



North Uganda Shea Project

Organic exports from Lira District,

Otuke country

Project Period – 1st May 2005 to

30th April 2008

Project End Report Executive Summary

**Submitted to
Embassy of Sweden
Place, Country**

**Grolink / Agro Eco
Alastair Taylor
August 2008**

Report no: 2009-01

Executive summary

The North Uganda Shea Project (NUSP) is built around a partnership of 3 key players in the value chain: the exporter based in Kampala (KFP Ltd), the processing company based in Lira (ALCODE) and Rwot Ber Women's Association (RWBA) based in Otuke County of Lira District. The project worked on development around the collection, certification, processing and marketing of Wild Harvest Organic Shea products, mainly Shea nuts and Shea butter/oil. The target was to export around 30t of Shea oil annually by the end of the second project year. These nuts would be gathered by 1000 members of RBWA.

The project started at a time when Otuke County was still a recognised conflict area and suffering greatly under the rebel activities of the Lord's Resistance Army (LRA). The RBWA members were all living in Internally Displaced People (IDP) camps and travel in the area had to be made with caution. Due to this situation Sida requested EPOPA to carry out a Conflict Analysis on the work and impact of the NUSP on the people involved and the conflict in general. This was carried out by specialist organisations – Saferworld UK and Cecore Ug - and their final recommendations were that the NUSP had a neutral or positive impact on the move towards peace building. The NUSP was allowed to proceed with its interventions taking into account the recommendations of the conflict analysis.

An internal control system (ICS) was developed and organic procedures put in place for the operations of ALCODE and KFP. The ICS and organic protocols were inspected by IMO/Naturland and Wild Harvest Certification for all three NUSP partners – including 1533 RBWA members - was first achieved in early 2006. This allowed KFP Ltd to begin intensive marketing of the unique “Shea Nilotica” which has a softer profile than the more commonly known West African type. In 2006 KFP only sold small “sample” size quantities of Shea oil. In 2007, interest in the Shea oil increased allowing KFP Ltd to market about 1.2t and this was complimented by a sizeable order of 20t of nuts (17.6t were delivered). The Shea nuts were sold on the regional market and Shea oil was marketed to Germany, the USA and East Africa. KFP and ALCODE are also producing retail packed products for sale on the national market.

The NUSP brought together the three tripartite partners and they continue to work together as the EPOPA support finished. However, within the EPOPA project period, it cannot be claimed that a sustainable business has been established. Each of the partners is very determined that their own part of the value chain will succeed, but challenges of organisation, processing output, quality considerations, trade finance and secure market linkages still need to be addressed. The return of peace to Otuke and the re-location of RBWA association members to their village homes has created the opportunity of additional organic crop marketing to

complement the marketing of Shea products and this should allow certification costs to be shared and additional income generated (the organic conversion of RBWA fields was supported through a separate EPOPA Specific Support project and is reported separately).

As the project ended, 300 RBWA members had delivered Shea nuts to the project and in doing this had earned an extra \$27.30 each. In the village situation this amount is appreciated, but can not be considered as a significant increase in the members income. However, the NUSP has had many positive “development” effects within the partners and Otuke County. The NUSP gave hope to the RBWA members whilst they were still in IDP camps, it has given regular employment to the small team involved in the ALCODE processing plant, it allowed RBWA members to return to their village homes with a commercial determination to succeed, it built capacity at all levels, gave value to a natural resource – the Shea tree – and gave all the project partners a great pride in knowing that they were certified organic and selling their products globally.

It has been a privilege for the EPOPA technical team to work with the NUSP partners, but we acknowledge that we leave a delicate and fledgling business which could benefit from more technical and financial support.