

Uganda's potential in tea production and recovery:

As indicated already tea covers an area of about 21,000 ha. This is only about 10% of the suitable fertile land for tea estimated at over 200,000 ha countrywide. The potential areas identified are in the districts of Kabarole, Bushenyi, Kanungu, Rukungiri, Mityana, Kibaale, Hoima, Kisoro, Wakiso, Mbarara, and Nebbi /Zewu. There is therefore need to tap this yet an exploited potential.

This requires encouraging current investors to expand their investment and also new investors to join the industry.

The current investors should be commended for their investment undertakings which have brought the industry back in production after the collapse of the 1970s. Total production is currently almost 1.5 times as much as it was at its highest in 1972 before the industry started collapsing.

Much of the investment money used was borrowed money which all these investors are still paying back. All of them are also still continuing with the expansion at the moment for example:

M/S Rwenzori Commodities Ltd in the last three to four years has invested heavily by:

Planting over 1000 ha of new tea and employees over 3000 workers

Have set up a big factory to manufacture both black and green tea using C.T.C and orthodox systems;

Opened a number of feeder roads etc.

The tea sector's recovery can be seen from the table below:

Table: Tea production trend since 1972:

Year	acreage	Production, tones	Export tones	Average price/kg	%ge contribution to world export
1972	19,085	23,376	20,678	0.85	
1973	20,426	21,944	19,160	0.81	
1974	20,778	21,688	16,662	0.92	
1975	20,894	18,374	16,964	0.96	2.50
1976	20,896	15,387	11,652	0.91	
1977	20,896	15,179	14,662	1.73	
1978	20,905	10,910	8,663	0.96	
1979	20,905	1,832	1,417	1.02	
1980	20,905	1,533	526	0.61	0.10
1981	20,905	1,672	501	0.68	
1982	20,905	2,580	1,198	0.73	
1983	20,905	3,204	1,333	1.45	
1984	20,905	5,233	2,604	1.48	
1985	20,905	5,784	1,254	1.82	0.10
1986	20,905	3,335	2,792	1.19	
1987	20,905	3,600	2,079	1.20	0.20
1988	20,905	3,512	3,078	0.00	0.30
1989	20,905	4,620	3,134	0.79	0.30
1990	20,905	6,704	4,760	0.74	0.40
1991	20,905	8,950	7,050	0.98	0.70
1992	20,500	9,129	7,817	0.76	0.80
1993	20,500	12,289	10,251	1.03	0.90
1994	20,500	13,461	10,971	1.07	1.10
1995	20,500	12,692	10,682	0.81	1.00
1996	20,500	17,418	14,982	1.15	1.30
1997	20,531	21,075	18,260	1.79	1.60
1998	20,570	26,422	23,355	1.38	1.90
1999	20,570	24,730	22,100	1.29	1.80
2000	20,570	29,282	26,388	1.55	2.00
2001	20,570	33,255	30,447	1.16	
2002	20,570	33,788,	31,108	0.89	
2003	20,570	36,474	34,068,	1.21	
2004	21,000	37,018	35,000,	1.32	
2005	21,000	37,733	33,070,	1.16	
2006	21,000	36,725	32,698	1.65	
2007	23,000	44,913	43,638	1.35	

