

Regional News

Reduced catches are disrupting the entire fish value chain, from landing sites to exports.

BY TAUSI NAKATO

Uganda's fish processing industry is facing a sharp decline, raising concern among government officials and industry players about the long-term sustainability of the fisheries sector and its contribution to the economy.

Over the past decade, the number of operational fish factories has dropped significantly, reflecting deeper structural challenges in fish production, regulation and market dynamics.

According to Ms Daisy Aciro Olyel, the commissioner for fisheries at the Ministry of Agriculture, Animal Industry and Fisheries, the number of factories has fallen from about 26 in 2012 to fewer than six currently, with only about four still active.

Speaking on the sidelines of a recent Cross-border Fish Traders' dialogue in Jinja, Ms Aciro attributed the decline largely to dwindling stocks of Nile Perch in Lake Victoria, which has traditionally been the backbone of Uganda's fish processing industry.

"Many of these factories were heavily dependent on Nile Perch. As stocks reduced, it became difficult to sustain operations," Ms Aciro said.

She explained that the shortage of raw materials has made it economically unviable for private investors to continue operating the factories, forcing many to shut down.

"Business people operate for profit. When raw materials become scarce, they have no option but to close," she added.

Ms Aciro linked the decline in fish stocks to a combination of overfishing and strict enforcement of government regulations aimed at protecting immature fish and ensuring sustainability of water bodies.

"While these measures are critical for conservation, they have disrupted the supply chain, affecting traders, processors and exporters," she said.

Uganda currently produces about 700,000 metric tonnes of fish annually, with more than 600,000 tonnes coming from natural water bodies and about 130,000 tonnes from aquaculture.

However, Ms Aciro noted that production from the wild has reached its limit, prompting a strategic shift towards fish farming.

"We cannot increase production from the wild beyond current levels. The future lies in aquaculture," she said, adding that government is targeting to increase fish production to one million metric tonnes by 2040.

Despite this optimism, industry players argue that the challenges facing the sector go beyond declining fish stocks and point to systemic issues that continue to undermine recovery efforts.

Mr William Tibyasa Mwesigye, the chief executive officer of the Uganda Fish Processors and Exporters Association (UFPEA), said the sector has experienced repeated cycles of collapse and recovery, largely influenced by enforcement gaps and illegal fishing practices.

"We initially had 21 fish processing factories, but they collapsed to about



A man prepares fish for processing in eastern Uganda. Experts link the decline in fish stocks to overfishing and strict enforcement of government regulations. PHOTO/FILE

Fish factories close across Uganda as fish stocks fall

reversed," he added.

For regions such as Busoga, which once hosted several fish processing plants, the impact has been particularly severe.

"Out of about five factories in Jinja, only one is operational. Others have closed, and even new investments have stalled due to lack of fish," he said.

He added that even the few factories still operating are running far below their installed capacity.

"They are operating at only 25 to 30 percent capacity," he said.

Mr Tibyasa attributed the continued collapse of the sector to illegal fishing and weak enforcement of fisheries regulations.

"The use of destructive methods such as 'kokota' has severely damaged fish breeding grounds," Mr Tibyasa said. "At the same time, the uncontrolled trade in immature fish, especially across borders, has depleted stocks," he added.

According to Mr Tibyasa, these practices have led to an estimated annual economic loss of about \$1.5 billion in revenue.

Nile Perch

The shortage of Nile Perch has also had a significant impact on Uganda's export performance.

Data from the association shows that Uganda exported between 2,000 and 2,200 tonnes of Nile Perch in January and February this year, the lowest volumes recorded in the past two decades.

"At peak levels, exports ranged between 5,000 and 6,000 tonnes. What we are seeing now is a drastic decline," he said.

itive and depends on quality, volume, consistency and price. We cannot meet large orders because we lack sufficient supply," Mr Tibyasa said.

As a result, international buyers are increasingly turning to alternative sources.

"When you fail to supply consistently, buyers shift to other countries. That is the reality of international trade," he added.

Mr Tibyasa said employment in fish processing has dropped from about 5,600 workers, 52 percent of them women, to roughly 3,500 currently.

"When factories close, workers lose jobs automatically. But the impact goes beyond that," he said.

Mr Tibyasa cited areas such as Kasen-

KEY FACTS

• Fish processing factories have dropped from about 26 in 2012 to fewer than six today.

• Uganda produces about 700,000 metric tonnes of fish annually.

• Over 600,000 tonnes come from the wild, while about 130,000 tonnes are from aquaculture.

• Factories are operating at just 25-30 percent capacity.

• Exports of Nile Perch have

sero, once vibrant economic hubs, which have since turned into "ghost towns" following the shutdown of processing plants.

He further pointed to policy-related challenges, including taxation and regional competition, as additional factors affecting the sector.

Uganda imposes an 8 percent levy on fish maws, compared to lower taxes in neighbouring countries such as Kenya and Tanzania.

"This creates an incentive for smuggling. Fish is taken across borders where taxes are lower," he said.

To address the crisis, Mr Tibyasa called for urgent and coordinated interventions, including stronger enforcement against illegal fishing, harmonisation of regional policies and increased investment in the sector.

"We need to stop illegal fishing of immature Nile Perch and regulate fishing methods. Enforcement must be firm and free from political interference," he said.

He also urged government to reduce production costs, particularly power tariffs and transport expenses, to improve competitiveness of local processors.

On aquaculture, Mr Tibyasa cautioned that while fish farming is important for the future, it cannot immediately replace capture fisheries.

"Aquaculture is capital-intensive and requires expertise. It cannot thrive if capture fisheries collapse," he said.

Despite the challenges, Mr Tibyasa

could generate between \$2 billion and \$5 billion annually within the next decade.

"Currently, we are only realising about \$100 million to \$120 million from the legal sector. The rest is lost through illegal and unregulated activities," he said.

Estimates indicate that Uganda loses between \$1.3 billion and \$1.4 billion annually, equivalent to about 3.8 percent of Gross Domestic Product, due to illegal fishing, smuggling and unregulated trade in Nile Perch.

At the community level, the effects of the collapse of fish processing factories are already being felt.

According to Mr Godfrey Ssenyonoga Kambugu, the chairman of the Association of Fishers and Lake Users of Uganda (AFALU), the shutdown of factories has disrupted market structures at landing sites.

"Their absence has created a vacuum, leaving fishers with limited market options for the little fish available," he said. "Traders are now forced to sell to local buyers under unfavourable terms."

He noted that reduced competition has resulted in falling fish prices, with traders dictating rates that are significantly lower than those previously offered by factories.

While processors largely blame illegal fishing for the collapse of factories, Mr Kambugu said the situation is more complex.

"Illegal fishing does affect stocks and quality, but it is not the sole cause," he said.