



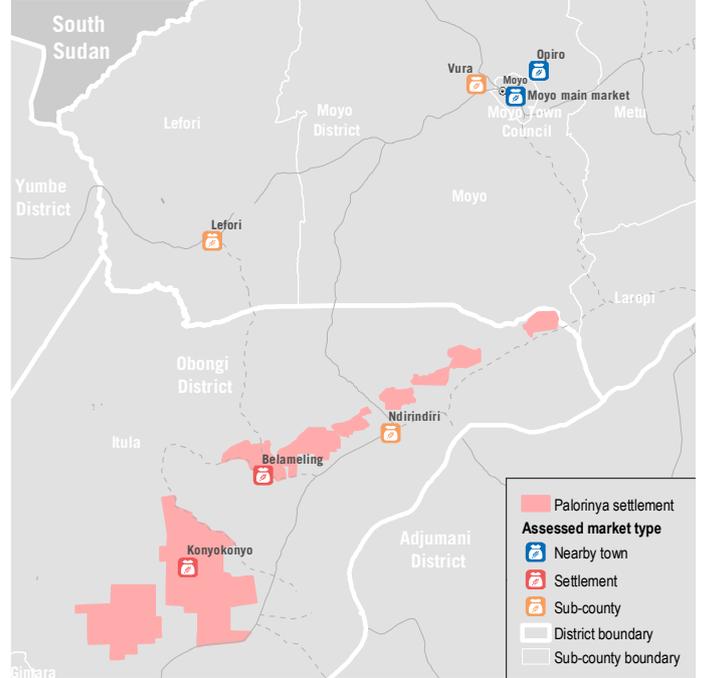
Market Factsheet: Palorinya Settlement UGANDA

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 in Palorinya settlement were found to access three main markets at the time of data collection, however, there were other smaller markets operating within the settlement, serving both refugees and host community members. The markets were operated by both host community and refugee traders. Although the markets within and outside the settlement operated daily, there were also specific one week and monthly market days that reportedly drew traders and consumers from across the settlement and district to the markets. All settlement-based markets were comprised of temporary structures, aside from Moyo Main Market that also used permanent structures.

7 Total number of markets assessed near this settlement (via **232** trader interviews and **2** key informant interviews)

Gender of interviewed traders:



49.1% Female
50.9% Male

Population group of interviewed traders:



53.4% Host community
46.6% Refugee

1.9% of traders interviewed reported employing at least one other person.

Top 3 nationalities of interviewed traders:

Uganda	52.6%
South Sudan	47%
Sudan	0.4%

Classification of traders interviewed:³

Retailers	78%
Producers	76.1%
Wholesalers	23.9%

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

Host community near settlement	81.5%
Refugees living in the settlement	64.7%
Non-governmental Organisations (NGOs)	20.7%



SUPPLY, DEMAND, AND PRICES

Key informants (KIs) perceived that in kind food assistance provided to refugees influenced the demand of certain food items, such as maize flour, beans, and vegetable oil. Those commodities were found to have lower demand during periods when refugees received these items. Seasonality was also reported to impact demand and supply of commodities. During the dry seasons, there was a higher demand for food items due to scarcity. During the rainy seasons demand was reported to decrease as many households grew their own vegetables and other fresh food items.

Sources, prices, and restocking data for selected items⁴ sold in or near this settlement, as reported by interviewed traders:

Commodity	Most common source of item	Item price in markets in or near 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
Maize flour	Retailer in the subcounty	1,369 UGX ⁶ /Kg	5 days	One to four weeks
Beans (dried, nambale)	Retailer outside the subcounty	2,000 UGX /Kg	7 days	One to four weeks
Sorghum grain	No consensus	1,111 UGX /Kg	2 days	One to four weeks
Cassava (whole, fresh)	Own production	367 UGX /g	4 days	Less than one week
Leafy vegetables	Own production	813 UGX /g	3 days	Less than one week
Laundry soap	Retailer in the subcounty	3,500 UGX /Kg	15 days	One to four weeks
Sanitary pad (disposable)	Retailer in the subcounty	3,000 UGX /packet	30 days	More than one month
Exercise books	Retailer in the subcounty	500 UGX /piece	14.5 days	More than one month
Jerry can (plastic, 20 L)	Retailer outside the subcounty	6,000 UGX /piece	30 days	No consensus
Blanket (cotton)	Retailer outside the subcounty	No data	30 days	No consensus
Mud bricks (unfired)	Own production	No data	225 days	More than one month
Grass thatch	No data	No data	No data	No data
Charcoal	Own production	646 UGX /Kg	7 days	Less than one week
Firewood	Own production	127 UGX /Kg	6 days	One to four weeks

Seasonal fluctuations in supply for selected items⁴ sold in or near settlements in Northwest, Uganda, as reported by key informants (KIs):⁷

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

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

BARRIERS TO MARKET ACCESS⁸

Distance was reported as the main barrier for refugees to access the markets. The KIs of Konyokonyo Market noted that the markets were easily accessible by those living within the market vicinities, however, it was sometimes difficult for refugees living further away to access certain markets that offered a larger variety of commodities. Another barrier to market access reported was a lack of adequate street lighting, which may have contributed to incidents of theft. Poor market structures, comprised of tarpaulins, as well as inadequate sanitation facilities were also noted and thus the consequential need for infrastructural improvements ensuring health and safety.

11% of households (HHs) reported facing barriers when trying to access marketplaces.

Of this 11%, top 3 most commonly reported barriers:³

Long distance to the market		95.7%
Disability		8.5%
Physical attacks by unknown people		4.3%

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

97.4%	Walking
1.9%	Bicycle
0.5%	Boda boda (motorcycle taxi)



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

25.4% of interviewed traders reported having faced a security incident related to operating their business.

Of this 25.4%, top 3 most commonly reported types of incidents:³

Theft		84.7%
Verbal harassment by authorities		13.6%
Verbal harassment by host comm.		10.2%

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

Money/business disputes		67.8%
Distance-related insecurity		11.9%
Bribes		11.9%

MARKET OPERATIONS & PRICES

Seasonality was also reported to have an impact on the prices of some commodities in the markets. For example, the demand for farming items was reported to be high during the planting season, since more people were engaging in agriculture. Due to water shortages in the dry season there was a high supply and demand of jerry cans, as most people prefer to store water in large quantities for domestic purposes. The changes in demand due to seasonality reportedly caused respective price fluctuations.

43.5% of interviewed traders reported having a license to operate in their market.

48.3% of interviewed traders reported paying market dues.

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

42.6%	Own storage
17.3%	Rented storage
0.9%	Other
39.2%	No storage



25.4% 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 **100,000 UGX**

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

Own savings		85.8%
Credit or loans		14.7%
Shared with HH/business partners		4.7%
Support from NGOs		3.4%

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

Market dues (past month)	6,125 UGX
Rental of storage space	15,000 UGX
Round-trip transport to restock retailled items	9,000 UGX
Transaction cost to obtain new stock (loading, unloading, storage, tax, etc.)	10,000 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?
Fresh food	Yes (83.7%)	One week (91.7%)	Yes (75%)	No consensus
Non-fresh food	Yes (92.9%)	One week (45.6%)	Yes (75.9%)	Lack of capital
Sanitary items	Yes (92.9%)	Two weeks (41%)	Yes (89.7%)	Low profit margin
Household items	Yes (95.3%)	Two weeks (43.9%)	Yes (73.2%)	Lack of quality supply
Shelter and livelihoods items	Yes (91.1%)	More than a month (39%)	Yes (73.2%)	Low profit margin
Lighting items	Yes (86.7%)	No consensus (%)	Yes (80.8%)	Low profit margin
Educational items	Yes (100%)	Two weeks (44.4%)	Yes (85.2%)	Not applicable
Cooking fuel	Yes (77.8%)	One week (42.9%)	Yes (71.4%)	Low profit margin

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.

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.

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