



By Growing, Exporting Vanilla, Ugandan Farmers Add to Income

BY THOMAS J. HERLEHY

We are earning so much money from growing vanilla," exclaims Mrs. Banakola, a Ugandan farmer. "Now we can pay school fees for our children, buy paraffin for cooking and afford enough flour, sugar, salt and bread to feed our families. This vanilla is really helping us."

Banakola's enthusiasm is shared by 600 other farmers living in Uganda's Mukono District, near the shores of Lake Victoria. With USAID assistance, they are participating in an innovative project to re-establish vanilla exports. The vanilla project is just one of several export schemes that are being supported by the USAID/Uganda Agricultural Non-Traditional Export Promotion Program. Since 1988, USAID has been helping the government of Uganda's Export Policy Analysis and Development Unit identify export opportunities and provide assistance to export-oriented agribusinesses.

Uganda stopped exporting vanilla in 1971 when Idi Amin came to power and expelled foreigners. Almost 20 years later, Aga Sekalala Jr., a commercial dairy farmer, asked the Ugandan government for help in identifying export opportunities. After a 1990 feasibility study determined that Ugandan farmers could produce a vanilla bean of export quality, Sekalala approached USAID about funding a pilot project to export vanilla. He was willing to invest his time and money, but he could not cover all project costs by himself. Sekalala needed assistance to identify an international buyer, rehabilitate a vanilla curing (drying) facility and train farmers in growing, nurturing, pollinating and harvesting a bean of high quality.

"I spent a long time discussing this vanilla project with the USAID staff," said Sekalala. "At first, USAID was reluctant to provide financial support and technical assistance to just one businessman. But after I explained to them that the biggest benefit of this project would be additional income for the many men and women who grow vanilla, USAID agreed."

With a grant of \$86,000 from USAID/Uganda and \$20,000 from the Africa Project Development Facility (APDF) in Nairobi, Kenya, Sekalala began working. He made contact with four international spice firms and sent test market samples. One firm, McCormicks of Baltimore, Md., agreed to purchase the vanilla. McCormicks also provided advice on quality control and recommended low-cost equipment for the vanilla curing facility.

In 1990, several hundred men and women farmers cultivated vanilla beans for Sekalala. Using the USAID grant and his own money, Sekalala purchased five metric tons (5,000 kilograms) of vanilla beans, which yielded about one metric ton of cured vanilla beans. He sold the entire quantity to McCormicks in January 1991.

"I paid the vanilla farmers 3,600 Uganda shillings (about \$4) for one kilogram of fresh vanilla beans," says Sekalala. "This is far above what farmers were being paid for coffee, our main export, so farmers



Farmers bring freshly harvested vanilla beans to Sam Kasirye's (right) weighing and buying station.

became very enthusiastic about vanilla." Coffee farmers were being paid 220 Uganda shillings (about \$.25) for one kilogram of high quality arabica coffee.

McCormicks paid Sekalala \$40 per kilogram for the cured vanilla, much less than the premium price of \$72 per kilogram paid for Madagascar (Bourbon) vanilla. Sekalala accepted McCormicks' price because it enabled him to establish a market niche, to cover his costs (which included local transport, processing, storage, packaging and air freight to the United

States) and generate a modest profit. Sekalala agrees that the price differential is justified until Uganda demonstrates that it can deliver high-quality produce year after year. He is optimistic. "My tests and McCormicks' confirm that Uganda can produce a vanilla bean that meets the quality of the best Madagascar vanilla," he asserts. "We must produce consistently high quality crops first; then everything else will follow."

Since February 1991, Stephen Caiger, a spice production and marketing specialist funded by the USAID grant, has been helping local farmers achieve that quality. He registers men and women vanilla farmers and teaches them appropriate cultivation, pollination and harvesting practices. He identifies progressive farmers, especially those who can read and write English, and trains them to serve as extension agents. For example, two private extension agents, Joseph Oler and Susan Mugabi, receive 1,000 Uganda shillings (\$1) per month under the USAID grant to Sekalala.

During their visits to vanilla farmers, they use an illustrated field manual prepared by Caiger. The manual is being translated into LuGanda for the benefit of farmers who do not speak English.

"We believe the project is succeeding because it is moving slowly and not overwhelming indigenous capacity," says Caiger. "After a month of training local farmers and investigating potential vanilla growing areas, we leave the local farmers alone for several months before coming back to see how they have done."

"Vanilla is a good crop for Ugandan farmers because they can raise their in-

comes without abandoning other crops in the process," notes Keith Sherper, USAID/Uganda mission director. "Vanilla vines grow almost anywhere and are often planted among coffee trees and banana plants because vanilla requires some shade to

grow well. Since vanilla is being grown by both men and women, both are benefiting from increased income."

Sekalala continues to invest his own time and money in the vanilla project. He makes no-interest loans to farmers so that they can buy machetes to cut weeds and

rejuvenate their vanilla vines. He sponsors monthly farmer meetings at his own farm where he provides advice on proper farming practices, such as techniques of pollinating vanilla by hand and applying compost and organic fertilizer. At these meetings, Sekalala also awards bicycles and farming tools to progressive farmers. Every Friday, Sekalala sponsors a 30-minute radio program, "Calling Farmers."

The program, broadcast in LuGanda, the local language, provides farmers with advice and news about a variety of agricultural matters that directly concern them. Interviews with farmers help maintain a large radio audience.

Ugandans are anxious to raise their living standards and improve their welfare by exporting what they can grow. With USAID support, they have initiated vanilla exports. But they are not content to stop with vanilla. "We want to grow more things like this vanilla," Banakola told Caiger recently. "We want to do more work! What else can you show us that will bring even more money?"

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A USAID-sponsored spice production and marketing specialist, Stephen Caiger, meets with private extension agents Joseph Oler and Susan Mugabi to plan daily visits to vanilla farms.

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