## FACTORS INFLUENCING COFFEE PRODUCTION BY SMALL SCALE FARMERS IN BUSULANI SUBCOUNTY AND BUDADIRI TOWN COUNCIL IN SIRONKO DISTRICT

BY MADANDA BENARD ... 1153-05194-02059

# A RESEARCH REPORT SUBMITTED TO THE COLLEGE OF ECONOMICS AND MANAGEMENT IN PARTIAL FULFILLMENT FOR THE REQUIREMENTS OF THE BACHELOR'S DEGREE IN STATISTICS OF KAMPALA INTERNATIONAL UNIVERSITY

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#### DECLARATION

•
This Research Report is my own work and has not been presented for award of
Degree in any other university.
Degree in any other university.  Signature Date 17/09/2018
Madanda Benard
1153-05194-02059

#### **DEDICATION**

This Research Report is dedicated to my family members, daddy Wasukira Lawrence and mammy, Wasukira Helen for their endless effort in my studies from primary to University. It is also dedicated to my spiritual family of Miracle of Faith Ministries International and Holy ghost Christian Centre for their endless support.

#### ABREVIATIONS AND ACRONYMS

SATAAS Agricultural Technology and Agribusiness Advisory Services

BoU Bank of Uganda

CBD Coffee Berry Disease

FDI Foreign Direct Investment

GoU Government of Uganda

ICO International Coffee Organization

MAAIF Ministry of Agriculture, Animal Industry and Fisheries

MFPED Ministry of Finance, Planning and Economic Development

NAADS National Agricultural Advisory Services

NaCORI National Coffee Research Institute

NPA National Planning Authority

NUCAFE National Union of Coffee Agribusinesses and Farm Enterprises

UBOS Uganda Bureau of Statistics

UCDA Uganda Coffee Development Authority

UCF Uganda Coffee Federation

UCFA Uganda Coffee Farmers Alliance

UGX . Uganda Shillings

UNBS Uganda National Bureau of Standards

USAID United States Agency for International Development

GDP Growth Domestic Product

SLG Sironko Local Government

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#### **ABSTRACT**

Coffee is an important crop globally due its contribution of National GDP, tax generation food security and inequality reduction role. The purpose of study was to assess factors influencing small scale coffee production in Budadiri Town Council and Busulani Sub county in Sironko District. The objectives of the study were to assess the influence of: social factors, adoption of coffee production techniques, coffee Cooperative Societies management, and coffee value addition on small scale coffee production. Primary data was collected using both open and closed ended questionnaires from small scale farmers and interview schedules for Coffee Cooperative Society's Management and key stakeholders. The data was analyzed using Statistical Package for Social sciences version IBM 20. The target population was 600 small scale farmers in Budadiri Town Council and Busulani Sub county in Sironko District from which a sample size of 108 small scale farmers, 2 members of coffee Cooperative Society Management which comprised of and 4 key stakeholders.

Male dominated enterprise with 82.4% male ownership against 17.6% women. Age of majority of farmers (50%) ranged between 30 to 45 years. Majority, (78.7%) of coffee farmers were married people. There was a very low correlation between level of education and yield of coffee by small scale farmers

37.84% of respondent attributed low yield to techniques production techniques adopted. The study further established that 63.04% of the respondents did not attribute production techniques adopted to be a cause of low coffee yields.

According to the study pests and diseases (93.5%) attributed much to the low coffee yields by small scale farmers. The study established that there was consumption of 57.6% of coffee by the coffee farmers. Those who did not consume coffee attributed it to coffee not being available and not affording it. Some claimed they prefer other beverages. The study also established there was low adoption of irrigation by 5.6% and Mechanization adoption was 6.5%. The study revealed that education level of the farmers was not correlated with productivity of coffee per tree. Farmers were less satisfied with roles of cooperative society management farmers in this area of study.

#### CHAPTER ONE

#### 1.0 Background to the Study

Coffee is one of the most important cash crops across the world and a major source of export earnings. It is second only to crude oil as the most important internationally traded commodity in monetary value (FAO, 2004). In spite of high export earnings from coffee globally, coffee produced in most African countries fetch low prices compared to coffee from other continents due to relatively lower quality coffee (Bibangambah, 1989).

As a result, most coffee farmers get lower incomes from coffee sales, which make very little difference in helping them out of poverty. Coffee is also the world's widely traded tropical agricultural commodity accounting for exports worth estimated US\$ 15.4 billion in 2009/2010 when 93.4 bags were shipped (ICO, 2013).Coffee production by small scale farmers support about 25 million people around the world (Waston and Achineli, 2008)

Coffee is produced in more than 70 countries of the world (ICO, 2013). Countries that dominate the world's coffee production are found in South America, Africa, and Southeast Asia (Indonesia Investment, 2014). The top coffee producing countries in the world are, Brazil, Colombia, coata Rica, Dominican Republic, Ecuador, El Salvador, Ethiopia, Guatemala, Honduras, India, Indonesia, Java, Ivory Coast, Mexico, Nicaragua, Papua New Guinea, Peru, Tanzania, Thailand, Uganda, Vietnam, Angola, Cameroon, Cuba, and Democratic Republic of Congo.

Globally, like in Brazil Coffee production is responsible for about a third of all coffee, making Brazil by far the world's largest producer, a position the country has held for the last 150 years. Coffee plantations, covering some 27,000 km²(10,000 sq miles), are mainly located in the southeastern states of Minas Gerais, São Paulo and Paraná where the environment and climate provide ideal growing conditions.

Brazil has been the world's largest producer of coffee for the last 150 years, currently producing about a third of all coffee. In 2011 Brazil was the world leader in production of green coffee, followed by Vietnam, Indonesia and Colombia. The country is unrivaled in total production of green coffee, arabica coffee and instant coffee. In 2011, total production was 2.7 million tones, more than twice the amount of Vietnam, the second largest producer. Some 3.5 million people are involved in the industry, mostly in rural areas.

There are about 220,000 coffee farms involved in the industry, with plantations covering about 27,000 km² (10,000 sq miles) of the country. Plantations are mainly located in the southeastern states of Minas Gerais, SãoPaulo and Paraná where the environment and climate provide ideal growing conditions. Minas Gerais alone accounts for about half of the country's production. Most plantations are harvested in the dry seasons of June through September, usually in one huge annual crop when most berries are ripe. All coffee in Brazil is processed using the dry process (also called unwashed or natural coffee). The entire cherries are cleaned and placed in the sun to dry for 8–10 days (or up to four weeks during unfavorable conditions). The outer layer of the dried berry is then removed in a hulling process before the beans are sorted, graded and packed in 60 kg bags.

Several species in the coffee genus, *Coffea*, can be grown for their beans, but two species, arabica and robusta, account for virtually all production. Arabica dominates both Brazil and the world as a whole with about 85% of the production; robusta accounts for the remaining 30%. In Brazil, arabica production is located in the main coffee-growing cluster of states led by Rio where arabica is produced almost exclusively. Robusta is primarily grown in the northwestern much smaller state of Espírito Santo where about 80% of the coffee is robusta. More recently, the northwestern state of Rondônia entered the market and produces large shares of robusta.

The processing industry is divided in two distinct groups, ground/roasted coffee and instant coffee. The ground/roasted coffee market is highly competitive.. Brazil is the world's largest exporter of instant coffee, with instant coffee constituting 10–20% of total coffee exports. Both types of coffee are mainly exported to the US, the world's largest coffee consumer.

In Venezuela coffee production began in the late eighteenth and early nineteenth centuries in the premontane forest region of the Andes Mountains. José Gumilla, a Jesuit priest, is credited with introducing coffee into Venezuela, in 1732. Its production is attributed to the large demand for the product, coupled with cheap labor and low land costs. It was first exported to Brazil. Coffee production in Venezuela led to the "complex migration" of people to this region in the late nineteenth century. Coffee production occurs in the Coast Range and the western Andean region with the only requirements being sufficient top soil and moisture. The coffee production system followed in the Andes region, which is the premontane moist forest, is a multilayered system (3 to 4 layered canopies) in which there is multi-species of plants. In this system, trees provide the

shade needed for growth of coffee. This region is a part in the three geographical regions of Venezuela namely, the Mountains and Caribbean Coastal region, the Llanos region, and the River Delta region, and the Guayana region.

The plantations are generally in the altitudinal range of 1,000-5,000 feet (300-1,520 m), bordering with Colombia. Better grades are noted at elevations of 6,000 feet (1,800 m) or higher but these elevations are characterized by slower growth and lower productivity.

The coffee growing area was extended to marginal agro climatic region in the elevation range of under 600m 600 metres (2,000 ft), called the premontane dry forest, though the area produced low yields (less than 300 kg per hectare each year), which was made good by the enterprising small farmers with crop diversification. Statistical survey has indicated that coffee plantations are generally in the elevation range of 800–1,700 metres (2,600–5,600 ft) on the hills of the Andean with slopes of 5 to 60%. The land holders were mostly small farmers who accounted for 87.5% of the total land holdings, with each holding of about 3.5 hectares (8.6 acres) under coffee and with traditional multilayered agro forestry practice.

As a perennial crop, the area covered under coffee was 280,000 hectares (690,000 acres) with the Andeas region alone accounting for 125,000 hectares (310,000 acres).

The "Maracaibo's" coffee exported from the Maracaibo port has sub varieties called Cucuta, Mérida, Trujillo, and Tachira. The eastern mountains coffee is known as Caracas, named after the capital city. While these are the local varieties of coffee grown in Venezuela, the basic universal coffee varieties under which the Venezuelan one fall under are the arabica (Coffee arabica L.) which grows better in the high land regions, and the Robusta (Coffee canephora p. ex Fr.) which grows in the low land regions; the former variety grows under forest canopy while the latter grows under partial shade.]

Lava do Fino is the country's highest grade of coffee. The best quality of Venezuelan coffee is reportedly from the western region which borders Colombia. The coffee is shipped from Maracaibo and the coffee is also named as "Maracaibos"; the coffee grown is characterized as "bright flavors with a clean, crisp finish." It is also light weight and of simple structure but less acidic as compared with other Latin American coffee.

Coffee trees can be harvested within four years after planting. Each tree lives for about 50 years. While two pickings occur annually (October and November; December, January, and part of February) the latter one provides the larger harvest of the two. However, the picking season does vary by elevation and local conditions such that trees at elevations greater than 3,000 feet (910 m) are harvested later than those in lower elevations. Coffee production peaked to 1 million bags per year before 1914, and after local consumption much of its exports were second only to Brazil. In the Andean frontier region coffee production had increased ten times (between 1830 and 1930) making it the second largest coffee producing nation in the world. More than 82,000 tonnes of coffee were produced in 1919;however, poor agricultural practices, soil erosion, less incidence of rainfall and over use of soil strength caused a drastic decline in the yield, in the 1920s, which resulted in the decline of the coffee industry in the country; petroleum extraction compounded its downfall. Typically, coffee production is at its greatest during the months December and January. And shipping of Venezuelan coffee takes place between October to May. Coffee grown in Venezuela is largely consumed by locals and the rest is sold mainly to the United States, Belgium and Germany.

Peru is one of the top 20 coffee producers in the world as of 2014. It ranks fifth in the export of Arabica in the world market.

CENFROCAFE is a cooperative with more than 80 farm associations as well as six dry mill processing and finishing associations. Under this practice, the produce is marketed by the finance, marketing and sales office in Jaen, with direct accessibility to international export markets, ultimately benefitting several hundreds of coffee growers of the region. All the coffee marketed by the associations is from an area above 1,000 meters (3,300 ft) elevation. This organization has facilitated a large number of farm families access to international markets. The coffee marketed through CENFROCAFE, to the extent of about 92%, is organic; 100% is certified as Fair Trade. This has resulted in improved quality, and greater demand for Peruvian coffee in the international market, at competitive rates. The processing of coffee in Peru is mostly by wet milling on the site of the plantations. By this process, the moisture content of the coffee seeds is reduced to about 20% and then it is transported to the dry mills. However, this decentralized system is unfavorable for coffee growing areas of northern Peru as it has led to quality inconsistencies, promotion of rot and the growth of fungus. The three prominent coffee

growing areas, located in the eastern slopes of the Andes, are Chanchamayo, the Amazonas and San Martin regions, and the southern highlands .St Ignacio, close to the Ecuadorian border, is the centralized area of coffee plantations in northern Peru. Arabica is the dominant coffee crop, 70% of which is Typica, 20% is *caturra*, and the remainder being of other types. About 75% of the coffee growing area lies at an elevation range of 1,000–1,800 meters (3,300–5,900 ft), and planting done in the shaded areas is to the extent of 2,000 plants per ha. Farming is done largely by small farmers, and coffee is handpicked. Organic coffee is grown on 90,000 hectares (220,000 acres).

Coffee produced in the country is mostly exported, and during 2012, 264,343 tons was exported to US, Germany, Belgium, Colombia, Sweden and others, while internal consumption was limited to about 10%. During 2014, coffee rust disease (*Hemileia vastatris*) affected 130,000 hectares (320,000 acres) in the central highlands of the country causing a decline of 6% in production vis-à-vis the 2013 figure; compared to the highest ever production of 30,900 tons, the shortfall was 15%.

In Africa coffee is grown in many countries and the selected countries are; Ethiopia, Rwanda, and Uganda.

Ethiopia is the origin of coffee Arabica, and it grows wide variety of exemplary coffee, highly differentiated, most of which are shade-grown by small farmers without chemical inputs (Dempsey 2006). Ethiopia is the largest producer of coffee and ranks fifth in the world and first in Africa by annual coffee production. For the past three to12 four decades, coffee has been and remains the leading cash crop and major export commodity of the country. Coffee accounts on average for about 10% of total agricultural production, 5% of Gross Domestic Product, and constitutes about 41% of total export earnings of the country (Worako 2008).

The number of coffee growers has been estimated in about one million smallholders' farmers. Most of them hold less than half a hectare of land, and grow 95 per cent of the coffee output (Oxfam 2008). Total annual coffee production is of approximately 280,000 metric tons (Dempsey 2006). Less than 40% of total national production of coffee is directed to official export markets (Worako 2008). The same study (Worako 2008) indicated that, annual domestic coffee consumption per household in the country is 24.5 kg and the per capita consumption is 4.5 kg. In Ethiopia livelihoods of approximately one quarter of the population depend on the coffee

sub-sector (Petit 2007). However, small holder coffee growers in Ethiopia face high transaction cost, lack of market information, poor infrastructure, and weak capital markets.

The coffee value chain in Ethiopia is composed of a large number of actors. It includes coffee farmers, collectors, different buyers, processors, primary cooperatives, cooperative unions, exporters and various government institutions (Gemech and Struthers, 2007). Ethiopian coffee is sold both at local level and at the international market, the latter mainly through the commodity exchange market and directly to international buyers through specialty market channels by coffee cooperative unions.

Normally, all Ethiopia coffee should pass through commodity exchange market since 2001, however, cooperatives have been granted permission to by- pass auction opening ways for direct sales (Dempsey, 2006). Cooperative Societies are advocated by the government of Ethiopia as the main pillars of development and key market institutions in its Agricultural development led industrialization strategy. This plan aims to unlock Ethiopia's agricultural growth potential by providing a better institutional environment for integrating small scale farmers into international market (FDRE, 2001).

Rwanda produces the prized Arabica Bourbon coffee, highly sought after in specialty coffee markets world over (SNV, 2012). It is grown by approximately 500,000 smallholder farmers on a total area of 33,000 ha (OCIR-Café, 2005). Despite the important role that the crop plays in the livelihoods of rural farmers, national coffee throughput has been declining since the early 1980s. National production reached a peak of 43,000 tons in the 1986/87 coffee season. Between 2000 and 2004, national coffee production hovered between 16,000 and 25,000 tons with an average yield of 2tons/ha (OCIR-Café, 2005). The production is relatively low when compared with main coffee producers in Africa such as Ivory Coast and Uganda, which produce an annual average of 3.5 and 2.7 million tons respectively.

Problems related to international coffee marketing include stringent quality standards, costly standards for certification and enforcement systems, bulking difficulties which limit regular supply of economic volumes, increased variability in prices and limited opportunities to manage price risk (ECART, 2007).

A number of initiatives have been crafted by both public and private sectors which have focused on the technical or productivity constraints affecting coffee farmers at the expense of institutional marketing arrangements for the crop. Rwandese coffee is considered to be of high quality and is sold to conventional markets such as the US, Europe and other parts of the globe. Strides have been made to improve the quality of Rwanda's coffee following the promulgation of the new coffee sector strategy in 1998.

However, the country's export coffee remains largely obscured on the global market. (Mutandwa, Kanuma, Rusatira, Kwiringirimana, Mugenzi, Govere and Foti, 2009) Challenges exist on how to effectively establish the country's coffee on the international market and also to ensure that the marketing system keeps up with changes in the dynamic global market for high quality coffee (Ntahontuye, 2008). Strategic management of the country's niche markets remains largely unexplored. This factor has also contributed to declining export earnings for coffee in the country (Mutandwa et al, 2009)

In Uganda Coffee is one of the most important cash crops playing a major role in the livelihoods of many poor people and is a major foreign exchange earner in Uganda. Uganda Coffee Development Authority (UCDA), the government agency responsible for the sector, estimates that about 500,000 households depend on coffee production. There are two main types of coffee grown in Uganda namely Arabica and Robusta coffee. Annual production on average is made up of 15% Arabica and 85% Robusta. In addition to serving as a main source of income, coffee has many other uses and thus provides many opportunities for value addition investment.

Coffee can be used as a medicine to cure asthma, headaches, and Alzheimer's disease. As a stimulant, coffee can inhibit sleep which can make someone to keep working for longer hours.. Coffee is mostly grown in mixed farms where it is intercropped with food crops such as bananas and beans which ensure households' food security. It is also grown among shade trees that result into sustainable coffee production, while ensuring a social, economic and suitable environment that requires a minimal use of agro-chemicals such as fertilizers, pesticides and fungicides. Cheap labor available in Uganda enhances great opportunities for investment in the coffee sector.

Coffee is a perennial crop and there are two main harvest seasons in Uganda for both Arabica and Robusta coffee (March-June and September-November). The main production season for

Robusta ranges May-August for Masaka and Western regions and November to February for Central, Eastern regions. In the case of Arabica, the main seasons are April to June for Western Region and October to February for Eastern and West Nile Regions.

For Arabica coffee, main crop This begins in April- July and the following crop is October to February. This is mainly in Ibanda and Kasese district.

Robusta Coffee is grown in the low altitude areas of Central, Eastern, Western and South Eastern Uganda up to 1,200 meters above sea level. Arabica coffee on the other hand is grown in the highland areas on the slopes of Mount Elgon in the East and Mt. Rwenzori and Mt. Muhabura in the South Western Region (1500-2,300 m above sea level). Unlike Robusta whose native habitat is the Lake Victoria Crescent, Arabica coffee is an introduced crop originating from Ethiopia. Arabica coffee is more competitive on the international market because of its superior quality. Uganda Robusta too has intrinsic quality attributes which also attract a premium on the international coffee market. There is, also, a new Arabica variety locally known as Tuzza,

commonly referred to as catimors which performs well in low altitude areas of the country predominantly zoned for Robusta coffee, (1,200-1,500 m). This variety is known for its high yielding capabilities, drought resistance and tolerance to diseases presenting a very attractive opportunity for investment.

Coffee growing areas in Central are Luwero, Mpigi, mukono, mityana, kayunga, masaka, rakai, mubende, kiboga. In Western Bushenyi, Ntungamo, Mbarara, kasese, Ibanda, Rukungiri. Generally the western region produces the highest quality of coffee. Other producing areas include; Buwenge, Jinja, Iganga, Kamuli. These districts are generalized as Busoga. This area produces the worst quality of coffee mainly because of post harvest handling and in addition they harvest mainly pre-mature coffee which had low levels of quality.

Coffee farmers in Uganda use mainly the low input system and households strongly rely on family labour for production. There is minimal use of agro-chemicals (fertilizers, pesticides and fungicides) and this practice has made Uganda a suitable country for organic coffee production. In general, the inputs in coffee production include land, labour, farm implements, seedlings, mulching, fertilizers, pesticides and fungicides, as well as transport. Good storage facilities are also essential for guaranteeing quality. Under medium management level, the yield of Robusta

and Arabica is 5000 kg/ha and 1,100 kg/ha of clean and parchment coffee respectively. The werage costs of production and yields per hectare are indicated in table 2 below product per day. Apart from exporting green coffee beans Coffee can also be roasted, ground to make coffee bowder which is in local coffee shops to prepare coffee drinks. Encouraging of local coffee hops and local people to consume coffee could also help on value addition.

Poffee is grown and exported by more than 50 developing countries, but the major consumers are in all industrialized countries like USA, EU and, more recently, Japan. Globally, coffee is the econd major traded commodity to oil and thus plays a vital role in the balance of trade between leveloped and developing countries, providing the latter with an important source of export earnings to pay for imports of capital and consumer goods. World consumption of coffee is projected to increase by 0.4% annually from 6.7 million ton in 1998 - 2000 to 6.9 million tons in 2010. Coffee consumption in developing countries is projected to grow from 1.7 million tons in 1998 - 2000 to 1.9 million tons in 2010, at an annual rate of 1.3%, while their share in the world narket is expected to increase from 26% in the base period to 28% in 2010. The projected higher growth rate for developing countries compared to developed countries is due mainly to higher neome and population growth in developing countries, with increased coffee consumption continuing to be concentrated in the major coffee producing countries. Finally, World production for coffee in the crop year 2006/07 (April-March) was 121.57m bags, an increase of 11% over the previous season, while consumption was forecast at 116m bags, according to the nternational Coffee Organization (IOC).

Jganda's coffee export volumes grew by 30% from 126,000 metric tons in 2006 to 265,853 netric tons in 2007. Values grew by 40% from US\$ 189 million in 2006 to US\$ 265.8 million in 2007. Uganda Coffee Development Authority 2006 report indicated that yields and international prices for coffee were expected to increase in 2008, which offers significant opportunities for nvestment in the sector. Therefore coffee export volumes are predicted to increase along with values.

Most of Uganda's coffee in the 2006/07 season was exported to the European Union which accounted for 72% market share of total exports as indicted below. The main country destinations were: The UK, Netherlands, Spain, Italy, Denmark and Norway. Outside the European Union, the main importing countries were Sudan, Singapore and China.

There are twelve main companies that imported Uganda's coffee in 2006/07. These were: Ecom Agro Industries, Olam International, Sucafina, Socadec, Drucafe, Cofftea, Luois Dreyfus, Bernard Rothfos, Volcafe, Dectrade, Icona café and El Mthalib. The addresses and other details of leading importing companies of Uganda coffee can be obtained on www.ugandacoffee.org

#### 1.1 Statement to the Problem

In the resent report on coffee exports in Uganda, in September 2017 coffee exports amounted to 341,839 60-kilo bags worth US \$ 38.58 million comprising 284,276 bags (US\$ 31.50million) of Robusta and 57,563 bags (US\$7.09 million) of Arabica.

Compared to the same month last year, Robusta exports increased by 98.99% while Arabica exports decreased by 12.91%. Similarly, Robusta value increased by 116.29% while Arabica decreased by 14.63% compared to September 2016. Coffee exports for 12 months (October 2016-September 2017) totalled 4.61 million bags valued at US\$ 545 million compared to 3.32 million bags worth US \$ 327 million in the corresponding period the previous year, an increase of 38.92% and 66.97% in quantity and value respectively.

Owing to this increase (38.82%) in quantity and 66.97% in value, there must have been an increase in coffee production from the regions producing and as per my case study the production of coffee by small scale farmers in Sironko District is determined by some factors ,like social factor, coffee production technology adoption and management of coffee cooperative societies.

It is inevitable to access the influence of these factors on the production of coffee by small scale farmers since this contributes to the total production of coffee that is exported by Uganda.

The results from the study will be useful to the Famers, Scholars, Business Development Service Providers, Cooperative Society Management, Policy makers and Implementers to know which factors determine production of coffee and income from coffee.

#### 1.2 Purpose of the Study

The purpose of the study was to assess the factors that influence coffee production by small scale farmers of two sub counties of Budadiri Town council and Busulani sub county in Sironko District.

#### 1.3 Specific Objectives

The specific objectives were to:

- i. Assess the influence of social factors on small scale coffee production in two sub counties of Budadiri Town council and Busulani sub county in Sironko District.
- ii. Assess the influence of adoption of coffee production techniques on small scale in two sub counties of Budadiri Town council and Busulani Sub County in Sironko District.
- iii. Establish the influence of coffee cooperative societies' management on small scale
- Coffee production in two sub counties of Budadiri Town council and Busulani sub county in Sironko District.
- iv.Examine influence of coffee value addition on small scale coffee production in two sub counties of Budadiri Town council and Busulani sub county in Sironko District

#### 1.4 Research Questions

The research questions of the study were:

- i.To what extent do the social factors of the small scale famers influence coffee production in the two sub counties of Budadiri Town council and Busulan sub county, sironko District?
- ii.To what extent does adoption of coffee production technology by small scale farmers influence coffee production in two Sub counties of Budadiri town council and Busulani Sub County?

iii. How does management of coffee cooperative influence small scale coffee production in the two sub counties of Budadiri Town council and Busulan sub county, sironko District?

iv. To what extent do coffee value addition influence small scale coffee production in the two sub counties of Budadiri Town council and Busulani sub county, sironko District?

#### 1.5 Significance of the Study

The study findings and recommendations are hoped to generate both practical and theoretical awareness important to other researchers, policy formulators, policy implementers, coffee Cooperative Societies, coffee factory Management and coffee stakeholders in revitalizing coffee sector.

The study was to form the ground for replication by development practitioners while designing coffee revival projects. It was also hoped to provide basis for further studies and also documenting factors influencing coffee production within the sub counties and the all district as well.

#### 1.6 Scope of the Study

#### 1.6.1 Content Scope

The study was conducted to assess the factors influencing of coffee production of small scale farmers of Sironko District in two sub counties of Budadiri town council and Busulani sub county.

The study was also carried out to establish the impact of cooperative societies' management on production of small scale farmers in Busulani sub county ,Budadiri town council in sironko District.

#### 1.6.2Geographical Scope

Sironko district is found in Eastern Uganda and it is neighboring Kenya. Budadiri and Busulani are found in sironko district.

#### 1.6.3Time Scope

The study was for five month and the first month was spent looking for the research topic. This took a lot of time as being so keen on which research topic to take on .The second month after the topic was got ,the research started on the proposal which is chapter one and the rest of the work continued in the remaining months.

#### 1.7 Basic Assumptions of the Study

The basic assumption of the study was that the sample was representative of the target population and the respondents were truthful

#### 1.8 Definitions of Significant Terms

Coffee Brewed beverage prepared from the roasted beans of several species of an evergreen shrub of the genus Coffea.

Cooperative Society Firm owned, controlled, and operated by a group of users for their own benefit. Each member contributes equity capital, and shares in the control of the firm on the basis of one-member, one-vote principle.

**Technology Adoption** Technology is also referred to as innovation which is anything new successfully applied into economic and or social processes. In coffee Production would refer to management of coffee plantations including the management of Nurseries, pruning and weeding procedures, use of fertilizers, pesticides, planting of new varieties and harvesting methods.

Strategic plan It is setting goals, determining actions to achieve the goals, and mobilizing resources to execute the actions. A strategy describes how the ends (goals) will be achieved by the means (resources).

Value addition To economically add value to a product and form characteristics more preferred in the market place. In Coffee value addition activities start at the very basic level of land preparation, fertilizer application, Pests and diseases control and management, irrigation, primary processing, secondary processing and facilities maintenance

#### 1.9 Organization of the Study

The study was organized in five chapters where chapter one gives the Background of the study. Chapter two gives the literature review, conceptual frame Work and theoretical framework while chapter three provides information on study research methodology, target population, sample size and sampling procedure, data collection methods, validity and reliability of the instrument, data collection procedures, data collection techniques ethical consideration and operational definition of variables.

Chapter four gave data analysis, data presentation and interpretation and finally, chapter five gave a summary of findings, discussion, conclusions and recommendations.

### CHAPTER TWO LITERATURE REVIEW

#### 2.0 Introduction

This chapter gives an overview on production of coffee in Uganda, overview of Cooperative concept, a review of related literature on independent variables of the study which includes influence of social factors, coffee production technology adoption, and management of cooperative.

The section has concluded by giving both theoretical and Conceptual framework of the study.

#### 2.1 Overview of Coffee Production in Uganda

Coffee is Uganda's most valuable agricultural export commodity, contributing US\$ 544 million in 2016/17, about 20 percent of total export earnings. Furthermore, the crop, employs over 3.5 million households. (EPRC)

Coffee is mostly grown in mixed farms where it is intercropped with food crops such as bananas and beans which ensure households' food security. It is also grown among shade trees that result into sustainable coffee production, while ensuring a social, economic and suitable environment that requires a minimal use of agro-chemicals such as fertilizers, pesticides and fungicides. Cheap labor available in Uganda enhances great opportunities for investment in the coffee sector .Coffee is a perennial crop. However, there are two main harvest seasons in Uganda for both Arabica and Robusta coffee (March-June and September-November). The main production season for Robusta ranges May-August for Masaka and Western regions and November to February for Central, Eastern regions. In the case of Arabica, the main seasons are April-June for Western Region and October-February for Eastern and West Nile Regions.

Robusta Coffee is grown in the low altitude areas of Central, Eastern, Western and South Eastern Uganda up to 1,200 meters above sea level. Arabica coffee on the other hand is grown in the highland areas on the slopes of Mount Elgon in the East and Mt. Rwenzori and Mt. Muhabura in the South Western Region (1500-2,300 m above sea level). Unlike Robusta whose native habitat is the Lake Victoria Crescent, Arabica coffee is an introduced crop originating from Ethiopia. Arabica coffee is more competitive on the international market because of its superior quality. Uganda Robusta too has intrinsic quality attributes

which also attract a premium on the international coffee market. There is, also, a new Arabica variety locally known as Tuzza, Coffee farmers in Uganda use mainly the low input system and households strongly rely on family labour for production. There is minimal use of agro-chemicals (fertilizers, pesticides and fungicides) and this practice has made Uganda a suitable country for organic coffee production.

#### 2.2 The Concept of Cooperatives

Cooperatives are user-owned, user-controlled and user-benefit organizations. They Could be agricultural, non-agricultural, unions or Savings and Credit Cooperatives(SACCOs). They operate in different sectors of the Economy including agricultural, handicraft, transport, housing development, building and construction, consumer services, banking and insurance (Gamba and Komo, 2006). Cooperatives are member-owned businesses; they aggregate the market power of people who on their own could achieve little or nothing, and in so doing they provide ways out of poverty and powerlessness. The representative body for cooperatives, the International Cooperative Alliance (ICA), defines a cooperative as an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations, through a jointly owned and democratically controlled enterprise.

This definition and the ICA set out seven cooperative principles: voluntary and open membership, democratic member control, member economic participation, autonomy, independence, education, training and information.

The first four of these are core principles without which a cooperative would lose its identity; guarantee the conditions under which members own, control and benefit from the business. The education principle is really a commitment to make membership effective and so is a precondition for democratic control, while cooperation among cooperatives is a business strategy without which cooperatives remain economically vulnerable. The last principle, concern for community, is about corporate responsibility, and it leads into other concerns such as prevention of poverty and protection of the environment (ICA, 2002).

#### 2.3 Literature Review on Independent Factors of the Study

This section reviews related literature on influence of social economic factors on small scale coffee production, technology adoption, management of coffee cooperatives, coffee value addition and influence of key players on coffee production.

#### 2.3.1 Social Factors Affecting Small Scale Coffee Production

At both advanced and young age farmers rate of adoption of agricultural technology is low (Akudugu,Guo, and Dadzie, 2012).

At the younger age, the scholar says farmers were not able to adopt modern agricultural production technologies, especially capital intensive ones because they did not have adequate resources to do so. At an older age they say that farmers' volumes of economic activities were reducing hence they were unable to pay for technologies.

Older farmers have accumulated years of experience in farming through experimentation and observations and may find it difficult to leave such experiences for new technologies. In addition, farmers' perception that technology development and the subsequent benefits, require a lot of time to realize, can reduce their interest in the new technology because of farmers' advanced age, and the possibility of not living long enough to enjoy it (Caswell, Fuglie, Ingram, Jans and

Kascak (2001), Khanna, (2001).

Elderly farmers often have different goals other than income maximization, in which case, they will not be expected to adopt an income –enhancing technology (Tjornhom, 1995).

Maximum level of education within the farm household has a positive relationship with the probability of adoption Akudugu et al, (2012).

The same author noted that farm households with well educated members are more likely to adopt modern agricultural production technologies than those without. This is because educated members even bring home modern agricultural production technologies, especially improved crop varieties and livestock breeds for relatives to adopt. This is consistent with the literature that education creates a favorable mental attitude for the acceptance of new practices especially of

information-intensive and management-intensive practices (Waller, Hoy, Henderson, Stinner and Welty (1998).; Caswell et al, 2001). Education involves impacting knowledge and skills to people which they use to generate income.

The more educated people thus have income to invest in agriculture thereby likely to adopt production technologies.

Gender is positively related to the adoption of modern agricultural production technologies by farm households. This means that male farmers are more likely to adopt modern agricultural production technologies their female counterparts. The reason for this is that men are the people who make production decisions in the study area and also control productive resources such as land, labour and capital which are critical for the adoption of new technologies (Akudugu et al, 2011). This finding contradicts those of Doss and Morris (2001) who in their study on factors influencing improved maize technology adoption in Ghana, and Overfield and Fleming (2001) studying coffee production in Papua New Guinea show insignificant effects of gender on adoption.

Age was found not to influence coffee eco certification certified and non-certified farmers in Tekangu cooperative society, Karatina by Kirumba and Pinard, (2010).

However, they found out that on average, certified farmers were slightly older than noncertified ones. The same trend was noted for household size, though certified households were slightly smaller than non-certified households. There was a highly significant relationship between the mean number of years spent in school for certified and noncertified farmers. The same Kirumba and Pinard, (2010) found no significant connection between mean number of household members on off-farm employment, farm size in hectares and the number of coffee bushes; for certified and non-certified farmers. The authors found that certified farms were larger in sizes, had more coffee bushes and more household members on off-farm employment than noncertified farms. They further observed significant relationships between the mean area under coffee in hectares, annual coffee production, number of adults working on farm, number of cattle owned, number of goats and sheep owned.

#### 2.3.2 Adoption of Production Techniques

Innovations are referred to as anything new successfully applied into economic and or social processes. In coffee production this would refer to the way farmers manage their coffee plantations including the management of nurseries, pruning and weeding procedures, the use of fertilizers and pesticides, the planting of new varieties and the harvesting methods. The value of an innovation must be measured with regard to its potential to generate benefits, like increase yields, stabilize incomes or and contribute to sustainable development. The value of the innovation is also a major factor determining its adoption. (Hartwich, and Scheidegger, 2010).

Coffee requires good nutrition which results in vigorous growth of plant which reduces susceptibility to pests and diseases. Adequate supply of nitrogenous fertilizer is associated with larger bold beans which are of high quality thus price. Organic fertilizer in form of Ammonium Sulphate Nitrate (ASN), Calcium Ammonia Nitrate (CAN), Ammonia Sulphate(AS) or Urea are Some of the fertilizers applied in coffee.

Increased productivity and reduced cost of production are the best strategies to enhance competitiveness of coffee farming in order to face international competitiveness and maintain the most important source of livelihood for the rural farming population in predominantly coffee production zones (Gicuru, 2011). The same report also indicates that problems of smallholder coffee farmers are compounded by the strict coffee management regulations that prohibited intercropping and emphasized on regular application of expensive inorganic fertilizers and pesticide sprays which increases the likelihood of failure given the high cost system is unsustainable or unprofitable due to falling output prices. Smallholder coffee production varies widely by the degree to which conventional technologies such as inorganic fertilizers and pesticides are adopted, as well as the extent to which technologies like Ruiru II and Batian a new coffee cultivars, and agro forestry technologies are adopted. This variation means differentials in the productivity, profitability and competitiveness of coffee farming.

Purely business-oriented farms are likely to adopt open-grown coffee and the other extreme will involve integration of coffee with food crops and/ or trees (Gicuru, 2011).

Integration of shade trees with coffee has continued to receive renewed policy and research attention due to increasing costs of inorganic inputs coupled with the high risk on the

environment. Growing coffee under shade has the desirable effects of suppressing weeds and preventing build-up of certain pests, thereby cutting costs of production and preventing net losses of coffee berries from diseases and pests. The optimum shade conditions for pest suppression differ with climatic conditions, altitude and soils (Staver, Guharay, Monterroso, and Muschler, (2001). Selection of tree species and density, pruning regime and spatial arrangement are important decisions that a farmer must make. Farmers who do not interplant coffee with trees or food crops have a less integrated system of growing coffee generally referred to as open-grown coffee farming.

Some farmers adopt shade-grown coffee by growing trees, shrubs or food crops in or around the field. These different coffee management systems have cost and productivity implications and may be significant factors affecting the profitability and survival of the coffee farming operation.

Apart from using shade trees in controlling weeds and pests, some coffee farmers adopt alternative low-cost technologies such as cover crops and mulching for weed control, cultural pest control as well as inter-planting food crops to hedge against risks. Other farmers continue to depend on high-cost systems that rely on external inputs. Overall, productivity of coffee is generally low but there is big farm-to farm variability implying that some farms are more productive than other farms.

The combination of different technologies and management techniques are likely to lead to differences in productivity and profitability (Gicuru, 2011).

In response to declining coffee prices, farmers have followed four distinct routes; namely, to uproot coffee, continue farming as before, or neglect the crop or practice coffee agro forestry.

Agriculture is not only an important source of income in developing countries, but it is also responsible for serious environmental damage. (Isik,2004; Sterner, 2003, World Bank, 2008a). A promising alternative to control the negative effects of agriculture on the environment and to increase the income of rural poor is ECO-labels. Awarded by a third party who controls that the production meets specific environmental criteria, ECO-labels allow consumers to compensate producers who use environmentally friendly and socially responsible practices.

Though the different labels privilege different environmental aspects of production, the non use of chemical fertilizers, the protection of the forest and the conservation of wildlife has been the focus of organic certificates. Certified organic cultivation generates positive impact to the community in the form of improvements in the environment. In addition, farmers benefit from improved market access and reduced health problems like intoxication due to misused of agrochemical (IFAD, 2003; Parrot, Olesen and Høgh-Jensen, 2007).

#### 2.3.3 Cooperative Governance

Cooperative governance can be viewed in terms of the management committee who are elected members of the cooperative society and the cooperative manager who is an employee of the cooperative society and not necessarily a member of the cooperative society.

The Management Committee is the highest elected executive institution in a cooperative enterprise. Members of the cooperative society are eligible for election into the management committee which acts on behalf of the members. These factory farmers' representatives from the cooperative society management committee which manages the affairs of the society on behalf of the members.

Everything done in the cooperative must be approved by the management committee (Koopmans, 2006). The management committee ensures that decisions taken can in fact be executed. The Management committee must guarantee a close correlation between theory and practice, between decision and execution. It is always good management policy to view every decision action in the context of the total activities of the enterprise, present and future.

In this case, the management committee must seek to discover the correlation between current actions and their future consequences (Hussi, Murphy, Lindberg and Brenneman (1993).

The cooperative Manager is the chairperson of the management committee, and the only paid officer in the enterprise. The cooperative manager initiates and presides over the meetings of the management committee, and prepares the agenda for those meetings. It is this officer who is most directly involved in the personal problems of members of the cooperative and of its employees.

The manager represents the cooperative in other forums, institutions and government bodies; and it is this person who is in charge of the operation of the different departments of the organization as well as for the preparation and execution of the socioeconomic policy of the cooperative. It is the manager who proposes plans, executes and evaluates (Kegonde,2005). Most farmers have become more business-minded as their own farm operations grow. They give more attention to their cooperative's management. They employ managers with more training and expect them to improve their knowledge and skills.

Also, a growing number of cooperative managers seek to become more proficient in managing the affairs of their cooperatives (Porvali, 1993). Public concern about food safety, pollution control, health and the environment, monopoly, standardization procedures and related issues focuses attention on the competence, integrity, and behavior of cooperative managers. As a result, cooperatives are becoming more aware of the need to indemnify cooperative managers who are subject to increased legal exposure. The growing impact of world markets, even on the individual family operation, is changing the management perspective from the local cooperative level.

The local is being viewed less and less as an independent entity and more and more as part of a system (Lindberg, 1993).

Poor governance and inefficiencies in cooperatives result in delays in supplying inputs to farmers, credit processing and payment to farmers for their produce. High costs of fertilizer and pesticides has, in some cases, forced the farmers to reduce application of these inputs, resulting in delivery of low quality cherries and substantial loss of small cherries during pulping stage in processing. The farmers get their earnings once a year, making it difficult for them to meet periodic expenses they incur both at the farm and at personal levels. In addition, there is still tight regulation in today's Kenyan coffee sector. The regulations not only all require smallholders to process their coffee through a cooperative, but prohibit direct purchase from farmers. Farmers also have limited information on the coffee market and existing member associations are structurally weak to act as feedback mechanism to farmers (Chege, 2012).

#### 2.3.4 Coffee Value Addition

Value-addition for coffee range from very intricately processed and packaged, to simple additions or processes that can add to the worth of the final product. The Coffee Value addition activities start at the very basic level yet very crucial in determining the final quality of the end product. Such activities include essentials such as appropriate land preparation, fertilizer application, pests and diseases control and management, irrigation, primary processing, secondary processing and facilities maintenance (EPZ, 2014). Value additions along the coffee value chain have been dismally low and skewed against the farmer who gets seven percent of the market value, which is hardly a tenth of what accrues at the milling and marketing stage in the value chain. The bulk of value added accrues at the roasting stage of the value chain (Chege, 2012).

The high level of consumption has been achieved though a promotion strategy that offers various brands made available in social places. Increasing local coffee consumption can enhance local processing capacity that can be utilized for value addition and eventually the country should be able to export finished coffee products (Karanja and Nyoro, 2002).

Different ways of adding value to coffee includes: Grow organic Coffee which many buyers in the export market will happily pay 30 -60% more for better taste and health, in line with the emerging trends and lifestyle in the major target export markets, Sell something unusual or hard to find, have a special farm or estate label, or a recognizable brand, Sell direct and deliver to high-end consumers such as restaurants and hotels who put a premium on freshness and focusing on Coffee as product with unique or special qualities due to the soil in which it is grown, or altitude or special climatic niche (EPZ 2014).

Sustainable coffee is increasingly becoming an important segment of the market offering a lot of new opportunities with a lot of support from European supermarkets and roasters.

The four major European certifications for coffee production standards are Fair-trade, Organic, Rainforest Alliance and UTZ certified. Value added coffee by-products include: as a Source of dietary fibre; Coffee spirit; Charcoal production; Mushroom cultivation; Production of citric acid and gibberellic acid; Antioxidant compounds; Source of natural food colour; Production of aroma compounds; Biogas production and Sources of phenolic compounds (EPZ, 2014).

Coffee branding through the Geographical Indication for single-origin coffee is a relatively new concept that could improve value addition along the supply chain. Coffee branding according to the zones of origin widens the market through segmentation. The farmers could use coffee branding to strategically position themselves, through partnerships, and reduce price spread between producer and retail level. This may be achieved through joint ventures in investment that allows local roasting and packaging of the product before exportation. Further, the partnership can take the form of contract farming. Contract farming has ancillary benefits in the form of credit arrangement for critical inputs and may also embrace insurance schemes. For such developments to be useful to farmers, the government may need to play a role in mediating and establishing the ground rules for this arrangement.

#### 2.4 Theoretical Framework

The study is based on Fredrick Taylor theory of management which led the development of a theory of management that analyzed work flows. Its main objective was improving economic efficiency especially labor productivity. He attempted to apply science to the engineering of processes and management. Taylor believed in standardization of best practices and wreathed traditions preserved merely for its own sake or to protect the social status of particular workers with particular skills sets.

He advocated for transformation of craft production into mass production and knowledge transfer between workers and from workers into tools, processes and documentation.

Taylor noticed that natural differences in productivity between workers were driven by various causes including differences in talent, intelligence or motivation. He applied science in understanding why and how these differences existed and how best practices could be analyzed, synthesized and then propagated to other workers through standardization of process steps. He believed that decisions based upon rule of thumb and tradition should be replaced by practical procedures developed after careful study of an individual at work, including via time and motion slides which would synthesis the one best way to do any given task. The goal and promise was both an increase in productivity and reduction of effort.

Taylor observed that some workers were more talented than others and that even smart ones were often unmotivated. He observed those workers who were forced to perform repetitive tasks

tended to work at the slowest rate that goes unpunished. Taylor observed that, when paid the same amount, workers tend to do the amount of work that the slowest among them does. This reflected the idea that workers had vested interest on their own well-being and don't benefit from working above the defined rate of work when it will not increase their remuneration.

He proposed that time and motion studies combined with rational analysis and synthesis could uncover one best method of performing any particular task and that prevailing methods were seldom equal to these best methods.

Taylor acknowledged that if each employee's compensation was linked to their output, their productivity could go up. His compensation plans included piece rates. He rejected the idea that the trades including manufacturing were black art that couldn't be analyzed. In his empirical studies he examined various kind of manual labour and discovered many concepts. He decided that labour should include rest breaks so that workers could get time to recover from mental and physical fatigue. As a result productivity increased (Kidombo, Ndiritu and Gakuu, 2013).

#### 2.5 Conceptual Framework of the Study

The independent factors of the study included influence of: social factors, coffee

production technology adoption, management of coffee Cooperative Societies and value addition while the dependent variables included coffee productivity per tree and the number of tree per farm. Other factors affecting coffee production were government policies, weather, politics and culture.

The Conceptual Framework of the study is shown in Figure 1

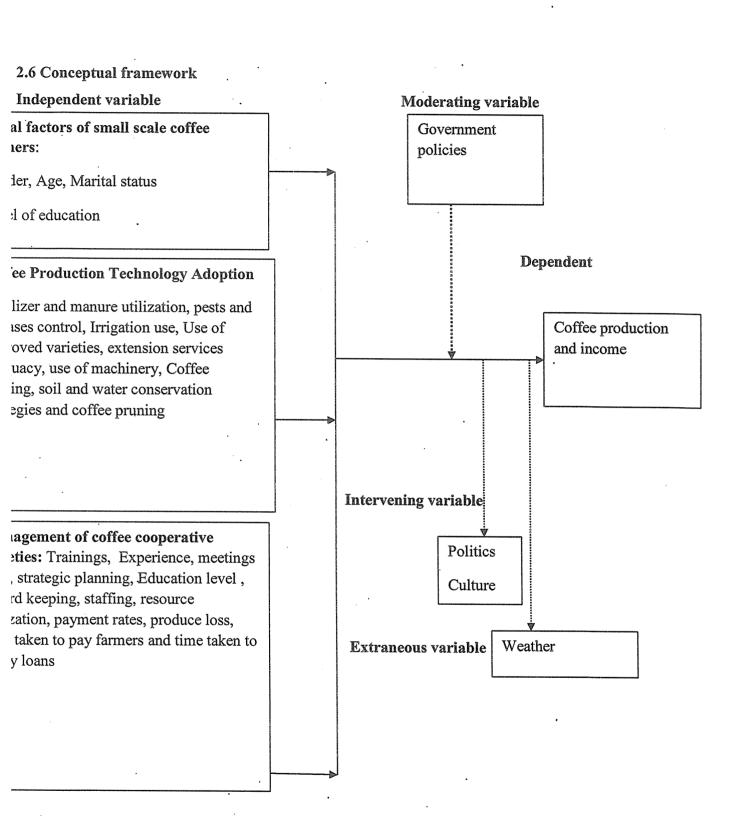


Figure 1: Conceptual flame work

#### 2.7 Related Literature Review on Production of Coffee

Akudugu et al, (2012) found both young and advanced age, gender and education level within household influenced modern agricultural technology adoption in Nigeria, while Overfield and Fleming (2001), Doss and Morris, (2001) study contradicts gender influences technology adoption in coffee in Papua New Guinea, Maize in Ghana.

Kirumba and Pinard (2010) noted that age did not influence coffee eco certification in Tekangu – Karatina, Kenya.

Both Gicuru (2011) and Staver et al (2001) agrees that adoption in technology like cultural practices will minimize cost of production but productivity will be low and adoption of more expensive technologies will improve profitability and advocates for higher payment for organic produced coffee. Both Parrot et al (2007) and IFAD, (2003) agree that organic cultivation will benefit farmers from market access and reduced health problems.

Chege, (2012) cites poor governance and inefficiencies of cooperatives to cause delay in supplying inputs and processing credits.

He also cites high cost of inputs, lack of information dissemination, poor leadership, strict regulations, delayed payment and lack of farmers' ownership of societies, over regulation of the industry, coffee value chain organization structure to contribute to low production.

According to Karanja and Nyoro (2002), low coffee production in Kenya results from international price fluctuation which saw Kenya reduce annual production of 130,000MT of clean cherry in 1987/88 to current 50,000MT.

The authors reported that increased cost of production has reduced profitability of the enterprise making it less competitive. He cited low profit of Kshs 14,000 per ton has resulted farmers uprooting the crop and farming other better paying crops and converting coffee farms to prime residential houses where such farms are around big towns like Kiambu, Nyeri town and Nyanza regions. This is also in agreement with Kegonde, (2005) coffee production is on decline.

He attributed low production to high cost of coffee production he says is contributed by inadequate credit facilities, high cost of credit and other inputs like fertilizers and irrigation, and strict laws by Coffee Board of Kenya of restricting production to gazetted area and laws

prohibiting uprooting crop which discourage farmers going in coffee farming. UNCTAD, (1999) cites massive overproduction, collapsing of international prices, deteriorating quality, diseases and climate change as the main causes of low coffee production.

The researcher addressed the knowledge gap of influence of social factors, influence of extent of technology adoption, influence of management of coffee cooperative societies, influence of coffee value addition and influence of roles of key players in small scale coffee production to both bridge the knowledge gap and also check whether the findings of study done elsewhere holds with the small scale coffee production in Budadiri Town Council and Busulani Sub county in Sironko district

## CHAPTER THREE RESEARCH METHODOLOGY

#### 3.0 Introduction

This chapter provides an overview of the research methodology which was employed in the study. It gives a description of the research design used, the target population, sample size and sampling procedure and data collection methods and instruments.

Measures used to ensure validity and reliability of the instruments is also given in the chapter together with data analysis, presentation, procedures and ethical considerations.

#### 3.1 Research Design

The research study employed a descriptive survey design. According to Best (2004), a survey is a means of gathering information about the characteristics, actions or opinions of a group of people, referred to as population. It describes data and characteristics about a population and phenomenon being studied. The descriptive survey design helps answer the questions like who, what, where and how on describing the phenomenon on study. This design is appropriate for the study because it will enable data collection from a large population.

#### 3.2 Target Population

Target population is that population that the researcher wants to generalize the results of the study. Mugenda and Mugenda (2003) define target population as the entire group a researcher is interested in or the group about which the researcher wishes to draw conclusions. The target population of the study wills the 600 small scale coffee produces in Busulani sub county and Budadiri town council in Sironko District,

#### 3.3 Sample Size and Sampling PSrocedure

According to Mugenda and Mugenda, (2003) non probability purposive sampling method is adopted where a group has the required information with respect to the objectives of the study and offer in depth information about the study.

In the coffee farmers' strata, the researcher will use the following formula adopted from Cochran, (1963) in order to determine the sample size.

$$n = N/[1 + N(e) 2]$$

Where; n = sample size N = Population size, e = Level of significance

$$n = 600/[1+600(0.07)2 = 152]$$

#### 3.4 Data Collection Methods

The study will use primary data, which will be collected using questionnaires and interview guides. The researcher will administer the questionnaires to respondents via personal interviews. The questionnaires shall comprise of a variety of questions which shall be structured into different sections with each of the sections addressing a specific objective. Both open and closed questions will be included in the data collection tool. Questionnaires for all strata will be structured in five parts. The first part shall capture the demographic information of the respondent while the second, third and fourth parts will be designed to collect data on technology adoption, cooperative management and value addition.

#### 3.5 Validity of Instruments

According to Mugenda and Mugenda (2003), validity is a measure of relevance and correctness. It is the accuracy and meaningfulness of inferences which are based on the research results. Data collection techniques must yield information which is not only relevant to the research questions but also correct. For the purpose of this study, the researcher will consult the research supervisor. He will visite the Sub County Cooperative officer in Sironko before conducting the study in order to ascertain the validity of the research instruments. The specialists confirmed that the issues were pertinent to the topic of study. Construct validity will also be used which according to Mugenda and Mugenda (2003), is appropriate where no criteria or domain of content is accepted as an adequate measure of content. This will be determined by measuring correlation

between concepts with theoretical framework. High Correlation of factors with theoretical framework means that the instrument is valid.

#### 3.6 Reliability of the Instruments

According to Mugenda and Mugenda (2003), reliability is a measure of the degree to which a research instrument yields consistent results or data after repeated trials. Methods used to test for reliability included pilot testing

#### 3.6.1 Pilot Testing

Pilot testing as a smaller version of a larger study that is conducted to prepare for the study or to field test the survey to provide a rationale for the design (Orodho 2004). It involves pre-testing of the instruments to determine their validity and reliability. The researcher will pilot-tests the instruments by using a different but a similar group from a different division and then made necessary adjustments. A pilot study will be conducted in order to test the reliability and validity of the questionnaires. The aim of the pilot survey will be to test whether the design of questions was logical, if questions are clear and easily understood whether the stated responses were exhaustive and how long it would take to complete the questionnaire. The pre-test will also allow the researcher to check whether the variables collected could be easily processed and analyzed. The pre-testing will be carried out on a sample consisting of 10% of the respondents. Any question found to be interpreted differently during the pre-testing will rephrased so that could have same meaning to all respondents. Views given by the respondents during pre-testing will be analyzed and used to improve the questionnaires before actual collection of data.

#### 3.7 Data Collection Procedures

Three research instruments were to be used in the study for data collection: Interview schedules for Coffee Cooperative Societies Management staff and stakeholders and questionnaires for coffee farmers.

The researcher was formulating the instruments and administers them to the respondents whereby relevant questions concerning the study were asked through face to face to interviews. The researcher sought approval for the study from the University supervisor and after the study proceeded with: data collection process and study instrument administration; Pilot testing;

Revision of the data collection instruments after the pilot study; Reproduction of required copies for data collection upon approval by supervisor; Administration of data collection instruments to respondents; Collection of duly completed research instruments, assessment of filled questionnaires through serialization and coding for analysis; Data analysis and discussion; preparation of conclusions and recommendations.

#### 3.8 Data Analysis Techniques

Once all the data was collected from the field, it was cleaned and captured for coding then the variables were entered and analyzed using Statistical Package for Social Sciences of any version IBM 20 and EXCELL.

#### 3.9 Ethical Considerations

The researcher relied on ethical issues as identified by Mugenda and Mugenda (2003), while undertaking this study. The researcher followed the three principles of ethics which include respect, beneficence and justice. The participants were informed of the purpose of the study before information was sought from them thus conforming to the principle of voluntary and informed consent. Honesty, integrity and confidentiality was highly maintained throughout the study.

## 3.9.1 Operational Definition of VSariables

The operational definition of variables is presented in Table 3.0

Table 3.1 Operational definition of Variables

objective	variable	Indicators	Measureme	ent scale	Tool of analysis	Type of analysis
	independe nt			•		
Assess the influence of social factors on small scale coffee	Social factor	Gender of household head		Nominal	percentage	Descriptive ,inferential
production in Budadiri town council and		Age of the household head		interval	percentage	Descriptive, inferential
Busulani sub county Sironko District		Marital status of household head		Nominal	percentage	Descriptive Inferential
		Education level of household head		Ordinal .	percentage	Descriptive Inferential
Assess the influence of adoption of coffee production	Coffee production technology	Fertilizer of org	anic manure	ordinal	percentage	Descriptive Inferential
technologies on small	adoption	Adequacy of so conservation stra		ordinal	percentage	Descriptive
scale coffee production in		Pests and incidences	diseases	nominal	percentage	Descriptive Inferential

Budadiri town		Coffee pruning	nominal	percentage	Descriptive
council and					T., C., 1
Busulani sub county					Inferential
Sironko District		Use of irrigation .	nominal	percentage	Descriptive
					Inferential
		Number of improved varieties	ratio	percentage	Descriptive
		variotios		•	Inferential
		Type of improved varieties	ordinal ·	percentage	Descriptive
	•	Adequacy of extension visits	nominal	percentage	Descriptive
•		Use of machinery	nominal	percentage	Descriptive
		Adequacy of coffee shading	nominal	percentage	Descriptive
Establish the	Manageme	Meeting held	nominal	percentage	Descriptive
influence of coffee	nt	Strategic planning	nominal	percentage	Descriptive
cooperative	of coffee			portoniago	Descriptive
societies		Coffee marketing	nominal	percentage	Descriptive
management on	Cooperativ	·			,
small scale coffee	e Societies			•	Content
production in	Boolettes	staffing	Nominal	Mean,	Descriptive
Budadiri town	•			nomonto co	
council and				percentage	
Busulani sub county		Education level of	ordinal	Mean,	Descriptive
Sironko District		management		percentage	
		Experience level of management staff	ordinal	Percentag e ,mean	Descriptive

	D 11			
	Record keeping	nominal	percentage	Descriptive
	Produce loss	ratio	percentage	Descriptive
	Payment duration	ratio	percentage	Descriptive
	Debts owned	ratio	percentage	Descriptive
	Loan payment duration	ratio	percentage	Descriptive
	Training held	nominal	percentage	Descriptive
Coffee	Domestic coffee	ratio	Percentag	Descriptive
value	consumption		e	
addition			, mean	
		•		
	Utilization of	ratio	Percentag	Descriptive
	coffee- by		e,mean	
	products			
:	Ratio			
	Amount of	ratio	Percentag	Descriptive
	fertilizer applied		e ,mean	
	per tree		•	
•	Amount of .	ratio	Percentag	Descriptive
•	manure applied		e ,mean	
	per tree			
	value	Payment duration  Debts owned  Loan payment duration  Training held  Coffee value consumption  Utilization of coffee- by products Ratio  Amount of fertilizer applied  per tree  Amount of manure applied	Produce loss ratio  Payment duration ratio  Debts owned ratio  Loan payment duration ratio  Training held nominal  Coffee value consumption  Utilization of ratio  coffee- by  products  Ratio  Amount of ratio  fertilizer applied  per tree  Amount of ratio  manure applied	Produce loss ratio percentage  Payment duration ratio percentage  Debts owned ratio percentage  Loan payment duration ratio percentage  Training held nominal percentage  Coffee value consumption  Utilization of ratio Percentage e, mean  Utilizer applied per tree  Amount of ratio Percentage e, mean  Amount of ratio Percentage e, mean  Amount of ratio Percentage e, mean

	·				
·					
		Adoption level	Interval	percentage	Descriptive
	-	of crop	٠		
		protection			
•					
			interval	percentage	Descriptive
•		Coffee marketing	nominal	percentage	Descriptive
					Content
					analysis
					•
	Dependent	Coffee yield in	ratio	Mean,	Descriptive
	Improved	Kilograms			* C 1
	coffee	Kilograms		percentage	Inferential
·	production		•		
		Number of	ratio	Mean,	Descriptive
•		coffee trees		percentage	Inferential
			•		
		· · · · · · · · · · · · · · · · · · ·		J	

#### CHAPTER FOUR

#### DATA ANALYSIS, PRESENTATION AND INTERPRETATION

#### 4.0 Introduction

This chapter provides analysis, presentation, interpretation and discussion of the data collected from the study on factors influencing small scale coffee producers in Budadiri Town Council and Bususlani Sub county in Sironko District.

#### 4.1 Questionnaire Return Rate

A total of 124 questionnaires which included 108 from small scale coffee farmers 2 from coffee cooperative management staff and 4 from key coffee stakeholders were used in the study and all were returned which was good for analysis and report writing.

#### 4.2 Social Composition of the Respondent

The researcher sought to investigate influence of social factors on small scale coffee production. The social factors studied included age, gender, marital status and education level of small scale coffee farmers.

Table 4.2.1 Social Composition of the Respondent by Gender and Age

	•			age of the resp	age of the respondent				
٠		•	•	Less than 30 years	30-45 years	45-60years	Over 60 years		
,		count		12	47	22	8	89	
Gender o	male of	% Total	of	11.1%	43.5%	20.4%	7.4%	82.4%	
respondent		Count		3	7	7	2	19	
A OSP OMUCAL	female ·	% Total	of	2.8%	6.5%	6.5%	1.9%	17.6%	
		Count		15	54	29	10	108	
Total		% Total	of	13.9%	50.0%	26.9%	9.3%	100.0%	

Source: Researcher, 2018

From Table 4.2.1, there s inequality in small scale coffee growers gender.82.4% were males compared to the females who made 17.6%. Most small scale farmers were in the age bracket of 30-45 years and males dominated (43.5%) compared to females with 6.5%. Young farmers made 13.9% compared to those above 60 years (9.3%).

**Table 4.2.2 Respondents Marital Status** 

marital Status of the respondent

	N	Percent
single	6	5.6
married	85	78.7
Widowed	8	7.4
Divorced	8	7.4
Any other specify	1	.9
Total	108	100.0

Source: Researcher, 2018

Table 4.2.2 shows that the majority of the farmers were married, (78.7%), 5.6% single, 7.4% widowed and the same number were divorced.

Table 4.2.3 Composition of Respondents by Level of Education

	Frequenc	Percent
	у	,
Primary	47	43.5
Secondary	42	38.9
Diploma	15	13.9
Degree	4	3.7
Total	108	100.0

Table 4.2.3 shows that majority of the farmers had Primary education (43.5%), 38.9% had Secondary education, 13.9% had Diploma, 3.7% had degrees.

#### 4.3 Coffee Production Technique Adoption

The researcher sought to assess influence of coffee production techniques adoption on yield.

#### 4.3.1 Coffee Production Management Practices

The researcher sought to investigate extent to which adoption or lack of adoption of agricultural techniques influenced coffee yield by assessing whether: pests and diseases, manure application, fertilizer application, coffee pruning practices, use of irrigation, extension services, mechanization, coffee shading and soil and water conservation strategies influenced yield in a 'Yes' response for attribution and 'No' for not attributing to yield loss. Results of analysis are shown in Table 4.3.1

Table 4.3.1 Influence of Coffee Production Techniques on Coffee Yield

Issue	Causes of low coffee yields					
	N .	Yes percentage	No percentage			
Pests and diseases	108	93.5	6.5			
Manure utilization	108	40.7	59.3			
Fertilizer utilization	108	38.0	62.0			
Pruning practices	108	38.7	61.3			
Use of irrigation	108	5.6	94.4			
Soil and water conservation	108	50	58			
Extension services	108	12	88			
Mechanization	108	6.5	93.5			
Coffee shading	108	55.6	44.4			
Mean	12	37.84444	63.04444			

Source: Researcher, 2018

Table 4.3.1 shows that low coffee production by small scale farmers is caused pests and diseases 93.5%, the majority were losing crop due to technological adoption.

#### 4.3.2 Ranking influence of Coffee Production Technologies

The researcher sought to investigate the extent to which various coffee production techniques adoptions practices influenced production. This was achieved by asking the farmers to rank the importance of: use of inorganic fertilizer, manure use, pruning practice, adoption of improved cultivar and pests and diseases incidence in influencing coffee yield. A category of 1 not important, 2 important, 3 fairly important, 4 very important and 5 extremely important was used.

Table 4.3.2 Ranking of technological factors affecting coffee production

Type of the	N	Rank on 1 to 5 point
technique		liker scale
		Percentage
Fertilizer application	108	59.3
Manure application	108	13.9
Poor pruning practices	108	3.7
Use of improved varieties	108	13.9
Pests and diseases	108	9.3
Mean .		20.02

Source: Researcher, 2018

From Table 4.3.2 shows that factors were ranked low with 20.02%.fertilizer application was ranked highest by 59.3% and poor pruning practices ranked lowest with 3.7%.

#### 4.3.3 Analysis of correlation between factors

The researcher correlated above factors to establish the relationship between then and measure the extent of relationship using Pearson Correlation. The results are shown in Table 4.3.3

		Fertilizer	Manure	Poor Pruning	Use of	Pests and
,		Application	Application	practices	improved	diseases
	. •	,			varieties	
7019	Pearson Correlation	1	287**	.069	303**	.014
zer	Sig. (2-tailed)		.003	.477	.001	.888
ation .	N	108	108	108	108	108
e e	Pearson Correlation	287**	1	078	.330**	.008
ation	Sig. (2-tailed)	.003		.425	.000	.931
ation	N	108	108	108	108	108
runing	Pearson Correlation	.069	078	1	<b></b> 035	.300**
es	Sig. (2-tailed)	.477	.425		.717	.002
CS	N	108	108	108	108	108
of	Pearson Correlation	303**	.330**	035	1	.061
/ed	Sig. (2-tailed)	.001	.000	.717		.529
es	N	108	108	108	108	108
1	Pearson Correlation	.014	.008	.300**	.061	1
and	Sig. (2-tailed)	.888	.931	.002	.529	
<i>-</i>	N .	108	108	108	108	108

#### \*\*. Correlation is significant at the 0.01 level (2-tailed).

From Table 4.3.3 there is a low correlation between manure application and use of improved varieties, 0.33.

This is 33% of manure application was adopted with use of improved varieties. There is a negative correlation between use of improved varieties and fertilizer use. The same is with poor pruning practices and manure application.

#### 4.3.4 Adoption of Improved Cultivars

The researcher investigated the level of adoption of coffee improved cultivars which are higher yielding and resistant to diseases as an indicator of low cost production, quality and yield. The results are shown in Table 4.7

Table 4.3.4 shows number of tree varieties.

Coffee variety	Mean
SL14	1535.28
SL28	606.88

Table 4.3.4 shows that most farmers had local varieties of S114 which dominated with a mean of 1535.28 and SL28 with a mean of 606.88.these varieties are resistant to diseases and pests. Many farmers had no improved varieties.

#### 4.3.5 Inorganic Fertilizer Adoption Rate

The researcher sought to investigate the level of input application by farmers which influence yield and quality by assessing inorganic fertilizer adoption rate.

Table 4.3.5: Inorganic fertilizer adoption rate

#### Application of fertilizer to coffee trees

	N .	Percent
Yes	76	70.4
No	32	29.6
Total	108	100.0

The results in Table 4.3.5 show that 70.4% of the sampled farmers were applying fertilizer to coffee against 29.6% who did not apply.

#### 4.3.6 Inorganic Fertilizer Usage

The researcher sought to find out whether the farmers were using the recommended fertilizers for coffee production. Use of proper type of fertilizer ensures nutrients are available for use of the crop when needed. Improper use of inputs is wasteful as the nutrients are not available to the plant when needed. Usage of fertilizer by the small scale farmers is indicated in Table 4.3.6

Fertilizer type	N	Percent
CAN	38	35.2
NPK	40	37.0
Total	78	72.2
Did not apply	30	27.8
Total	108	100.0

Source: Researcher, 2018

NB: CAN= Calcium Ammonium Nitrate (CAN), ASN=Ammonium Sulphate Nitrate (ASN), NPK= Nitrogen Phosphorus and Potassium

Table 4.3.6 shows that 35.2% of farmers used correct fertilizer recommended by coffee extension officers, 37.0% used NPK27.8% did not apply fertilizer at all.

Out of the farmers sampled, 72.2% applied fertilizers in their coffee farms.

#### 4.4 Influence of Cooperative Society Management on Coffee yield ·

Good governance of organizations influences performance by motivating employees and other stakeholders. The researcher sought to investigate whether management of coffee cooperative societies in Budadiri Town Council and Busulani sub county was satisfactory to the members which influence commitment in increasing productivity.

### 4.4.1 Satisfaction of Farmers with Governance of Coffee Cooperative Cocieties

The researcher measured the level of satisfaction of the farmers coffee yield by asking the farmers to rate their satisfaction with governance of their societies compared to those of their competitors in 1 strongly disagree, 2 disagree, 3 neutral, 4 agree and 5 strongly agree point Liker scale. The governance issues included satisfaction with: Farmers meetings, strategic planning, payment rates, and efficiency of resource management, staff hiring process and farmer's trainings.

Farmers Satisfaction Level with the Cooperative Society Management

Tab4.4.2 The manager calling for farmer's, meetings

·	N	Percent
strongly	67	62.0
disagree		02.0
disagree	35	32.4
Neutral	3	2.8
strongly agree	3	2.8
Total ·	108	100.0

Source: Researcher,2018

Tab4.4.3 The cooperative society has the best strategic plan

	N	Percent
strongly	55	50.9
disagree		30.9
disagree ·	40	37.0
Neutral	1	.9
agree	4	3.7
strongly agree	8	7.4
Total	108	100.0

Source: Researcher, 2018

Tab4.4.4 The cooperative society gives us better payment rates than any other channel of marketing

	Ŋ	Percent
strongly	40	37.0
disagree	10	37.0
disagree	50	46.3
Neutral	1	.9
agree	7	6.5
strongly agree	10	9.3
Total	108	100.0

Source: Researcher,2018

Tab4.4.5 The cooperative society manages the resources efficientlys

	N	Percent
strongly	44 .	40.7
disagree		40.7
Disagree	46	42.6
Neutral	3	2.8
Agree	6	5.6
strongly agree	9	8.3
Total	108	100.0

Source: Researcher, 2018

Tab4.4.6 The cooperative society is more robust in hiring staff

	N	Percent
strongly disagree	39	.36.1
Disagree	49	45.4
Neutral	8	7.4
Agree	4	3.7
strongly agree	8	7.4
Total ·	108	100.0

Source: Researcher,2018

Tab4.4.7 The Cooperative Society Officers trains us on best method of managing coffee

	N	Percent
strongly	46	42.6
disagree	70	72.0
Disagree	47	43.5
Neutral	6 ·	5.6
Agree	1	.9
· strongly agree	8	7.4
Total	108	100.0

Source: Researcher, 2018

86.1% contend with the fact that cooperatives offer trainings on best methods of managing coffee and 8.3% agreed. Concerning hiring staff 89.5% were not satisfied, 11.1% were satisfied and 7.4 were neutral. On resource management majority and payment rates, 83.3% were not satisfied.

In general, the results show the farmers' feelings about the cooperative management were negative. This shows cooperative services to the farmers did not benefit them.

The researcher shared with only (2) two cooperative society staff and this was from two societies of Yawe Growers cooperative society and Sulani Growers cooperative society. These were the only active ones and only in Busulani sub county.

These were all men, married and over 60 years of age.

In Yawe growers' cooperative society the information given showed that they did not get credit from any financial institution compared to Sulani were they could get credit it took them on year to pay back.

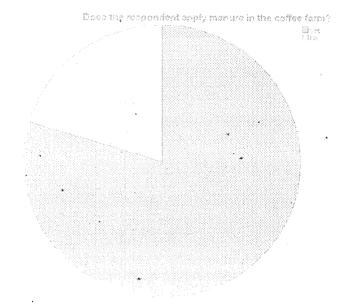
In these societies, they had a committee comprising of;

Chairman, vice chairman, Treasurer, security, weighs man and other 3-4 committee members.

The chairman is the Head of the society and these two I interacted with were chairmen.

In their speech, they revealed that key coffee grower s have out competed them(cooperatives) due to more extension services offered to the farmers and the relatively better prices offered by them.

#### 4.5 Input Utilization Rate



The researcher sought to find out the level of manure use in the coffee farms by coffee farmers.

Figure 4.5 shows manure utilization by farmers

Figure shows that most farmers used mature in their coffee farms.

#### 4.5.1 Domestic Coffee Consumption

The researcher sought to find extent of domestic coffee consumption which influences level of coffee management hence quality s ,price and income .

Table 4.5.2: Domestic coffee consumption

٠	N	Percent
yes	62	57.4
No	46	42.6
Total	108	100.0

Source: Researcher,2018

From the table 4.5.2, 57.4% consumed coffee and 42.6% did not consume coffee.

The most coffee consumed here is locally made by farmers themselves.

Table 4.5.3: Utilization of coffee by- products

		N	Percent
	Charcoal	19	17.6
	Agro	7	6.5
Valid	forestry	,	0.5
vanu	Manure	60	55.6
	None	21	19.4
	Total	107	99.1
Missing	System	1	.9
Total		108 .	100.0

Source: Researcher, 2018

Table 4.5.3 shows that 55.6% of the coffee by-product is used as manure during the study farmers who make by-products of coffee as manure put back in the gardens as mulches, 19.4% coffee by-products is not used for any work.

#### CHAPTER FIVE

## SUMMARY OF FINDINGS, DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter presents a summary of the key findings, a comparative discussion and conclusions based on research findings. The chapter ends with recommendations for coffee revival, policy action and further research.

#### 5.2 Discussion

This section presents discussion of findings on factors affecting coffee production in Budairi Town Council and Busulani Sub County. They include; influence of social factors, agricultural techniques adoption, and management of coffee cooperative societies.

#### 5.2.1 Influence of Social Factors

The study established that coffee farming in Budadiri Town Council and Bususlani Sub County In sironko district was a male dominated enterprise with 82.4%male ownership against 17.6% women. Age of majority of farmers (50%) ranged between 30 to 45years. Majority, (78.7%) of coffee farmers were married people. There was a very low correlation between level of education and yield of coffee by small scale farmers.

This disagrees with Akudugu et al, (2012) findings that technology adoption was higher with maximum education level within a household. These findings also agree with Akudugu et al (2012) that at both young and advanced age farmers were financially constrained to invest in high cost technology.

The study contradicts Akudugu et al (2012) findings that gender of farmer influence technology adoption hence production but agrees with Doss and Morris (2001) and

Overfield and Fleming (2001) findings that gender insignificantly influence technology adoption hence production.

#### 5.2.2 Influence of Agricultural Technique Adoption

The second objective of the study was to assess the influence of coffee production Techniques on yield. The study established that 37.84% of respondent attributed low yield to techniques production techniques adopted. The study further established that 63.04% of the respondents did not attribute production techniques adopted to be a cause of low coffee yields.

According to the study pests and diseases (93.5%) attributed much to the low coffee yields by small farmers in this area of study.

In addition they disclosed that poor pruning practices as also a cause of low coffee yields in their farms of coffee. They added that proper pruning methods clears weeds and other clipping plants that grow on coffee trees, branches are cleared and given enough light to bear the cherries after flowering.

The study agrees with both Kegonde, (2005), Karanja and Nyoro (2002) findings that low coffee yield is due to low technology adoption. Both authors attributes low technology adoption to high cost of inputs, poor infrastructure.

#### 5.2.3 Influence of Cooperative Society Management

The third objective of the study was to establish the influence of coffee cooperative societies management influence on small scale coffee production. The study established that small scale coffee farmers had by 86.1% contended with the fact that cooperatives offer trainings on best methods of managing coffee, Concerning hiring staff 89.5% were not satisfied, On resource management and payment rates majority, 83.3% were not satisfied.

With the findings out of the study, there was no much influence of the cooperative management on the production of coffee by small scale farmers in these two sub counties in Sironko district. This comes with the fact that many coffee key prayers have out competed the societies. for example Olam (U) LTD, Kyagalanyi, Nasaaga Investments. These buy from farmers and they have extended services to almost every coffee grower willing to partner with them.

#### 5.2.4 Influence of Coffee Value Addition

The fourth objective of the study was to examine the influence of coffee value addition on small scale coffee production. The study established that there was consumption of 57.6% of coffee by the coffee farmers . Those who did not consume coffee attributed it to coffee not being available and not affording it. Some claimed they prefer other beverages. The study also established there was low adoption of irrigation by 5.6% and Mechanization adoption was 6.5%.

#### 5.3 Conclusions

The conclusions made from the study are given below:

- 1. The study revealed that education level of the farmers was not correlated with productivity of coffee per tree. This was seen when a farmer with a primary certificate produces more coffee than those with diploma.
- 2. Low yield was due to low utilization of inputs, poor agronomic practices and high incidences of pests and diseases. High pests and diseases irrespective of high adoption of fertilizer were due to underutilization.
- 3. Farmers were less satisfied with roles of cooperative society management

#### 5.4 Recommendations

The following recommendations were made from the study;

- 1. The National Government needs to develop law on minimum education requirement for farmers just like any other career academic skills requirement. This will ensure increased output as the better educated farmers are able to understand technology and apply them and also promote education
- 2. The Ministry of Agriculture should promote adoption of improved cultivars which are more yielding than the traditional varieties and pests and diseases resistant. This will improve yield and quality and make the enterprise more profitable. This could be achieved by putting up factory managed nurseries.
- 3. Government should increase manpower by hiring more agricultural extension workers and agronomists. It must also revive Coffee cooperative societies and should introduce a capacity building programme in which farmers are taken through seminars on good coffee agricultural practices. In turn, the graduates should become trainers of their colleagues on best practices.

- 4. To ensure high return for the produce the county Government comes up with farm input subsidy programme and also ensures the inputs are supplied to farmers timely. This will be through improving of transport and communication infrastructure. To ensure proper utilization of inputs, the ministry of Agriculture staff should sensitize farmers through trainings. To ensure adherence to the standard the factory management should put up surveillance systems on crop management
- 5. The cooperative societies need invest in mechanization of operations to ensure efficiency and also put improve factory infrastructure like dying tables and automation of services.

#### 5.6 Suggestions for Further Research

The following are suggested areas for further research

- 1. The study looked at influence of social factors affecting coffee production in Budadiri Town Council and Busulani Sub County but did not look at economic factors. Another study on influence of economic factors on coffee production in the same area need to be done. Secondly,
- 2. A study to ascertain the economic factors influencing adoption of improved coffee cultivars need to be done. Thirdly,
- 3. A study to ascertain influence of soil PH on coffee yield need to be done in various coffee growing zones in order to come up with coffee fertilizer recommendation for farmers.

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#### **APPENDICES**

#### APPENDIX 1: TRANSMITTAL LETTER FOR RESPONDENTS

#### TRANSMITTAL LETTER FOR RESPONDENTS

Madanda Benard

Budadiri Town council

Sironko district.

benardmadanda@gmail.com

Tel: 0706805703

#### Dear Respondent,

I am a student of the Kampala International University pursuing a Bachelors Degree of Science in Statistics.

I am conducting academic research study on the assessment of Factors influencing Coffee Production in Busulani Sub county and Budadiri Town council in Sironko district. This questionnaire has been prepared to obtain information on factors affecting coffee production for individual farmers. Please note that all the information provided for this study will be treated with utmost confidentiality. Your ability to answer all the questions comprehensively and to the best of you knowledge will be highly appreciated.

Thank you for your co-operation and precious time.

Yours faithfully,

Madanda Benard

1153-05194-02059

## APPENDIX 2: HOUSEHOLD QUESTIONNAIRE FOR SMALL SCALE COFFEE FARMERS

## HOUSEHOLD QUESTIONNAIRE FOR SMALL SCALE COFFEE FARMERS

#### Instructions

Please tick in the appropriate box and also fill in the blank spaces provided for those questions where answers are required. You are requested to complete this questionnaire as honestly and objectively as possible. Use the space at the back of this questionnaire if you need more space for your responses.

Respondent initials	Date	Lcn	
Part A Demographic Data			
1A. Gender of the responden	t 1. Male [ ]		2.Female [ ]
2A. How old are your?	1. Less than 30	years []	2.30-45 years []
3.45 – 60 years [] 4.Over 60 years []			
3A. what is your marital stat	us 0. Single []	1. Married []	2. Widowed [ ]
. •	3. Divorced []	4. Any other speci	fy
4A. What is your level of ed	lucation 1. Primary []	2. Seco	ondary [ ]
3. Diploma [ ] 4. Deg	gree [] 5.Any	other specify	•••••
		. •	
Part B production technique	ie Adoption		
Please tick the number that b	est describe causes of le	ow coffee yield in you	ır farm
5. Pests and diseases infestat	ion 1. Yes		2.No[]
	3. Any other specify [	]	••••••
6. Manure use	1. Yes []	2. No [ ]	
	3. Any other specify [	]	•••••
7. Fertilizer use	1. Yes [ ]	2.No[]	
	3. Any other specify.		•••••
8. Coffee pruning practices	1. Yes [ ]	2. No [ ]	
	3. Any other specify	•••••	•••••
9. Use of irrigation	1. Yes [ ]	2.No[]	
3. Any other specify			
•			

10. Water and soil conser	rvation strategies	1. Adequate [		2. Inadequate []
3. Any other spec	ify		********	
11. Extension services	1. Yes [ ]		2. No []	
•	3. Any other s	specify[]	•••••••	*******
12. Mechanization of farm	m operations 1. Y	es [ ]	2. No [ ]	
3. Any other specify	•••••	* * * * * * * * * * * * * * * * * * * *	•••	
13. Shading of coffee tree	es 1.Ade	quate [ ]	2.Inadequate [	
	3. Any other s	specify	•••••	•
14. In a scale of 1-5, plea	se rank below fact	ors as influenc	ing low coffee yi	elds
0. Fertilizer Application	The state of the s	1. Manure Ap	pplication	
2. Poor Pruning practices		3. Use of imp	proved Varieties	
4. Pests and diseases				
1= Not Important 2= Im	nportant 3= Fairly	y Important 4	=Very importar	nt
5= extremely Important	t			•
15. How many coffee tree	es do you have in y	our farm?	•••••	
16. How much coffee do	you produce per y	ear?	••••••	
17. How many of these v	arieties do you hav	re?	•	
S.NO	Variety	Num	iber of trees	
1	SL14			
2	SL28			
3	SL32		1	
4	Any other specify	7 .		
	***************************************			
MA 40110000 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1				
17. Do you apply fertilize	er to your coffee tr	ees?	1. Yes []	2. No [ ]
18. If no. 18 above is a	nswer is yes, which	ch fertilizer do	you apply to c	offee during long rain
season? 1. CAN []	] 2.Urea	a[]	3.NPK []	4.ASN [ ]
5. Any oth	ner specify	••••••	• • • • • • • • • •	6. I do not apply []

#### Part C. Cooperative Management

Please tick the number that best describe your feeling about the management of your coffee cooperative society compared to your competitor

#### Part D Coffee value addition

coffee

1. Charcoal []

The cooperative society is more robust in hiring staff

23

25. Do you apply manure to your coffee trees?	1. Yes []	2.No[]
26. If answer to question number 25 is yes, how n	nuch manure do you apply per	tree per year in?
***************************************		
28. Do you consume coffee at home?	1. Yes []	2.No[]
29. If no, why?		
0. I don't like it []		
1. It is not available [ ]		
2. I cannot afford []		
3. Others specify		
30. In what other ways do you utilize coffee and i	t's by products?	

The cooperative society officers trains us on best method of managing

- 2. Agro forestry [ ]
- 3. Manure []
- 4. None []
- 5. Others specify.....

# APPENDIX 3: COOPERATIVE SOCIETY MANAGEMENT STAFF QUESTIONAIRE COOPERATIVE SOCIETY MANAGEMENT STAFF QUESTIONAIRE

Please tick in the appropriate box and also fill in the blank spaces provided for those questions where answers are required. You are requested to complete this questionnaire as honestly and objectively as possible. Use the space at the back of this questionnaire if you need more space for your responses.

Factory Name	Society Nam	ne		
Respondent initials	• • • • • • • • • • • • • • • • • • • •			
Part A: Respondent bio data			•	
1. Gender of the respondent.	1. Male [ ]	2. Fem	ale[]	
2. How old are you?	1.Less than 30 years	[] 2.30-4	2.30-45 years []	
	3.45 – 60 years []	4.Over	4.Over 60 years [ ]	
3. What is your marital status?				
4. Sep	arated [] 5. Any o	ther specify	*********	
4. what is your level of education?			ondary [ ]	
3. Diploma [ ]4. Degree [ ]	] 5.any other specify			
Part B: Production technique adop	ption	•		
5. On average, how many cherry do	you society handle in	one year in		
Kgs?				
6. Are you satisfied with above prod	uction level?	1. Yes	[] 2. No []	
•	3. Any other specify.		•••••	
7. What are the major causes of low				
i	•••••	,	•	
ii	• • • • • • • • • • • • • • • • • • • •		·•	
iii		*****		
iv		••••••	••	
8. What do you think can be done to				
	•	-		
	•••••	• • • • • • • • • • • • • • • • • • • •	• • • • • • •	
	•••••		•••••	

rare or cooperative	c bociety ivialiagement	•				
9. Which post do you	ı hold in the society?					
1. Manager []	2. Secretary []		3.Treasurer []			
,	4. Any other specify	••••••				
10. For how long have you been in that post?		1. Less than 3 years [	]			
2. 3-5 years []	3. 5-10 years []	4. others specify	4. others specify			
11. Do you keep records in your society?		1. Yes []	2.No[]			
3. Any other specify.	***************************************	••••••				
12. Have you had any	y training for the last one	year? 1. Yes []	2. No [ ]			
13. How many times	have you held farmers m	eeting in the last one year?				
1. 1-3 times [ ] 2. 3-5 times [ ]		3. Over 5 time	s[]			
4. Other speci	ify	•••••	•			
14. Do you sometime	es take credit from finance	ial institutions or any other l	ending institutions?			
1. Yes	3[] . 2	. No [ ]				
15. If yes, how many	months does it take to cl	ear the loan?	•			
16. How long do you	r members take to be paid	d after delivering the produc	e to your society?			
******************						

### APPENDIX 4: INTERVIEW SCHEDULE FOR COFFEE STAKEHOLDERS

### INTERVIEW SCHEDULE FOR COFFEE STAKEHOLDERS

You are requested to	complete this q	uestionnaire as	honest	ly and o	bjectively as possible. Use the
space at the back of the	nis questionnair	e if you need m	ore spa	ace for y	our responses.
Respondent Initials	Da	ate	•		
A. Bio Data					
5.Gender of the respo	ndent	1. Male [ ]		2. Fem	ale [ ]
6. How old are you?	1.Less than 30	years []	·		
•	3.45 - 60 years	s [] 4.Over 60 years []		rs [ ]	
7. what is your level	of education	1. Pre primary	[]	2.Secon	ndary []
3. Tertiary []	4. University [	]	5.any	other spe	ecify
8. Institution of the re	spondent 1. UC	DA[] 2.Coop	erative	es [ ]	3. Key coffee players []
4. Any other specify.	• • • • • • • • • • • • • • • • • • • •	•••••	• • • • • • • •	• • • • • • • • • •	
Part B. Production t	echnique adop	tion			
9. What is the average	e coffee produc	tion per farmer	per tre	e?	••••••
10. What is the poten	tial production i	in kgs per tree?	• • • • • • • •		•••••
11. What are the major	or causes of farr	ners not achiev	ing the	potentia	al production?
•	*******	• • • • • • • • • • • • • • • • • • • •	• • • • • • • •	• • • • • • • • •	•••••
	•••••	• • • • • • • • • • • • • • • • • • • •		• • • • • • • • •	•••••
Part C. Cooperative	society Manag	gement			
12. What percentage of small scale coffee is sold though cooperative society?					
13. What is the gross	payment per Ki	ilo?	•••••	• • • • • • • • • • • • • • • • • • • •	••••••
14. Are there differen	itial in payment	among factorie	s or co	ffee soc	ieties?
15. If there are, wh	at practical me	asures can ma	nagem	ent take	to improve their efficiency?
Please list them					
	· • • • • • • • • • • • • • • • • • • •	•••••	• • • • • • •	• • • • • • • • • •	••••••
		*************	• • • • • • • •	• • • • • • • • • • • • • • • • • • • •	•••••

Part D: Coffee value addition
16. What is the level of usage of the following inputs by small scale coffee farmers?
i. Fertilizer
ii.Manure
iii. Diseases control chemicals
iv. Pest control chemicals
v. Irrigation
17. What various ways do farmers utilize coffee and it's by products? Please list them
18. As a key coffee stakeholder, what practical measures do you think can be taken to revive the
sectors?
· Thank you