

# Uganda

## Overview



### Commodities

Dashboard

Context

Wages

What's happening

41%

Population below international poverty line

€29

per month

National minimum wage

€147

per month

Rural living wage

72%

Agricultural workforce

23%

Agriculture share of GDP

4

high

Risk to workers' rights

## Context

Uganda has a population of roughly 44 million people,<sup>[1]</sup> with 76% of the population residing in rural areas,<sup>[2]</sup> and the remaining 24% in urban areas.<sup>[3]</sup> Nearly 72% of the population is employed in agriculture,<sup>[4]</sup> a sector that represents 23% of the country's GDP.<sup>[5]</sup>

Smallholder farmers in Uganda are responsible for 80% of the country's agricultural output and represent almost the totality (89%) of Ugandan farmers. The average size of a smallholder farm in Uganda is 1 hectare. Almost 60% of smallholder farmer income is generated on-farm, with the majority of labour coming from the household itself. Many smallholders (85%) sell their products directly to consumers at local markets accepting the potential loss of income due to the lack of infrastructure and transportation. Maize and beans are the most widely cultivated staple crops in Uganda and are used both for sale and consumption. The majority of coffee in Uganda is also produced by smallholder farmers, although they often have difficulty complying with quality standards.<sup>[6]</sup>

Sugar cane, plantains, maize and cassava are the top produced commodities in Uganda.<sup>[7]</sup> Regarding the country's main exported commodities, these include maize, coffee, dry beans, cow milk, wheat and sugar.<sup>[8]</sup>

# Wages

## Minimum Wage

The minimum wage in Uganda is set at 130,000 Ugandan shillings (29 EUR) per month.<sup>[9]</sup> However the minimum wage has not changed since 1984 and is much lower than the government's poverty income level. In addition, labour law enforcement is significantly low in Uganda due to the country's low resources for monitoring. Furthermore, labour law does not cover workers in informal sectors, many of whom are agricultural and domestic workers.<sup>[10]</sup>

## Living Wage

The **Global Living Wage Coalition** has developed a living wage benchmark for rural Uganda in the Lake Victoria region with context in the floriculture sector. In Uganda flowers are grown almost exclusively for export markets, with over 90% of its flower production exported to the Netherlands.

Based on the Anker methodology, the living wage for workers near floriculture farms in rural Uganda is estimated at 652,311 Ugandan shilling (147 EUR) per month. This is the living wage required by workers who live in rural areas near to floriculture sector farms to afford a basic but decent standard of living. The estimated living wage is more than 4 times the minimum wage and also more than double the median prevailing wage in the flower farms.<sup>[11]</sup>

## What's happening

### RESOURCE

#### Living Wage Benchmark, Rural Uganda ↗

Living wage estimate for floriculture farm workers to be able to afford a basic but decent living standard in Lake Victoria basin, Uganda.

### RESOURCE

#### Assessing Coffee Household Income ↗

This report by True Price and Fairtrade focuses on finding out how much do coffee farmers actually earn and what is Fairtrade's contribution in their income.

### INITIATIVE

#### Global Coffee Platform - Uganda ↗

The Global Coffee Platform is the leader organization in sustainable coffee and has established ten country platforms including one in Uganda.

### RESOURCE

#### Living Income Benchmarking of Rural Households ↗

This research article provides a simple method for estimating rural living incomes and applies it in three cases in East African countries.

### INITIATIVE

#### Moyee Coffee ↗

Moyee, is a coffee company which helps producers capture more product value, leaving 400% more money in the producing country following a 50-50 philosophy.

### RESOURCE

#### Time for some Truly Good Coffee ↗

This report sheds light on the social sustainability issues in coffee producing countries.

## Footnotes

1. World Bank. (2019). <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=UG>
2. World Bank. (2019). <https://data.worldbank.org/indicator/SP.RUR.TOTL.ZS?locations=UG>
3. World Bank. (2019). <https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=UG>
4. World Bank. (2020). <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=UG>
5. World Bank. (2019). <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=UG>
6. FAO. (2018). Country Fact Sheet – Uganda. <http://www.fao.org/3/i8359en/i8359EN.pdf>
7. FAOSTAT. (2018). [http://www.fao.org/faostat/en/#rankings/commodities\\_by\\_country](http://www.fao.org/faostat/en/#rankings/commodities_by_country)
8. FAOSTAT. (2019). [http://www.fao.org/faostat/en/#rankings/commodities\\_by\\_country\\_exports](http://www.fao.org/faostat/en/#rankings/commodities_by_country_exports)
9. Wage Indicator Foundation (2020). Minimum Wage - Uganda. <https://wageindicator.org/salary/minimum-wage/uganda>
10. U.S. Department of State. (2019). <https://www.state.gov/reports/2019-country-reports-on-human-rights-practices/uganda/>
11. Khan, A. and Buyinza, F. (2019). Living Wage Report: Rural Uganda, Lake Victoria Basin- Context Provided in the Floriculture Sector. Global Living Wage Coalition. [https://www.globallivingwage.org/wp-content/uploads/2020/10/LW-Report\\_Rural-Uganda\\_2019-1.pdf](https://www.globallivingwage.org/wp-content/uploads/2020/10/LW-Report_Rural-Uganda_2019-1.pdf)