development Authority;
- (b) facilitate the development of a competitive, participatory and sustainable coffee subsector in accordance with the National Coffee Policy, 2013; and
- (c) regulate all on-farm and off-farm activities in the coffee value chain.

2. Interpretation

In this Act, unless the context otherwise requires—

- “adulterated coffee” means different types of coffee mixed together or coffee mixed with non-coffee material or immature coffee mixed with mature red ripe cherry;
- “Authority” means the Uganda Coffee Development Authority referred to in section 3;
- “bare ground” means the open soil surface;
- “Board” means the Board of the Authority established by section 7;
- “cess” means a levy on export of coffee on Free on Rail or Free on Truck or any other form of acceptable contract price;
- “coffee extension officer” means an officer of the Authority or other person authorised in writing by the Authority to carry out functions of the Authority;

- “coffee farmer” means a person who grows coffee;
- “coffee inspector” means any officer of the Authority or other person authorised in writing by the Authority to carry out inspection under this Act;
- “coffee subsector” means a division or part of the agricultural sector relating to the coffee value chain;
- “coffee value chain” means the activities or processes relating to coffee and includes research, planting and growing coffee, harvesting, dicing, storage, sorting, grading, handling, processing, roasting, brewing, marketing, export and consumption of coffee;
- “currency point” has the value assigned to it in Schedule 1 to this Act;
- “Minister” means the Minister responsible for the coffee subsector;
- “Ministry” means the ministry responsible for the coffee subsector;
- “off-farm activity” means any activity or process relating to coffee that is carried out outside a coffee farm and includes sorting, drying, storing, processing, grading, transporting, marketing, exporting, roasting, brewing and consumption of coffee;
- “on-farm activity” means any activity or process relating to coffee that is carried out on a coffee farm and includes planting, soil and water management, pest and disease control and harvesting;
- “out-turn test” means a test conducted to determine the quality and value of coffee obtained from a given quantity of processed coffee;
- “seed” means a propagative material, plant and part of a plant intended for the propagation and multiplication of a coffee variety.

PART II—UGANDA COFFEE DEVELOPMENT AUTHORITY

3. Uganda Coffee Development Authority

(1) The Uganda Coffee Development Authority existing immediately before the commencement of this Act, shall continue to exist subject to the provisions of this Act.

(2) The Authority shall be a body corporate with perpetual succession and a seal and may, for the discharge of its functions under this Act—

- (a) acquire, hold and dispose of movable and immovable property;
- (b) sue and be sued in its corporate name; and
- (c) do all acts and things as a body corporate may lawfully do.

(3) The seal of the Authority shall be determined by the Board and shall be kept in the custody of the Managing Director.

(4) The seal shall, when affixed to any document, be authenticated by the signatures of the Chairperson and the Managing Director.

(5) In the absence of the Chairperson or where the Chairperson is not able to sign a document, the Board shall appoint from among themselves a member to sign in the place of the Chairperson.

(6) In the absence of the Managing Director, a person performing the functions of Managing Director shall sign.

(7) Every document purporting to be an instrument issued by the Authority and sealed with the seal of the Authority and authenticated in the manner prescribed in subsections (4), (5) and (6), shall be received in evidence as such an instrument without further proof unless the contrary is proved.

4. Objectives of Authority

The objectives of the Authority are—

- (a) to promote good practices in all activities in the coffee value chain;
- (b) to regulate on-farm and off-farm activities in the coffee value chain;
- (c) to promote research along the coffee value chain;
- (d) to promote value addition to coffee including primary processing and establishing soluble coffee plants;
- (e) to promote access to easy and cheap credit for coffee value chain actors;
- (f) to promote and monitor the marketing of coffee in order to optimise foreign exchange earnings and payments to farmers;
- (g) to control the quality of coffee at all stages of the value chain in order to ensure that the coffee meets the Standards prescribed under this Act;
- (h) to monitor the international price of coffee in order to disseminate indicative prices at which coffee may be traded;
- (i) to conduct market research for the development of the coffee subsector;

- (j) to promote industries related to coffee;

- (k) to develop and promote coffee specific extension services;
- (l) to coordinate with key stakeholders, to organise the farmers in the coffee subsector;
- (m) to promote the production and marketing of final products of coffee;
- (n) to promote domestic consumption of coffee; and
- (o) to promote coffee tourism in Uganda.

5. Functions of Authority

The functions of the Authority are—

- (a) to regulate all activities of the coffee value chain including on-farm and off-farm coffee activities, coffee roasting and brewing, sales and marketing and the quality of coffee and coffee by-products, including activities of related industries in accordance with this Act;
- (b) to promote, strengthen and register coffee farmers, farmers groups, associations and cooperatives, processors, roasters, brewers, traders, middlemen and persons or bodies involved in the coffee value chain;
- (c) to register all coffee exports and assess cess;
- (d) to promote the formation and development of value chain organisations at the various levels of the coffee value chain;
- (e) to promote and support research into the coffee industry or processes along the coffee value chain and determine and prescribe through research, the types and varieties of coffee to be cultivated in Uganda, and their management systems;
- (f) to promote and support joint ventures, investments and concessions in the coffee value chain;
- (g) to prescribe quality control standards for the sale and marketing of coffee, issue indicative prices at which coffee may be traded and protect coffee farmers from exploitation and unfair trade practices;
- (h) to profile, grade and certify grades and quantities of coffee along the coffee value chain;
- (i) to license coffee nursery operators, seed garden operators, traders, processors, exporters, management agents, warehouse operators, auctioneers, pulping stations, packers and roasters in accordance with regulations made by the Minister;

- (j) to coordinate the provision of coffee specific extension services in consultation with the Ministry;
- (k) to advise Government on all coffee subsector policies and reconcile them to the national macroeconomic policies;
- (l) to liaise with regional and international coffee organisations to promote Uganda's coffee on the world market and be responsible for the administration of the stamp of the International Coffee Organisation;
- (m) to organise capacity building initiatives for coffee farmers, farmers associations, roasters, brewers, technicians, coffee processors and quality controllers;
- (n) to collect, collate and analyse data, maintain a database on coffee, and document and monitor the coffee subsector performance; and
- (o) to perform any other function as may be directed by the Minister.

6. Powers of Authority

(1) The Authority may, in the exercise of its functions, arbitrate disputes between coffee farmers, coffee exporters, coffee processors, coffee roasters, coffee buyers including other persons and bodies in the coffee value chain.

(2) Where there is a dispute between the Authority and any person or body in the coffee value chain, the parties shall agree to an arbitrator in accordance with the applicable laws of Uganda.

7. Board of Directors

(1) The Authority shall have a Board of Directors, which shall be the governing body of the Authority.

- (2) The Board shall consist of—
- (a) a chairperson;
 - (b) a representative of the Ministry responsible for finance;
 - (c) a representative of the Ministry responsible for agriculture;
 - (d) a representative of the Ministry responsible for trade;
 - (e) a representative of the coffee farmers;
 - (f) a representative of the coffee processors;
 - (g) a representative of the coffee exporters;
 - (h) a representative of the coffee roasters;

- (i) a representative of the National Agricultural Research Organisation; and
- (j) the Managing Director, who shall be an ex-officio member.

(3) At least one-third of the members of the Board shall be women, one of whom shall be a member referred to in subsection (2)(e), (f), (g) and (h).

(4) The members of the Board, except the Managing Director, shall be appointed by the Minister.

(5) The Minister shall in appointing the members of the Board, other than the chairperson, invite nominations from the respective Ministries, institutions or organisations from whom the appointments shall be made.

8. Disqualification from appointment

A person shall not be appointed to the Board if he or she

- (a) has been convicted of an offence involving dishonesty or fraud by a competent court in Uganda or elsewhere;
- (b) has been declared bankrupt and has not been discharged;
- (c) has been convicted of an offence and sentenced to imprisonment for six months or more without the option of a fine by a competent court in Uganda or elsewhere; or
- (d) is a member of Parliament, a Minister or a member of a local government council.

9. Tenure of office of members of Board

(1) A member of the Board other than the Managing Director shall hold office for three years and is eligible for re-appointment for one further term.

(2) The Chairperson and the members of the Board shall hold office on terms and conditions specified in the instruments of appointment.

(3) A member of the Board may, at any time, resign from office by giving written notice of not less than one month to the Minister.

(4) The Minister may, at any time remove a member of the Board—

- (a) for inability to perform the functions of his or her office arising from infirmity of body or mind;
- (b) for misbehaviour or misconduct;
- (c) for incompetence;
- (d) for failure to disclose, at a Board meeting, a matter in which he or she has a personal interest;
- (e) for absence without prior notice to the Chairperson of the Board, or without reasonable cause, for more than four consecutive scheduled meetings of the Board;
- (f) for having been declared bankrupt;
- (g) on the written recommendation of the body represented by that member stating reasons for disqualification;
- (h) for conviction for a criminal offence, in Uganda or elsewhere, in respect of which the maximum penalty exceeds six months imprisonment without the option of a fine; or
- (i) where information relating to the conduct of the member, which could have precluded his or her appointment if it had been made available to the Minister, is brought to the attention of the Minister.

10. Filling of vacancies of Board

(1) Where a member of the Board resigns, dies, is removed from office or is for any other reason unable to act as a member of the Board, the Chairperson shall notify the Minister of the vacancy within one month of the occurrence of the vacancy.

(2) The Minister shall, on being notified of a vacancy under subsection (1), appoint another person to hold office in accordance with section 7.

(3) Where the member of the Board referred to in subsection (1) is the Chairperson of the Board, the Managing Director shall notify the Minister of the vacancy and the Minister shall, with the prior approval of Parliament, appoint another person to serve as chairperson.

11. Functions of Board

The functions of the Board are—

- (a) to formulate and review the policy of the Authority;
- (b) to set targets for the annual performance of the Authority;

- (c) to appraise and evaluate the performance of the management of the Authority;
- (d) to determine the organisational structure and staffing of the Authority;
- (e) to oversee the management of the finances and assets of the Authority;
- (f) to appoint and discipline members of staff of the Authority; and
- (g) to perform any other function assigned to it under this Act.

12. Remuneration of members of Board

The Chairperson and members of the Board shall be paid such remuneration as may be determined by the Minister.

13. Meetings of Board

The meetings of the Board and related matters shall be conducted in accordance with Schedule 2 to this Act.

14. Committees of Board

- (1) The Board may appoint committees—
 - (a) to inquire into and advise the Board on any matter concerning the functions of the Authority as the Board may refer to the committee;
 - (b) to exercise such powers or perform such functions of the Authority as the Board may delegate or refer to the committee.
- (2) A committee appointed under subsection (1) shall consist of a chairperson and other persons, whether members of the Board or not, as the Board may determine.
- (3) The Board may require a committee appointed under this section to act jointly or in cooperation with any other committee.
- (4) Subject to any direction given by the Board, a committee appointed under this section may regulate its own procedure, but shall in any event, be guided by the procedure in Schedule 2 to this Act.

PART III—STAFF OF THE AUTHORITY

15. Managing Director

(1) There shall be a managing director of the Authority who shall be appointed by the Board, on such terms and conditions as the Board may determine.

(2) The Managing Director shall be a person of high moral character and proven integrity, with the relevant professional qualifications, skills and experience in coffee related matters.

(3) The Managing Director shall hold office for five years and is eligible for re-appointment for one more term.

- (4) The Managing Director shall cease to hold office if he or she—
- (a) resigns;
 - (b) is declared insolvent or has made an arrangement with his or her creditors;
 - (c) is convicted of a criminal offence, in Uganda or elsewhere, in respect of which the maximum penalty exceeds six months imprisonment without the option of a fine;
 - (d) is removed from office by the Board—
 - (i) for inability to perform the functions of his or her office arising from infirmity of body or mind; or
 - (ii) for misbehaviour, misconduct or incompetence.

16. Functions of Managing Director

(1) The Managing Director is responsible for the day-to-day operations and administration of the Authority.

(2) The Managing Director shall be the chief executive and accounting officer of the Authority.

(3) Subject to this Act and to the general supervision and control of the Board, the Managing Director shall be responsible for—

- (a) the implementation of the policies and programmes of the Authority and reporting on them to the Board;
- (b) the proper management of the funds and property of the Authority;

- (c) the organisation and control of the staff of the Authority;
- (d) cooperation with other Ministries, departments and agencies of Government and organisations to achieve the objectives of the Authority;
- (e) developing an economic, efficient and cost-effective internal management structure;
- (f) developing and implementing the strategic plan, business plan and annual plan of the Authority;
- (g) ensuring that the policies of the Authority are implemented and that the agreed objectives, targets and service standards are met;
- (h) providing advice as may be required on all matters within the functions of the Authority; and
- (i) performing any other function necessary for the implementation of this Act as may be assigned to him or her by the Board.

(4) In the performance of his or her functions, the Managing Director is answerable to the Board.

17. Secretary to Board

(1) There shall be a secretary to the Board who shall be appointed by the Board in accordance with section 186 of the Companies Act.

- (2) The Secretary to the Board shall be responsible for—
 - (a) arranging the business of the meetings of the Board;
 - (b) taking the minutes of the meetings of the Board;
 - (c) keeping the records of the decisions and other policy records of the Board;
 - (d) providing legal advice on all activities of the Authority; and
 - (e) performing any other function assigned by the Managing Director.

(3) In the performance of his or her functions, the Secretary is answerable to the Managing Director.

18. Other staff of Authority

(1) The Board shall appoint other staff of the Authority as may be necessary for the proper and efficient performance of the functions of the Authority.

(2) The staff appointed under subsection (1) shall hold office on such terms and conditions determined by the Board and specified in the instruments of appointment.

(3) The Board shall regulate the manner of appointment, terms and conditions of service and the discipline of the staff appointed under this section.

19. Appointment of coffee inspectors

(1) The Authority may, by notice in the *Gazette*, appoint a qualified person to be a coffee inspector, for the purposes of ensuring compliance with this Act.

(2) A person appointed under subsection (1) shall hold office for a period of five years, subject to re-appointment by the Authority.

20. Qualifications of coffee inspectors

A person shall qualify to be a coffee inspector if he or she possesses a minimum of a diploma in agriculture or related sciences and has extensive knowledge and experience in coffee related matters.

21. Powers of coffee inspectors

(1) A coffee inspector may, at any reasonable hour, enter any place where coffee is grown, pulped, processed, packed, roasted, stored, warehoused or sold to inspect and examine it for the purpose of ensuring that the provisions of this Act are complied with.

(2) A coffee inspector may, for purposes of securing compliance with this Act, take samples of coffee found in a store, plant or other place or premises including any land, and subject the samples to such tests as he or she may deem necessary.

(3) A coffee inspector shall, when exercising powers under this Act, produce the instrument of appointment and identification as a coffee inspector when required to do so by any person.

22. Appointment of coffee extension officers

(1) The Authority may, by Notice in the *Gazette*, designate qualified persons to be coffee extension officers for purposes of ensuring compliance with this Act.

(2) A person designated under subsection (1) shall be a coffee extension officer for five years or such period as the Authority may determine.

23. Qualifications of coffee extension officers

A person shall qualify to be a coffee extension officer if he or she possesses a minimum of a Bachelor of Science in agriculture, agribusiness management or agriculture extension or a related field from a recognised university.

24. Functions of coffee extension officer

A coffee extension officer shall carry out the following functions—

- (a) implement and supervise coffee nursery development programmes;
- (b) oversee compliance with established standard procedures and operating guidelines;
- (c) implement coffee extension programmes developed by the Authority;
- (d) promote and disseminate to farmers new technologies developed as a result of research in coffee;
- (e) maintain surveillance on coffee diseases and pests;
- (f) advise farmers on the control of coffee disease and pest control measures;
- (g) liaise with and ensure effective collaboration with local authorities and other bodies with an interest in matters of coffee development;
- (h) participate in the development of work plans and budgets;
- (i) provide technical support in the collection of data for coffee production and marketing;

- (j) monitor the quality of coffee and enforce coffee regulations;
- (k) compile monthly reports on coffee activities; and
- (l) carry out any other function as the Authority may assign.

PART IV—FINANCIAL MATTERS

25. Funds of Authority

The funds of the Authority shall consist of money appropriated by Parliament for the purposes of the Authority in accordance with the Public Finance Management Act.

26. Levy on coffee exports

The Authority shall levy a charge not exceeding two percent on the Free on Rail or Free on Truck or other form of acceptable contract price for the export of coffee.

27. Authority to operate on sound financial principles

In the performance of its functions under this Act, the Authority shall operate on sound financial principles.

28. Power to open and operate bank accounts

The Board shall, with the authority of the Accountant General, open and maintain such bank accounts as are necessary for the performance of the functions of the Authority.

29. Estimates of income and expenditure

(1) The Authority shall, in accordance with the Public Finance Management Act, prepare and submit to the Minister responsible for finance for approvals budget containing the estimates of income and expenditure of the Authority for the next financial year.

(2) The Authority shall not incur any expenditure exceeding its budget without the approval of the Minister responsible for finance.

30. Accounts

The Authority shall—

- (a) keep proper books of accounts and all records relating to the transactions and affairs of the Authority;

- (b) within two months after the end of each financial year, prepare and submit annual financial statements and annual accounts for the preceding financial year to the Auditor General.

31. Audit

(1) The Auditor General or an auditor appointed by the Auditor General shall, in each financial year, audit the accounts of the Authority.

(2) The Auditor General or an auditor appointed by the Auditor General shall, within three months after receipt of the accounts, submit to the Minister and Parliament a report on the audited accounts of the Authority.

PART V—REGISTRATION OF PERSONS OR BODIES IN COFFEE VALUE CHAIN

32. Registration of coffee farmers

(1) The Authority shall register all coffee farmers in the coffee subsector.

(2) A person shall be registered as a coffee farmer if he or she is growing coffee at the time of registration.

33. National register of coffee farmers

(1) The Authority shall establish and maintain a national register of coffee farmers.

(2) The register shall be maintained as an electronic database or in any other form determined by the Board.

(3) The register shall contain the particulars of every coffee farmer, including—

- (a) the name and address of the farmer, and if the farmer is a member of a coffee farmers group or association, the name and address of the group or association;
- (b) where the person who owns the land is different from the coffee farmer, the name and address of the owner of the land on which the coffee farm is located;

- (c) the district, subcounty, parish and village in which the coffee farm is located;
- (d) the acreage of land on which the coffee is grown on the date of its registration;
- (e) the variety and type of coffee grown;
- (f) the age and number of coffee trees; and
- (g) any other information which may be deemed necessary for the purpose of registration.

(4) The Authority shall, on registering a coffee farmer, issue the coffee farmer a registration number.

(5) The Authority shall not charge fees for the registration of a coffee farmer.

(6) The Authority shall use the information compiled in the register to facilitate the provision of services to coffee farmers individually or through farmers groups.

(7) For the avoidance of doubt, the registration of farmers shall be on a continuous basis.

34. Application to operate coffee nursery or coffee seed garden

(1) A person who wishes to operate a coffee nursery or a coffee seed garden shall apply to the Authority in writing.

(2) The Authority shall assess the soil type to determine the type and variety of coffee to be planted by a coffee nursery operator or a coffee seed garden operator.

(3) The Authority shall assess the coffee nursery or coffee seed garden and, if satisfied, issue the coffee nursery operator or coffee seed garden operator with a certificate to operate a coffee nursery or a coffee seed garden.

(4) A certificate issued under this section shall be renewed annually.

(5) A person who wishes to plant coffee shall obtain planting materials from a coffee nursery or a coffee seed garden of a certificated operator.

35. Registration of coffee nursery operators and coffee seed garden operators

(1) The Authority shall register every coffee nursery operator and coffee seed garden operator.

(2) The register shall contain the particulars of every coffee nursery operator and coffee seed garden operator including—

- (a) the full name and address of the coffee nursery operator or coffee seed garden operator;
- (b) where the person who owns the land is different from the coffee nursery operator or coffee seed garden operator, the name and address of the owner of the land;
- (c) the district, subcounty, parish and village in which the coffee nursery or coffee seed garden is located;
- (d) the type and variety of coffee grown in the coffee nursery or coffee seed garden; and
- (e) any other information which may be deemed necessary for the purpose of registration.

36. Registration of coffee farmer organisations and cooperatives

(1) The Authority shall register all coffee farmer organisations and cooperatives.

(2) The Authority shall keep a register of coffee farmer organisations and cooperatives.

(3) The register of coffee farmer organisations and cooperatives shall contain the particulars of every coffee farmer organisation and cooperative including—

- (a) the name and address of the coffee farmer organisation or cooperative;
- (b) the number of the members, their names and addresses;
- (c) the type and variety of coffee grown in the coffee farm; and
- (d) any other information which may be deemed necessary for the purpose of registration.

(4) The Authority shall, on registering a coffee farmer organisation or cooperative, issue the coffee farmer organisation or cooperative with a registration number.

(5) The Authority shall promote the formation of an apex body to represent all coffee farmers' organisations and cooperatives.

37. Registration of persons and bodies in coffee value chain

(1) The Authority shall register and regulate persons and bodies in the coffee value chain at the various levels of the coffee value chain throughout Uganda.

(2) The Authority shall promote the formation of apex bodies to represent and advocate for the interests of each category of the activities and processes of the coffee value chain.

38. National registers of coffee value chain actors

The Authority shall keep and maintain the following national registers of coffee value chain actors—

- (a) a register of pulpers;
- (b) a register of coffee buyers;
- (c) a register of coffee graders;
- (d) a register of coffee exporters;
- (e) a register of operators of coffee stores or warehouses;
- (f) a register of processors of coffee of any variety and grade;
- (g) a register of coffee roasters, coffee shop operators and brewers;
- (h) a register of coffee hullers; and
- (i) a register of coffee processing factories for instant, granulated, soluble and roasted coffee.

39. Particulars of national registers of coffee value chain actors

The national registers of coffee value chain actors shall contain for each category the particulars of each coffee value chain actor including—

- (a) the name and address of the value chain actor;
- (b) the name and address of each director or partner and the shareholding of each shareholder;
- (c) the activity undertaken by the value chain actor;

- (d) the capacity of the value chain actor;
- (e) the location of the value chain actor; and
- (f) any other information which may be deemed necessary for the purpose of registration.

40. Registration of coffee processing factories

- (1) The Authority shall register every coffee processing factory.
- (2) The Authority shall keep a register of coffee processing factories which shall contain for each, particulars of every coffee factory including—
 - (a) the name and address of the coffee processing factory;
 - (b) the name and address of each director or partner and the shares held by each shareholder;
 - (c) the processing capacity of the factory;
 - (d) the planned production capacity of the factory;
 - (e) the capacity, number and location of the warehouse; and
 - (f) the number and quality of skilled, semi-skilled and unskilled personnel employed or to be employed.
- (3) The Authority shall, on ascertaining the particulars submitted under subsection (2), issue a certificate of registration in the name of the coffee processing factory on payment of the registration fees as may be prescribed by the Authority.
- (4) A certificate issued under this section is not transferrable and shall be renewed annually on payment of a fee prescribed by the Authority.

PART VI—LICENSING OF COFFEE VALUE CHAIN ACTORS

41. Power to issue licences

- (1) The Authority shall on application issue the following licences upon such terms and conditions as the Authority may determine—
 - (a) pulper operator's licence;
 - (b) coffee buyer's licence;
 - (c) coffee grading licence;
 - (d) coffee processor's licence;
 - (e) coffee exporter's licence;
 - (f) coffee roaster's licence;

- (g) coffee brewer's licence and a coffee shop operator's licence;
- (h) coffee store or warehouse operator's licence;
- (i) coffee huller operator's licence; and
- (j) coffee extractor's licence.

- (2) A licence issued under subsection (1) shall be—
 - (a) in the form prescribed by regulations;
 - (b) valid for a specified period;
 - (c) for a specific location; and
 - (d) issued subject to payment of an application fee prescribed by the Authority.

(3) A person shall not operate a pulper, buy coffee, grade coffee, roast coffee, brew coffee, operate a coffee shop or coffee store, a warehouse or coffee huller or process or export coffee on a commercial basis without a licence issued by the Authority.

(4) Where the Authority refuses to issue a licence to an applicant, the applicant shall, within thirty days of the refusal, be informed in writing stating the reasons for the refusal.

42. Right of appeal

(1) Any person aggrieved by the decision of the Authority under section 41(4) may, within thirty days after being notified of the decision, appeal to the Minister.

(2) The Minister shall respond to the appeal within thirty days from the date of receipt of the appeal.

(3) A person aggrieved by the decision of the Minister may, within thirty days apply to a court of law for judicial review.

(4) The procedure of appeal shall be in accordance with regulations made by the Minister.

43. Power to vary, suspend or cancel licences

The Authority may if the terms and conditions of the licence have not been complied with, vary, suspend or cancel a licence issued under this Act.

PART VII—TYPES AND VARIETIES OF COFFEE AND GRADING
OF COFFEE

44. Types and varieties of coffee

(1) The Authority shall determine and regulate the types and varieties of coffee to be grown in the different parts of Uganda.

(2) In determining the type and variety of coffee to be grown in a particular part of Uganda, the Authority shall

- (a) be guided by the results of coffee research conducted by the National Coffee Research Institute on the conditions suitable for growing each recommended variety of coffee; and
- (b) promote the use of high yielding, disease resistant, drought tolerant and cup quality varieties of coffee.

45. Promotion of recommended types and varieties of coffee

(1) The Authority shall inform and sensitise coffee farmers on the types and varieties of coffee recommended for cultivation in the different parts of Uganda.

(2) For the purposes of this section, the Authority shall, in cooperation with the Ministry and other stakeholders, develop a strategy for promoting the cultivation of the recommended coffee varieties in Uganda.

(3) The promotion strategy developed by the Authority under subsection (2) shall include—

- (a) the use of coffee extension services to train and build the capacity of coffee farmers to grow the recommended types and varieties of coffee;
- (b) information on how to access the recommended types and varieties of coffee;
- (c) good agricultural practices in respect of each type and variety of coffee; and
- (d) the means of controlling pests and diseases associated with each type and variety of coffee.

46. Profiling, grading and certification of coffee

(1) The Authority shall, in collaboration with the Uganda National Bureau of Standards, develop coffee Standards.

(2) The Authority shall profile, grade and certify all coffee grown or marketed in Uganda.

(3) For the purposes of this section, the Authority shall take into account international coffee profiling, grading and certification standards issued by the International Coffee Organisation, or by any other international coffee standards organisation.

(4) The Authority shall use a universal standard for out-turn tests for locally traded pre-export coffee.

PART VIII—VALUE ADDITION AND DOMESTIC
CONSUMPTION OF COFFEE

47. Promotion of value addition

(1) The Authority shall promote and support value addition at all stages of the coffee value chain.

- (2) For the purposes of this section, the Authority shall
- (a) promote and support primary processing of coffee at coffee farms;
 - (b) promote and support bulking and marketing of coffee at coffee farms or through farmers' associations;
 - (c) facilitate increased export of value-added coffee products;
 - (d) promote and support roasting and packaging of coffee;
 - (e) build the capacity of coffee brewers and coffee roasters;
 - (f) promote and support coffee certification schemes;
 - (g) promote and support branding of coffee produced in Uganda;
 - (h) promote and support the establishment of instant, granulated, soluble and roasted coffee processing factories; and
 - (i) facilitate access to affordable financing to stakeholders along the coffee value chain.

48. Domestic consumption of coffee

(1) The Authority shall promote and support the domestic consumption of coffee.

(2) For the purposes of this section, the Authority shall—

- (a) create awareness on the consumption of coffee;
- (b) conduct communication on behavioural change for the public to encourage the drinking of coffee; and
- (c) build the capacity of local coffee roasters, coffee baristas, coffee brewers and any other stakeholders.

PART IX—COFFEE RESEARCH AND COFFEE AUCTION

49. Coffee research

(1) The Authority shall, in coordination with the National Agricultural Research Organisation, oversee the formulation of a National Coffee Research and Development Agenda to guide coffee research.

(2) The National Coffee Research and Development Agenda formulated under subsection (1) shall be approved by the National Agricultural Research Organisation and validated by the Board and industry stakeholders.

(3) The National Coffee Research Institute shall be responsible for undertaking coffee research related to its mandate and competence.

(4) The Authority shall engage other research services to undertake research in areas in which they have a comparative advantage and competence.

50. Coffee auction system

(1) The Authority shall establish a coffee auction system.

(2) The coffee auction system established under subsection (1) shall be used as an alternative method to the day-to-day method of selling coffee.

PART X MISCELLANEOUS

51. Cooperation with other agencies

(1) The Authority shall cooperate with other Ministries, departments and agencies of Government, and other organisations in the implementation of this Act.

(2) The Ministry shall, in consultation with the Authority and the person responsible for provision of agricultural extension services, coordinate the provision of coffee specific extension services, improved and recommended coffee varieties and technical support to farmers.

(3) For the purpose of subsection (1), all Ministries, departments and agencies of Government and other organisations shall accord to the Authority such assistance as may be necessary to ensure the proper discharge of the functions of the Authority.

52. Protection from liability

(1) A member of the Authority or member of staff of the Authority or a person acting on the directions of the Authority shall not be held personally liable for any act or omission done or omitted to be done in good faith in the exercise of functions under this Act.

(2) Notwithstanding the provisions of subsection (1), Part III of the Leadership Code Act shall apply to a member of staff of the Authority.

53. Offences and penalties

- (1) Any person who—
- (a) operates a coffee nursery or coffee seed garden without a certificate;
 - (b) sells or distributes substandard or diseased planting materials;
 - (c) harvests or is found in possession of immature cherries or strips a coffee tree;
 - (d) roasts or packages non-coffee material as coffee;
 - (e) stores poorly wet cherries or stores coffee in heaps leading to mold formation;

- (f) sets up a store or warehouse that does not meet the requirements for storing coffee;
- (g) being a processor, does not have a husk chamber or store;
- (h) operates a huller without a licence or without an approved structure; or
- (i) deals in coffee for domestic consumption without the relevant licence or in contravention of this Act,

commits an offence and is liable, on conviction, to a fine not exceeding one hundred currency points or to imprisonment for a term not exceeding four years, or both.

- (2) A person who—
 - (a) operates a coffee processing factory without a licence;
 - (b) handles or processes wet coffee with a moisture content above fourteen percent;
 - (c) dries coffee on the bare ground;
 - (d) processes coffee without a valid licence;
 - (e) tampers, replaces or removes a security seal or is in possession of a security seal of the Authority without authorisation;
 - (f) replaces inspected coffee with uninspected coffee;
 - (g) boils, contaminates or rough hulls coffee;
 - (h) adulterates coffee or is in possession of adulterated coffee, including mixing coffee of different types or mixing coffee with non-coffee materials; or
 - (i) denies access to or blocks a staff or an inspector of the Authority or fails to render any reasonable assistance to a staff or an inspector,

commits an offence and is liable, on conviction, to a fine not exceeding two hundred currency points or to imprisonment for a term not exceeding eight years, or both.

(3) A person who grades and exports coffee without a valid licence commits an offence and is liable, on conviction, to a fine not exceeding three hundred sixty currency points or to imprisonment for a term not exceeding fifteen years, or both.

(4) Where a court convicts any person of an offence under this section, the court may, in addition to any penalty it may impose, order that the coffee or any article used in the commission of the offence be confiscated and forfeited to the Government.

(5) Any coffee or article forfeited under subsection (4) shall vest in the Government free of any mortgage, charge, lien or other encumbrance of any kind.

- (6) The Authority shall confiscate and destroy—
- (a) coffee spread to dry on the bare ground;
 - (b) molded coffee; and
 - (c) wet coffee beans with a moisture content exceeding fourteen percent being held or processed by any person.

54. Memorandum of understanding to warehouse coffee

(1) A company that intends to warehouse coffee for export shall sign a memorandum of understanding with the Authority.

(2) Notwithstanding subsection (1), a company with a memorandum of understanding to warehouse coffee for export which warehouses coffee not cleared for export by the Authority or tampers with coffee cleared by the Authority for export shall have its licence cancelled and the coffee shall be confiscated and forfeited to the State.

55. Offences by body corporate

Where an offence under section 53 is committed by a body corporate—

- (a) every director and employee of that body corporate shall also be taken to have committed that offence; and
- (b) where the body corporate is a firm, a partner of that firm shall also be taken to have committed that offence,

unless he or she proves that the offence was committed without his or her knowledge, or that he or she exercised due diligence to prevent the commission of the offence.

56. Regulations

(1) The Minister may, on the recommendation of the Board make regulations for better carrying into effect the provisions of this Act.

(2) Notwithstanding the generality of subsection (1) regulations made under this section may prescribe—

- (a) the procedure for registration of members in the coffee value chain;
- (b) the type and varieties of coffee to be grown and in which areas they are to be grown;
- (c) the procedure for sorting, profiling, grading and certifying coffee;
- (d) the procedure for storing, handling, processing, brewing, selling, grading, packaging, marketing and exporting coffee;
- (e) the procedure for keeping of records and the furnishing of returns in respect of coffee;
- (f) the types and categories of coffee value chain organisations and the requirements for registration of the coffee value chain organisations at the various levels of the coffee value chain;
- (g) the procedure for entry by an authorised person on any premises used for growing or handling coffee for the purposes of inspecting the premises, equipment or coffee;
- (h) the manner of application and the registration form, certificate, licence or other form required under this Act;
- (i) the procedure for importation and exportation of coffee and coffee products;
- (j) the procedure for inspection of coffee;
- (k) the procedure for testing of coffee;
- (l) the methods of conducting out-turn tests;
- (m) the manner in which stamps under the International Coffee Organisation may be administered;
- (n) the manner in which traders and middlemen along the coffee value chain may be regulated in relation to the buying, transportation, storage and quality of coffee;
- (o) the procedure for enhancement of the capacity of researchers;
- (p) the manner in which the quality and quantity incentive scheme or any other scheme shall be operated;
- (q) the procedure and requirements for coffee extension services on good practices in planting material propagation, planting, soil and water management, pest and disease control, harvesting, drying or grading coffee;
- (r) the procedure for the coffee auction system;
- (s) the standards for the quality and grading of coffee;
- (t) the quality control standards for the sale and marketing of coffee;
- (u) fees to be charged for registration and issuance of licences;
- (v) forms for issuance of licences;

- (w) the procedure for monitoring of coffee seed gardens and coffee nursery operations; and
- (x) the procedure for appeal, including the right of a farmer to appeal through any other person as may be recommended by the Minister.

57. Power to amend Schedule 1

The Minister responsible for finance may, by statutory instrument, with the approval of Cabinet, amend Schedule 1 to this Act.

SCHEDULES

Schedule 1

Sections 1, 57

Currency Point

One currency point is equivalent to twenty thousand shillings.

Schedule 2

Sections 13, 14(4)

Meetings of Board**1. Meetings of Board**

(1) The Chairperson shall convene a meeting of the Board as soon as is practicable after the appointment of the Board, and thereafter, the Board shall meet for the transaction of business at times and places that may be decided upon by the Board; and the Board shall meet at least once in every three months.

(2) The Chairperson or, in the absence of the Chairperson, a member appointed by the Board to act as chairperson may at any time call a special meeting of the Board, and shall call a special meeting upon a written request by a majority of the members of the Board.

(3) The Chairperson shall preside at all meetings of the Board, and in his or her absence, the members present may appoint a member from among themselves to preside at that meeting.

2. Quorum

The quorum for a meeting of the Board is five members.

3. Decisions of Board

The questions proposed at a meeting of the Board shall be decided by a majority of the votes of the members present; and in the event of an equality of votes, the person presiding shall have a casting vote in addition to his or her deliberative vote.

4. Disclosure

(1) A member of the Board who has any pecuniary interest in a matter being considered or about to be considered by the Board shall, as soon as possible after the relevant facts have come to his or her knowledge, disclose the nature of his or her interest to the Board.

(2) A disclosure of interest under subparagraph (1) shall be recorded in the minutes of the meeting of the Board.

(3) A member who makes a disclosure under subparagraph (1) shall not be present during any deliberation of the Board with respect to that matter.

(4) For purposes of determining whether quorum is realised, a member withdrawing from the meeting or who is not taking part in the meeting under subparagraph (3) shall be treated as being present.

5. Minutes of proceedings

(1) The Board shall cause the minutes of all proceedings of its meetings to be recorded and kept.

(2) The minutes kept under subparagraph (1) shall be confirmed by the Board at the next meeting and signed by the chairperson of that meeting.

(3) The Chairperson shall submit to the Minister a copy of the minutes of each meeting of the Board as soon as the minutes have been confirmed.

6. Board to regulate proceedings

Subject to this Act, the Board may regulate its own procedure or any other matter relating to its meetings.

History: Act 17/2021

Cross References

Constitution
Companies Act, Cap. 106
Computer Misuse Act, Cap. 96
Leadership Code Act, Cap. 33
Public Finance Management Act, Cap. 171
