

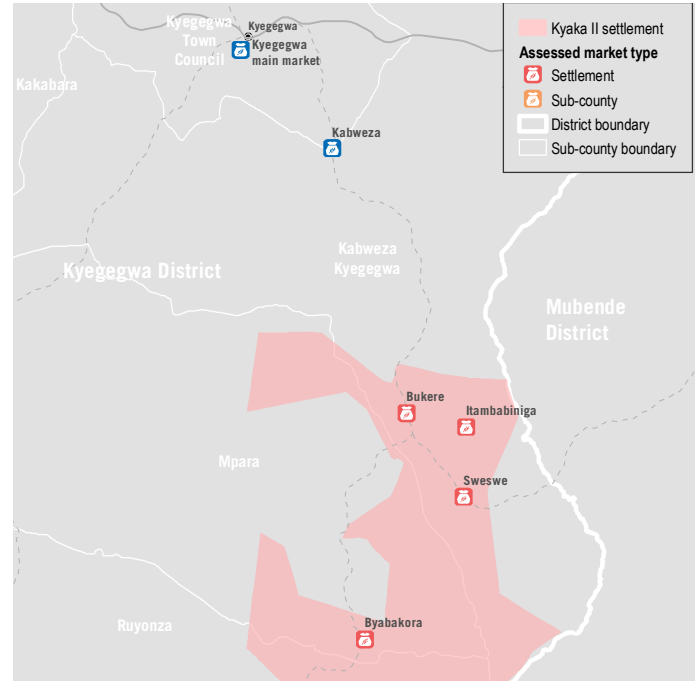


CONTEXT AND METHODOLOGY

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

Assessed markets in Kyaka II were reported by key informants (KIs) to operate on a daily basis, although most had one or two specific days of the week when nearby traders came and business boomed. Bukere Market and Sweswe Market reportedly had over 200 registered traders. These markets were comprised of both temporary makeshift structures and semi-permanent structures. KIs noted that traders included refugees, host community members, and people from neighbouring towns and districts.

6 Total number of markets assessed near this settlement (via **319** trader interviews and **3** key informant interviews)

Gender of interviewed traders:



Population group of interviewed traders:



0.3% of traders interviewed reported employing at least one other person.

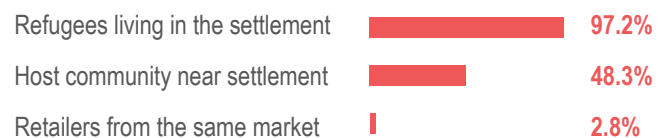
Top 3 nationalities of interviewed traders:



Classification of traders interviewed:³



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



SUPPLY, DEMAND, AND PRICES



KIs noted two primary factors impacting demand for market items: seasonality and the provision of cash assistance to refugees. For example, during the school term, demand for scholastic materials reportedly increased. Demand for food items also generally increased during certain times of the month when refugees received cash distributions. The supply of locally produced food items, particularly green leafy vegetables, was reportedly higher during the rainy and harvest seasons, when many producers had items to sell, and lower during dry seasons.

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 outside the subcounty | 3,000 UGX ⁶ /Kg | 6.5 days | One to four weeks |
| Beans (dried, nambale) | Farmers outside the subcounty | 2,600 UGX /Kg | 9 days | One to four weeks |
| Sorghum grain | Farmers outside the subcounty | 1,500 UGX /Kg | 10 days | More than one month |
| Cassava (whole, fresh) | Farmers outside the subcounty | 714 UGX /g | 2 days | Less than one week |
| Leafy vegetables | Retailer in the subcounty | 2,000 UGX /g | 1.5 days | Less than one week |
| Laundry soap | Retailer in the subcounty | 3,800 UGX /Kg | 14 days | One to four weeks |
| Sanitary pad (disposable) | Retailer in the subcounty | 3,500 UGX /packet | 75 days | More than one month |
| Exercise books | No consensus | 800 UGX /piece | 23.5 days | One to four weeks |
| Jerry can (plastic, 20 L) | Retailer outside the subcounty | 6,000 UGX /piece | 25 days | More than one month |
| Blanket (cotton) | Retailer outside the subcounty | No data | 30 days | More than one month |
| Mud bricks (unfired) | No data | 200 UGX /piece | No data | No data |
| Grass thatch | No data | No data | No data | No data |
| Charcoal | Retailer outside the subcounty | 1,131 UGX /Kg | 4 days | One to four weeks |
| Firewood | Retailer outside the subcounty | 213 UGX /Kg | 8 days | One to four weeks |

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

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



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

BARRIERS TO MARKET ACCESS⁸

KIs reported that markets were easily accessible by refugees and host community members. Though KIs and interviewed traders reported the security in the markets to be good, some traders reported facing both physical and verbal attacks from refugees. Another reported concern was the theft of commodities. A potential solution suggested by respondents was to increase law enforcement in the market area.

4.9% of households (HHs) reported facing barriers when trying to access marketplaces.

Of this 4.9%, top 3 most commonly reported barriers:³

| | | |
|-------------------------------|---|-------------|
| Long distance to the market |  | 81% |
| Disability |  | 9.5% |
| Verbal harassment by refugees |  | 9.5% |

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




| | |
|--------------|-----------------------------|
| 88.4% | Walking |
| 11.1% | Boda boda (motorcycle taxi) |
| 0.4% | Bicycle |



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

4.7% of interviewed traders reported having faced a security incident related to operating their business.

Of this 4.7%, top 3 most commonly reported types of incidents:³

| | | |
|----------------------------------|---|--------------|
| Verbal harassment by refugees |  | 73.3% |
| Physical attacks by refugees |  | 46.7% |
| Verbal harassment by authorities |  | 13.3% |

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

| | | |
|-----------------------|---|--------------|
| Social discrimination |  | 60% |
| Gender |  | 33.3% |
| Distance related |  | 20% |

MARKET OPERATIONS & PRICES

Prices for some commodities reportedly remained constant throughout the year, such as scholastic materials and soap, while other commodity prices were found to vary according to the seasons. For example, the price of maize grain usually decreased during the harvesting season. KIs noted that prices usually fluctuated based on low production or limited availability of items rather than consumer demand. Some refugees in Kyaka II received cash assistance, which KIs perceived as a reason why some new traders were opening up new businesses. In addition, KIs reported that demand for maize grain, beans, and vegetables increased when refugees received cash assistance.

45.5% of interviewed traders reported having a license to operate in their market.

74.3% of interviewed traders reported paying market dues.

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

| | |
|--------------|----------------|
| 60.8% | Own storage |
| 9.5% | Rented storage |
| 29.8% | No storage |



31.3% 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 **87,500 UGX**

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

| | | |
|----------------------------------|---|--------------|
| Own savings |  | 96.6% |
| Credit or loans |  | 23.5% |
| Shared with HH/business partners |  | 0.9% |
| Support from NGOs |  | 0.3% |

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

| | |
|---|-------------------|
| Market dues (past month) | 4,000 UGX |
| Rental of storage space | 50,000 UGX |
| Round-trip transport to restock retail items | 20,000 UGX |
| Transaction cost to obtain new stock (loading, unloading, storage, tax, etc.) | 3,000 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 (92.6%) | One week (100%) | Yes (90%) | Lack of capital |
| Non-fresh food | Yes (88.6%) | One week (88.7%) | Yes (91.9%) | Lack of capital |
| Sanitary items | Yes (90.9%) | One week (70%) | Yes (93.3%) | Lack of capital |
| Household items | Yes (98.7%) | One week (71.4%) | Yes (98.6%) | Lack of quality supply |
| Shelter and livelihoods items | Yes (95.8%) | One week (75.4%) | Yes (98.6%) | Lack of capital |
| Lighting items | Yes (100%) | One week (73.1%) | Yes (92.3%) | Not applicable |
| Educational items | Yes (93.3%) | One week (75%) | Yes (100%) | Lack of capital |
| Cooking fuel | Yes (92.3%) | One week (86.1%) | Yes (97.2%) | 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.

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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