VENA Vulnerability and Essential Needs Assessment

Market Analysis
November 2019

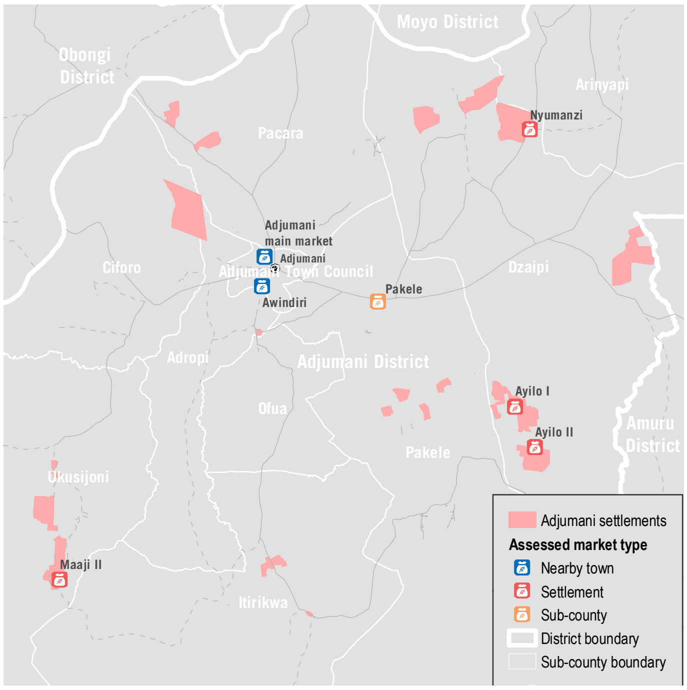
Market Factsheet: Adjumani Settlement — UGANDA

CONTEXT AND METHODOLOGY

Uganda is one of the world's top refugee-hosting states, having taken in more than 1.3 million refugees who exhibit diverse vulnerability profiles and capacities to cope.[1] Due to these variations, there is a need for a humanitarian delivery system that allows actors to more closely align the modality and amount of assistance provided with individual refugee households' economic and protection-related needs.

The objective of this market analysis, conducted under the framework of the Vulnerability and Essential Needs Assessment (VENA), was to assess market functionality and capacity in the vicinity of Uganda's refugee settlements and to understand the potential for market-based assistance to meet essential needs. Data collection took place between 9 August and 7 October 2019 in 13 refugee settlements.[2] Two parallel methodologies were employed: 2,820 structured individual interviews were conducted with market traders in or near each assessed settlement, supplemented by 35 semi-structured interviews with key informants who had knowledge of local markets. The assessment was led jointly by REACH, the World Food Programme (WFP), and the United Nations High Commissioner for Refugees (UNHCR), with support from five additional partners (see page 5). Findings refer solely to the situation during the data collection period and should be considered indicative only.

AREA COVERED BY FACTSHEET



MARKET AND TRADER CHARACTERISTICS

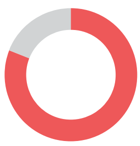
Refugees residing in the settlements of Adjumani were found to be accessing markets within the settlements as well as markets in nearby towns, all of them serving both refugees and host community members. All markets assessed were reported to operate every day, selling both food and non-food commodities. The size of markets varied greatly; whilst some, such as Awindiri Market had 35 traders, others reached up to 347 traders, as was the case in Ayilo I Market. All markets were comprised of both temporary and permanent structures.

7 Total number of markets assessed near this settlement (via **121** trader interviews and **4** key informant interviews)

Gender of interviewed traders:

38.1% Female
61.9% Male

Population group of interviewed traders:



81.1% Host community
18.9% Refugee

23.6% of traders interviewed reported employing at least one other person.

Top 3 nationalities of interviewed traders:

Uganda	80.1%
South Sudan	15.3%
Sudan	4.6%

Classification of traders interviewed:[3]

Retailers	81.4%
Producers	79.8%
Wholesalers	29.2%

Top 3 most common types of market customers reported by interviewed traders:[3]

Host community near settlement	72.6%
Refugees living in the settlement	52.8%
Refugees from another settlement	18.2%

SUPPLY, DEMAND, AND PRICES

Though some items sold in the markets, such as cooking salt, sanitary pads, charcoal, and firewood, amongst others, experienced constant supply and demand throughout the year, others faced changes related to seasonality. Food items were reported to experience fluctuations. Beans and leafy vegetables, for instance, were reported to have a lower demand following the harvesting seasons as refugees reportedly consumed from their own productions, which thus reduced the number of customers.

Sources, prices, and restocking data for selected items[4] sold in or near this settlement, as reported by interviewed traders:

Commodity	Most common source of item	Item price in markets inside this settlement (October 2019)[5]	Median # of days that remaining stock is estimated to last	Estimated median amount of time item remains in stock before sale
Laundry soap	Retailer in the subcounty	3,500 UGX[6] /Kg	21 days	One to four weeks
Sanitary pad (disposable)	Retailer outside the subcounty	3,500 UGX /packet	30 days	One to four weeks
Dry cells	Retailer outside the subcounty	1,500 UGX /pair	30 days	One to four weeks
Exercise books	Retailer outside the subcounty	500 UGX /piece	30 days	One to four weeks
Jerry can (plastic, 20 L)	Retailer outside the subcounty	6,000 UGX /piece	30 days	One to four weeks
Blanket (cotton)	Retailer outside the subcounty	No data	60 days	More than one month
Saucepan	Retailer outside the subcounty	15,000 UGX /piece	60 days	One to four weeks
Mingle (wooden stirrer)	Retailer in the subcounty	1,000 UGX /piece	25.5 days	One to four weeks
Panga (knife)	Retailer outside the subcounty	7,000 UGX /piece	60 days	More than one month
Hoe	Retailer outside the subcounty	10,000 UGX /piece	60 days	More than one month
Mud bricks (unfired)	Own production	No data	360 days	More than one month
Grass thatch	Own production	No data	30 days	More than one month
Charcoal	Own production	775 UGX /Kg	7 days	One to four weeks
Firewood	Own production	296 UGX /Kg	7 days	One to four weeks

Seasonal fluctuations in supply for selected items[4] sold in or near settlements in Northwest, Uganda, as reported by key informants (KIs):[7]

Maize flour	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Beans (dried, nambale)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Sorghum grain	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Cassava (whole, fresh)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Leafy vegetables	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Vegetable oil	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Cooking salt	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Tilapia (smoked)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Milk (fresh)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Laundry soap	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Sanitary pad (disposable)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Dry cells	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Torch	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Exercise books	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Jerry can (plastic, 20 L)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Plastic basin	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Blanket (cotton)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Mingle (wooden stirrer)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Panga (knife)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Hoe	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Steel roofing nails	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Nylon rope	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Eucalyptus poles	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Mud bricks (fired)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Mud bricks (unfired)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Grass thatch	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Charcoal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Firewood	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec

Legend: Supply High season (increased) Low season (decreased) Baseline levels / No high or low season

BARRIERS TO MARKET ACCESS[8]

Though the majority of KIs reported no major issues regarding refugees' access to the markets, the KIs in Ayilo I Market highlighted the poor road network surrounding the market limiting access to the markets. Few security concerns were identified concerning the markets serving the refugees living in Adjumani, however issues of theft related to the high levels of poverty in the area were reported to be common. A possible solution suggested was an increase in the security personnel in and around the markets across Adjumani.

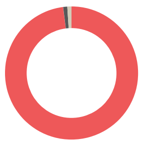
6.1% of households (HHs) reported facing barriers when trying to access marketplaces.

Of this 6.1%, top 3 most commonly reported barriers:[3]

Long distance to the market	92.3%
Disability	11.5%
Physical attacks by unknown people	3.8%

% of households that reported mainly accessing marketplaces using the following modes of transport:

98.4%	Walking
1.2%	Boda boda (motorcycle taxi)
0.5%	Bicycle



Median travel time reported by households to get to and from the nearest marketplace selling food: **30 min**

9.4% of interviewed traders reported having faced a security incident related to operating their business.

Of this 9.4%, top 3 most commonly reported types of incidents:[3]

Theft	75.9%
Physical attacks by unknown people	10.3%
Verbal harassment by authorities	10.3%

Top 3 most common triggers for security incidents reported by interviewed traders:[3]

None of the options listed	58.6%
Distance-related insecurity	17.2%
Money/business disputes	13.8%

MARKET OPERATIONS & PRICES

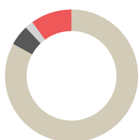
KIs reported market price surveys were conducted by traders to determine prices. Moreover, the supply costs of specific commodities, as well as the demand and supply of items sold were found to influence prices. Commodities that experienced increases in demand during the harvesting seasons, such as hoes and pangas, consequentially experienced increases in prices. Seasonality was found to be one of the main factors contributing to price fluctuations, with school materials becoming more expensive during the start of school terms as one example.

72.6% of interviewed traders reported having a license to operate in their market.

89.9% of interviewed traders reported paying market dues.

% of interviewed traders reporting using the following types of storage:

83.4%	Own storage
4.6%	Rented storage
1.9%	Other
10.1%	No storage



21.2% of interviewed traders reported having taken out at least one loan in the past to support their business.

Estimated median amount of outstanding debt reported by interviewed traders:[9] **430,000 UGX**

% of interviewed traders reporting that they currently use each of the following sources of capital:[3]

Own savings	95.8%
Credit or loans	12.4%
Shared with HH/business partners	7.8%
Support from NGOs	1.6%

Estimated median monthly expenditures reported by interviewed traders in the following categories:

Market dues (past month)	7,000 UGX
Rental of storage space	No data
Round-trip transport to restock retailed items	60,000 UGX
Transaction cost to obtain new stock (loading, unloading, storage, tax, etc.)	20,000 UGX

ABILITY TO SCALE UP

Most common predictions of interviewed traders regarding their ability to meet increased demand stimulated by cash programmes:[10]

Category of commodities	In case of doubled demand... Would you be able to stock enough of your current items to meet the demand?	If yes, how long would it take you to obtain additional stock to meet the demand?	Would you be able to obtain this amount using only your current supplier?	If unable to stock enough, what would make it most difficult for you to increase your supply?
Sanitary items	Yes (98.4%)	One week (37.1%)	Yes (93.5%)	No consensus
Household items	Yes (97.3%)	Two weeks (36.4%)	Yes (83.3%)	Lack of quality supply
Shelter and livelihoods items	Yes (92.3%)	One week (29.8%)	Yes (83.3%)	Lack of supply
Lighting items	Yes (94.6%)	One week (40%)	Yes (91.4%)	No consensus
Educational items	Yes (94.4%)	One week (47.1%)	Yes (85.3%)	No consensus
Cooking fuel	Yes (100%)	One week (53.4%)	Yes (87.9%)	Not applicable

SUPPLEMENT: FOOD ITEMS

In Adjumani, Kiryandongo, Kyangwali, and Palabek refugee settlements, no data was collected on individual food items as part of the VENA. The key indicators in this section are drawn from a May 2019 market assessment conducted by WFP in these four settlements, which focused only on food items but relied on a methodology similar to that used for the VENA. In each settlement, 60 traders were purposively sampled to ensure representation of retailers, wholesalers, and open-air vendors. Though not all indicators here are precisely comparable to those in the VENA, they are presented as a complement to the NFI-focused VENA indicators analysed earlier in this factsheet. Findings refer solely to the situation during the data collection period and should be considered indicative only.

Sources, prices, and restocking data for assessed food items sold in or near this settlement, as reported by traders:

Commodity	Most common source of item	Item prices in markets inside this settlement (October 2019)[4]	Most common frequency with which traders restock this item
Maize flour	Wholesaler outside the settlement	1,800 UGX / kg	Monthly
Sorghum grain	Food aid distributed to households	1,833 UGX / kg	No consensus
Beans	Wholesaler outside the settlement	3,667 UGX / kg	No consensus
Leafy vegetables	Farmers outside of the settlement	4,667 UGX / g	Everyday
Cassava (fresh)	Farmers outside of the settlement	650 UGX / g	Everyday
Milk	Farmers outside of the settlement	2,500 UGX / ml	Everyday
Dried fish	Wholesaler outside the settlement	35,595 UGX / g	Twice per week
Cooking oil	Wholesaler outside the settlement	5,000 UGX / bottle	Twice per week
Salt	Wholesaler outside the settlement	1,467 UGX / packet	Monthly

Most common predictions of interviewed traders regarding their ability to meet increased demand stimulated by cash programmes[8]:

Category of commodities	In case of doubled demand... Would you be able to increase supply of your current items to meet the demand?	If yes, how long would it take you to double your stock to meet the demand?	If unable to stock enough, what would make it most difficult for you to increase your supply?
Fresh food	Yes (75%)	1 to 2 weeks (100%)	No consensus
Non-fresh food	Yes (86.4%)	1 to 2 weeks (81.6%)	Lack of capital

Endnotes

1 Figures based on United Nations High Commissioner for Refugees (UNHCR) and Office of the Prime Minister (OPM) refugee population figures, updated as of September 2019, retrieved from https://ugandarefugees.org/en/country/uga on 8 November 2019.

2 For the purposes of sampling and analysis, the 18 settlements in Adjumani district were grouped into a single refugee hosting location.

3 Respondents were able to select more than one option when answering this question.

4 In total, 34 market commodities were assessed, but due to space limitations, a selection are displayed in this factsheet. The list of selected commodities was based on a subjective determination of which items were most central to Ugandan households, and was then modified to ensure representation of all assessed categories of items. Data on other assessed commodities is available upon request. Note that in Adjumani, Kiryandongo, Kyangwali, and Palabek settlements, data on individual food items was not collected as part of the VENA; partial data is presented in the 'Supplement: Food Items' box on page 4.

5 Price data was derived from WFP, Minimum Expenditure Basket in Uganda: Joint Price Monitoring, October 2019, retrieved from https://reliefweb.int/report/uganda/minimum-expenditure-basket-uganda-joint-price-monitoring-october-2019 on 12 December 2019.

6 The Ugandan shilling to United States dollar exchange rate was 3,668.05 on 24 December 2019. https://www.xe.com/

7 Seasonality calendars were constructed on a regional level to capture variations in agriculture and livelihoods across Uganda while encompassing enough interviews to allow for meaningful aggregation. The regions used were: Northwest (Adjumani, Bidibidi, Imvepi, Lobule, Palabek, Palorinya, Rhino, Kiryandongo) and Southwest (Kyaka II, Nakivale, Oruchinga, Rwamwanja, Kyangwali).

8 All indicators referencing the household were derived from the VENA household-level assessment, which was conducted concurrently with this market assessment and in the same settlements. A total of 5,737 household interviews were conducted between 12 August and 7 October 2019. Methodological details of this component of the VENA are available here.

9 Among traders who reported non-zero expenditures and/or debt in each of the following categories.

10 All indicators in the box that follows are subjective, with results based on self-reporting by market traders. A full capacity assessment to objectively determine these traders' ability to scale up was not conducted.

Assessment conducted under the framework of:

Uganda Assessment Technical Working Group

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With the support of:

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