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FACTORS DETERMINING THE PRICING OF ARABICA COFFEE IN MBALE DISTRICT: A CASE STUDY OF BUKIEDE AND BUSOBA SUB COUNTIES

BY

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A RESEARCH REPORT SUBMITTED TO THE DEPARTMENT OF AGRIBUSINESS AND EXTENSION IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE

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FEBRUARY, 2021

DECLARATION

I **WANDA GABRIEL** declare that this report own work and it has never been submitted to any institution for academic purposes.

STUDENT NAME …….....

SIGNATURE ……DATE……

APPROVAL

This Research Report is prepared under my supervision and is now ready for submission to the Department of Agribusiness and Extension

Signed: ……..…… Date: ……

Supervisor

DEDICATION

I dedicate this report to all my family members for their financial, material and spiritual support, my friends Edward, Kenneth, Ronny and Mariam among others for their team spirit and above all the lecturers who tiresomely mentored me as well.

-

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LIST OF ABBREVIATIONS

MAIF	Ministry of Agriculture Animal Industry and Fisheries
GDP	Gross Domestic Product
SPSS	Statistical Package for Social Scientists
Govt	Government
Temp	Temperature
Percent	Percentage
M	Meters
Kg	Kilogram
Mt	Mountain
Mgt	Management

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ABSTRACT

The study was about the factors determining the pricing of Arabica coffee in Bukiende and Busoba Sub County in Mbale District. Study objectives included to find out how the quality of coffee affect the prices of the harvested coffee and to examine some of the examples of post-harvest techniques that determine the pricing of Arabica coffee. The study employed a cross section design where both qualitative and quantitative approaches were used to aid the data collection process. The study sampled 60 respondents which 50 were farmers and 10 traders of arabica coffee in Bukiende and Busoba Sub County. The research instrument used included the use questionnaires and the data was analyzed using SPSS and excel as data packages. Study findings were that quality greatly affects arabica coffee prices. It was also noted that the post-harvest techniques affect Arabica coffee in such a way that the mode and extent of application of such methods determines whether the farmer will be offered a high or low price in his or her coffee. Such post-harvest techniques include; sorting, fermentation, washing and drying. It is therefore concluded that coffee farmers need to take proper precautionary measures in coffee production and post harvest handling techniques to enable them harvest good quantities and qualities of coffee that are easily consumed and above all fetch high prices in the consumer market. In addition to that factors like world market prices, form of coffee, variety of coffee, nature of seasons, demand and supply also to a smaller extent determine arabica coffee prices. In regard to the findings and conclusions, the following recommendations are made in line with the major objectives as guided by the study: There is need to emphasize on proper post-harvest handling techniques such as sorting, fermentation, washing and drying to favorably compete with the coffee products on market. Farmers are further still advised to observe and maintain the quality of Coffee because good quality coffee is highly consumed on the market and at a very high price compared to the low quality coffee that fetches a low price margin.