

**FACILITATING FARMER BUSINESS: THE FARMER OWNERSHIP MODEL; By Muwonge David
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NUCAFE is “National Union of Coffee Agribusinesses and Farm Enterprises, it was founded in 1995 as the Uganda Coffee Farmers Association (UCFA) but changed name in 2003 in response to member’s needs assessment and the strategic planning carried out in 2003. The Vision of NUCAFE is “**Coffee farmers profitably own their coffee along the value chain for sustainable livelihoods customer satisfaction and societal transformation.** To achieve this, NUCAFE uses its mission which is “To establish a sustainable market-driven system of coffee farmer enterprises/organizations which are empowered to increase their household incomes through **enhanced social entrepreneurship and innovation**”.

NUCAFE’s growth is largely organic and has to a large extent been driven by lessons learnt from the past performance of the cooperative movement in Uganda. This has resulted in the emphasis on a facilitation role in the value chain with the farmer retaining ownership of the coffee along the value chain “**the Farmer ownership Model**”. In so doing this has helped to manage and minimise conflicts of interest between the farmer-led organisations and their members.

Using the farmer ownership model, NUCAFE has three core areas of service that is: Improving enabling environment (Advocacy), business and technical capacity building of members and facilitating the farmer business from research to the cup. This business model has resulted in a growth of membership from 60 farmer organizations in 1999 to 170 famer organizations/ enterprises with about 150,000 households and 600000 individual household members. The model has integrated farmers in more profitable nodes of the coffee value chain which has led to more than 30% increase in the household income from coffee that is equitably distributed in the family using the household approach for gender equity.

The model has enabled NUCAFE influence the passing of the National coffee policy by cabinet, occupying lobby and advocacy spaces at the Uganda coffee development authority and the newly formed national coffee research and resources institute. Internally, NUCAFE has developed capacity for producing 1.1 million seedlings of coffee and shade trees, is over coming out sourcing by investing in a processing factory for grading coffee for export, a 30kg batch per hour roaster for commercializing its roasted coffee brand for the local and regional markets and establishing a coffee shop which is the epitome of the farmer ownership model that brings the famers directly in contact with the consumer.

The business model has created a lot of impact and NUCAFE has been recognised at the National level for four (4) consecutive years in producing the best quality coffee in the national Taste of harvest Competitions. At the East African level NUCAFE has been recognised as the farmer organisation with the best inclusive agribusiness model and at the continental level as the farmer organisation for 2013 in the income diversity category by AGRA (Alliance for a green revolution in Africa) and at a global level the innovator of the model Mr. Joseph Nkandu has been appointed an ASHOKA fellow. The business model has been adopted and replicated by a number of organisations and other value chains. It is recommended that farmer organisations adopt the farmer ownership business model for the benefit of their members, building up of social capital and sustainability like NUCAFE.

