



AGRICULTURE VALUE CHAIN STUDY

Key Findings from the Study

Presentation Lay Out

- Introduction to the Study
- Methodology
- Key Findings
- Recommendations
- Conclusion

Scope and Objectives

- The VCA focused on **commodities in refugee settlements and host communities in the 4 districts of (Moyo, Obongi, Terego and Madi Okollo) west Nile.**
- **Objectives**
 1. To Conduct a gender specific assessment of target areas, beneficiaries and their socio-economic context
 2. To Identify strategic commodities for each district.
 3. To study and analyse the value chains and identify opportunities, and constraints for participation of small holder farmers in the value chains.
 4. To Provide recommendations which involve interventions required to empower small holder farmers (refugees, host) to benefit from the VC.
 5. To Determine the impact of COVID-19 on market system and value chain development

Study Design

1. We applied a participatory and Consultative techniques involving both quantitative and qualitative methods of data collection;
2. Survey Questionnaire, FGDs, KIIs, VC meetings, Desk Review, Reflection meetings, Transect walks & Observations
3. **Geographical coverage**

#	District	Sub counties	Refugee Settlement
1.	Moyo	Moyo, Lefori, Metu, Laropi	
2.	Obongi	Itula, Gimara, Palorinya	Palorinya settlement
3.	Terego	Odupi, Omugo, Uriama	Omugo, Rhino & Imvepi Settlement
4.	Madi Okolo	Ewanga, Rigbo	Rhino Settlement

- a) Small Scale Farmers /Producers – Members of Farmer Groups (FGs): 498; 65% female and 35% male
- b) Sixteen (16) FGDs comprising of 176 participants were held. 6 female only; 6 male only; 4 mixed; 50:50 refugee host distribution
- c) Key informants were selected from a cross section of respondents and included
 - 12 agro-input dealers,
 - 16 traders, including Tru-trade, GADC
 - 7 processors including MUKWANO
 - District production officers
 - District agricultural officers
 - Sub county Agricultural officers
 - Representatives of consortium partners i.e. ZOA, World Vision, SNV and RICE West Nile

- Reviewed Literature and preliminary key informant interviews
- Generated a long list of Value Chains
 - Beans, Groundnuts, poultry, Soybeans, Maize, Onions, Cassava, Finger Millet, Sorghum, Sesame, Tomatoes, Pigeon peas, Pumpkins, Sweet Potatoes, Goat rearing, Tobacco, Cabbages, Yams, Carrots, Dairy, Sugar cane, Egg Plants, Green Paper, Irish Potatoes, Rice, Watermelon, Green Peas, Sunflower, Amaranthus (Dodo), Red Pepper, Okra, Sorghum, apiary, bananas, coffee

Subjected the Long List to a Selection Criteria

- 1) Potential for generating economic benefits – economic opportunity Vs available resources
- 2) Private sector engagement in value chain activities
- 3) Local, regional, and export market opportunities, - profitability indicators, - Gross margins
- 4) Opportunities for women & youth along the Value Chain
- 5) Possibility for integration into the current farming system
- 6) Ecological, and socio cultural conditions

- Shortlist of the Value Chains (8 VCs): Sesame, Sun flower, Cassava, Onions, Tomatoes, Okra, Sorghum and Soy beans

- *VC Study Targeted Actors in the 8 Value Chains*

Value Chain	Average Acreage	Varieties Grown	Yield/Acreage	Products
Sesame	Across 4 districts on a small scale 1.5.Acre/farmer for host community and refugees 0.2 acres	Serra, Gure, black type (local) sesame 2 (improved variety)	300kgs/acre per season. (Far less than the national averages 800kgs/acre)	Grain, paste, Oil & confectionery
Sunflower	Obongi, & Moyo on a small scale (average 1 acre) largely for commercial purpose	Sunfola, Aguara 4, Aguara 6, PANNAR 7158HO	480kgs/acre per season. (Far less than the national averages 700kgs/acre, SNV 2020)	Sunflower grain and Sunflower oil.
Sorghum	Across 4 districts on a small scale 1 Acre/farmer for host community and refugees 0.2 acres	Epuripuri, Seso 2, Sekedo, seso3 (both tall and short varieties)	260 kgs/acre. (Lower than the national average for improved varieties of 400kgs/acre)	Sorghum grain and local brew
Tomatoes	0.5 acres per farmer in the host communities and 0.1 acres in the refugee settlement in the backyard	Asilla F1, marglobe, Tengeru 97, Rambo, money maker, etc.	4.7 tons/acre. (10,000 tons/acre for same varieties)	Fresh unprocessed

Value Chain	Average Acreage	Varieties Grown	Yield/Acreage	Products
Cassava /Main Food Crop	0.2 acres per farmer in refugee settlements and 1 acre per farmer in host communities	NaSE 1, NaSE 2, NaSE 3, NaSE 12, NaSE 14, NaSE 19 and NaROCASS1	4 tons per acre per season (5 tons/acre national average)	Fresh, dry, chips, flour and use in confectionery
Onions	0.5 acres per farmer in the host communities and 0.1 acres in the refugee settlement	Red creole and Red Bombay F1	1.05 tons per acre (20 tons/acre for same varieties)	Fresh bulbs un processed
Okra	0.5 acres per farmer in the host communities and 0.1 acres in refugee communities	Alunga variety grown mainly by refugees and Pusswani mainly grown by the host communities	0.7 tons per acre per season (national averages of 3.2 same varieties)	Fresh unprocessed
Soy beans	1.2 acre/farmer for host communities and 0.15 acre per farmer in refugee settlements.	Saga, Maksoy 1,2,3 & 6N	500 kgs of soybeans (National average yields 1,500 kgs/acre)	dried grain, roasted, pounded, oil, and confectionary

<u>Crop</u>	<u>COP (UGX)/kg</u>	<u>Unit Price (Ugx)/kg</u>	<u>Gross Profit (Ugx)/kg</u>	<u>Margin %</u>
Sesame	2,747	3500	753	21.5%
Sunflower	783	1000	217	21.7%
Cassava (1 bag of fresh = 48.2kgs)	350	500	150	30%
SoyBeans	860	1800	940	52.2%
Onions	477.9	810	332.1	41%
Tomatoes	830.9	2500	1,670	66.8%
Okra	2,011	3500	1489	42.5%
Sorghum	407.1	1000	592.9	59.3%

Findings – Characteristics of Producers

- a) Small scale ranging 0.1 to 2 acres
- b) Women dominate Production, PHH and marketing of small volumes
- c) Men are responsible for land opening and marketing esp. of large volumes
- d) Low Yields
- e) Farm primarily for home consumption and food security
- f) Irrigation for (watering can) used in tomatoes and onions
- g) Some use of crop protection chemicals esp. for tomatoes
- h) Moderate use of fertilizers esp. for tomatoes and Onions
- i) Some farmers use mulching for water moisture retention
- j) Reported high PH losses

Findings – Gender Consideration

- 80% of women involved in production only
- 20% involved in trading and processing activities on a small scale in village daily and weekly markets.
- Men dictate how farm revenues are spent.
- Income from produce often misused by irresponsible men who indulge in alcoholism, and polygamy. (reported from female dominated FGDs)
- Causing an interruption to productivity of farmers in terms of labor, and capital.

Findings – Input Supply

- 56% of respondents reported that an agro input shop is located in a radius of 5 kilometers from the household.
- Agro input dealers stocked a variety of inputs
- Low working capital of 5 to 10 million
- They expressed difficulty in accessing capital to capitalize their business.
- Daily markets
- Presence of big supplier agents i.e. Mukwano, Comboni Missionaries, GADC, Nile Breweries, Victoria seeds, EA seeds, Omia agribusiness development group, grow more, equator seeds.
- NGOs such as - World Vision, RICE West Nile, LWF, DINU, Northern Uganda Resilience Program – Government of Uganda, Abi-ZARDI- NARO

Findings – Trading Actors

Actor	Characteristics of the Actors
Village Aggregators	<ul style="list-style-type: none"> a) Storage capacities of average one (1) ton / aggregator b) Do not hold the produce to wait for increased prices c) Sell to both traders and final consumers d) 32% are women, trade more in weekly markets
Traders at District or Sub county	<ul style="list-style-type: none"> a) Storage capacities of average 10 tons per trader b) Sell to both final consumer & other traders c) Trading agents for GADC, Comboni Missionaries, Mukwano, Nile Breweries, Amatura produce & marketing cooperative society limited- Moyo, Lefori Multipurpose group belong here
Processors	<ul style="list-style-type: none"> a) Dominated by small mill owners located in village trading centers b) Processing to meet the local demand. c) Processing capacity was very limited to a capacity of 0.5 tones of produce per day.

Findings – Opportunities

Business Opportunity	Justification
Input Supply	<ul style="list-style-type: none"> a) The shops are under capitalised, with limited or no variety of inputs. b) Lack of business skills and product knowledge of the input shop operators.
Value Addition	<ul style="list-style-type: none"> a) 50% of traded produce is brought into the districts b) Inexistence of commercial processing units in the districts
Trading & Export	<ul style="list-style-type: none"> a) Strategic location near border with South Sudan and Congo. b) Markets were dominated by micro and small scale actors. c) Produce wholesale shops that existed were more concentrated in district and regional towns such as Arua and Moyo.

Increased cash flow in the local economy

- Increases cash flow in the local economy – WFP is prioritizing cash transfers
- Linkage to FSP especially VisionFund and Post Bank to access other services including credits

Findings – Trading Opportunities for women and Youth

- Only 20% of women were involved in higher level value chain activities
- Micro businesses at village level dealing in produce and processed products were dominated by women.
- This implies that they have interest and attitude towards engaging in trading and processing activities into different products.
- Domestic gender stereotypes was a major barrier that hinder them from participating in small and medium trade and value addition activities.
- If this is addressed, their participation in trading activities can be enhanced.

Findings – Constraints

Production	prolonged droughts, Poor access to quality seed, pests and diseases, poor soil fertility, fluctuating prices, unpredictable weather patterns, Limited adoption of good agronomic practices, limited access & use of fertilizers, lack of information on market requirements, very limited access to extension services, limited capital and access to rural credit and gender stereotypes
Trade	Access to finance constraints, Poor market orientation of farmers, poor quality products from the farm, limited business skills and competences, inadequate enforcement of quality standards, fees and market dues.
Post-Harvest Handling	Limited income to purchase the PHM technology options available
Climate change	Un unpredictable weather was a major uncertainty for farmers in interviewed. Prolonged drought - it could even go for a whole season with out rain

Recommendations

Invest Area	Specific Recommendation
Private Sector	<ul style="list-style-type: none"> • Leverage Entrepreneurial skills-based training and business mentorship • Develop FGs into marketing centers to target large scale buyers
Farmers	<ul style="list-style-type: none"> • Training of farmers focusing on building resilience against climatic shocks. • Support farmers to open up more land - costs effective means access to ox plough, oxen • Support disaster early warning systems and surveillance, etc. • Support farmers with inputs esp. seeds and fertilizers
PHH	<ul style="list-style-type: none"> • Support FGs with primary processing equipment and Equipment for post-harvest handling
Market Linkages	<ul style="list-style-type: none"> • Provision of market information • Organizing multi-stakeholder platforms between farmers traders and processors and input suppliers
Value Chain Financing	<ul style="list-style-type: none"> • Strengthen FGs with grants to strengthen the savings schemes, • Building partnerships: with financial institutions with existing branch network e.g. vision fund • Strengthening FGs on better management of finance and investments for sustainability.

Impact of Covid. 19

- A ban on gatherings constrained group labour as smallholder farmers under FGs rely on group labour for most of the agricultural activities such as bush clearing, planting, weeding and harvesting.
- Limited access to transport means and closure of markets resulted into limited access to markets which forced smallholder farmers to sell produce to their neighbors at low prices
- The cost of inputs (seeds, fertilizers, farm tools, etc.) increased due to increased transport costs and lack of access to agro-input stockists, who were mostly located in towns far away from farms
- A ban on gatherings resulted into poor extension service delivery as most often extension service providers gather farmers to provide group trainings
- The closure of schools and hotels led to reduced market for agricultural produce



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