Sept, 2022 - Feb, 2023

SEASONAL MARKET OUTLOOK

Collective Voices for Sustainable Development

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Summary Performance of the Second Season of 2022 with Farm Gate and Market Prices of Selected Commodities from Selected Districts in Uganda.

Introduction

Whilst the global food prices witnessed a sustained decline in the prices of agricultural commodities for the last 10 months of 2022, the prices of food in Uganda increased by 20.90 percent over the same period. Retail prices of staple foods generally followed seasonal patterns in October and November, increasing due to declining household and market stocks prior to the second season harvest. Across most monitored markets, prices of beans, maize grain, and cassava chips increased by 11 to 30 percent from August to November.

About ACSA

ACSA is a legally registered national network of Civil Society Organisations (CSOs) which works with smallholder farmers to promote sustainable agriculture, agricultural market development, and environmental conservati-on and undertakes research and advocacy. ACSA has membership of 31 CSOs spread country wide in 38 districts with Mission "to Empower civil society organizations (both Church and church actors) working with smallholder farmers to advocate for favorable agrarian policy environment for sustainable communities" and a Vision of "Smallholder farmers living in a Sustainable Environment". ACSA's focus areas are; Advocacy and Lobbying, Research and documentation, Capacity building of member organizations, Capacity building of ACSA secretariat, Networking and partnership Building, which are undertaken under the overall Goal of: "Relevant agriculture policies and services for Small Holder Farmers (SHFs) are implemented to foster profitable sustainable agriculture enterprises".

Seasonal Performance

Whilst the global food prices witnessed a sustained decline in the prices of agricultural commodities for the last 10 months of 2022, the prices of food in Uganda increased by 20.90 percent over the same period. Retail prices of staple foods generally followed seasonal patterns in October and November, increasing due to declining household and market stocks prior to the second season harvest. Across most monitored markets, prices of beans, maize grain, and cassava chips increased by 11 to 30 percent from August to November. Prices in November remained above the five-year average and prices recorded last year, driven by three consecutive seasons of below-average crop production (since the first season harvest of 2021), a typically high regional demand for Ugandan staples, and high transportation costs due largely by high fuel prices. High staple food prices and below-average seasonal income-earning continue to limit food access for many poor households.

In bimodal areas, localized green/dry second season harvests of mostly legumes and maize improved food availability in areas (mostly in southwestern, central, eastern, and parts of northern Uganda) in November and December. With the progression of harvesting in November/December, the number of households facing Stressed (IPC Phase 2)[1] or worse outcomes is expected to decline with further availability of seasonal food and income from crop production. However, due to overall below-average crop production following another poor rainfall season, most poor rural households stocked less than normal and accessed below-normal seasonal income from crop sales. Given this and above-average market prices, area-level Stressed (IPC Phase 2) outcomes are expected to persist throughout the first half of 2023 in many areas of the country.

[1] *IPC (Integrated Food Security Phase Classification)*

In Unimodal rainfall pattern areas, like much of the Karamoja sub region, below-average household food stocks and above-average staple prices continue to constrain food access amid limited opportunities for income-earning. Across monitored Karamoja markets, prices of staple sorghum grain increased by 17 to 28 percent from October to November, reaching levels from 22 to 71 percent higher than prices recorded last year and the five-year average. Elevated prices are being driven by the below-average 2022 main harvest in Karamoja, below-average national production in 2022, delays in supplies from neighboring sub-regions reaching Karamoja, high prices of fuel, and general inflation in the country. Given high prices and below-average income-earning from typical activities including casual labor and sales of firewood, charcoal, and livestock, many poor households continue to be unable to meet their basic needs. Stressed (IPC Phase 2) and Crisis (IPC Phase 3) outcomes persist in the region. The lean season is expected to begin early by March as more households exhaust below-average food stocks. As the lean season intensifies throughout the remainder of the projection period, an increasing number of households are expected to deteriorate to Crisis (IPC Phase 3) or worse outcomes.

For the perennial crops in the bimodal areas, late-season rainfall in December improved cumulative totals for the September to December second rainy season. These rains were average to above average levels across most parts and it slightly improved production prospects for perennial crops (including cassava and sweet potatoes) and plantation crops (including bananas, coffee, sugar cane, and tea) that will be harvested in future months starting around the end of March with production of these crops expected to be near average at the national level. However, unusually above average rainfall in December and January, during the harvesting of legumes and cereals including maize and millet resulted in some (but limited) postharvest losses and high moisture content for the crops offered on the market. Though performance in the later part of 2022 was mixed, national-level production of these crops in the first season of 2023 is estimated to be better than the first season of 2022. It is however, also expected to be below average.

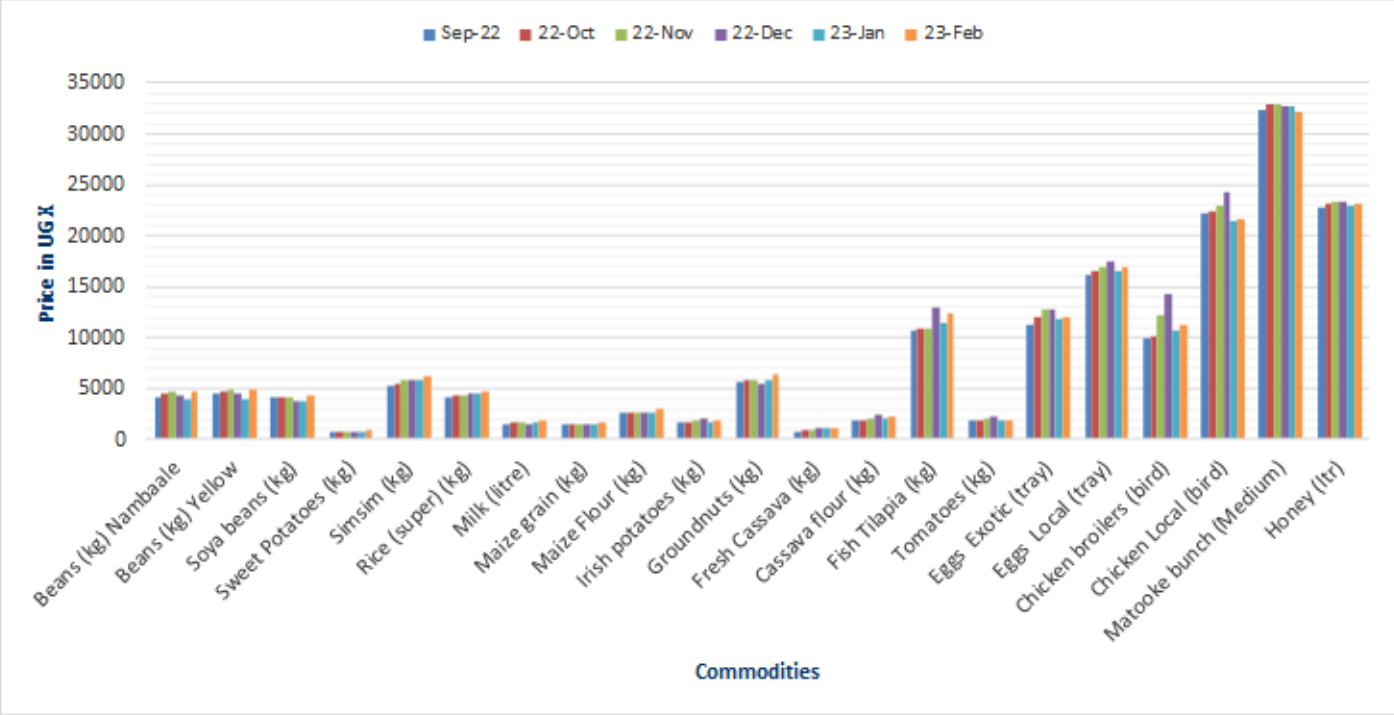
Table showing the Farm gate and Market prices of selected commodities in selected towns in Uganda as of the week ending February 2023

		Kampala		Arua/Nebbi			Mbarara			Hoima			Jinja			Mubende		
SN	Commodity	WSP	RT	FGP	WSP	MP	FGP	WSP	MP	FGP	WSP	MP	FGP	WSP	MP	FGP	WSP	MP
1	Beans (kg) Nambaale	4600	4800	3000	3200	3400	3800	4000	4400	3600	4200	4500	4200	4500	4800	3800	4000	4400
2	Beans (kg) Yellow	4800	5400	2800	3200	3500	3800	4000	4500	3600	4400	4800	4200	4600	5000	3800	4000	4500
3	Soya beans (kg)	4000	4500	3500	3800	4200	3800	4200	42400	3600	3800	4200	3800	4100	4500	3500	3800	4200
4	Sweet Potatoes (kg)	800	1000	580	650	800	650	800	1000	650	800	1000	750	850	1000	700	800	1000
5	Simsim (kg)	6000	6500	5500	5800	6200	5400	5600	6000	5800	6000	6400	6000	6200	6500	6000	6200	6500
6	Rice (super) (kg)	4500	4800	3600	4000	4300	4200	4600	4700	4200	4600	4700	4200	4600	4800	4400	4550	4700
7	Milk (litre)	1700	2000	1300	1500	1800	1200	1400	1600	1200	1400	1600	1400	1600	1800	1300	1400	1600
8	Matooke bunch (Medium)	30000	35000	24000	26000	28000	26000	28000	30000	26000	28000	30000	28000	30000	34000	25000	28000	32000
9	Maize grain (kg)	1800	2400	1500	1700	1800	1800	2000	2200	1800	1800	2000	1800	2000	2200	1800	2000	2200
10	Maize Flour (kg)	2500	3000	2400	2600	2800	2400	2600	2800	2400	2600	2800	2400	2600	3000	2400	2600	2800
11	Irish potatoes (kg)	1800	2000	1500	1600	1800	1500	1600	1800	1500	1600	2000	1500	1600	2000	1500	1600	2000
12	Groundnuts (kg)	6000	6500	5500	5800	6000	5500	5800	6200	5500	5800	6000	6000	6200	6500	5800	6150	6400
13	Fresh Cassava (kg)	1000	1400	600	800	1000	800	900	1000	800	900	1000	900	1000	1200	800	1000	1200
14	Cassava flour (kg)	2000	2500	1800	2200	2500	1800	2200	2500	1800	2200	2500	1800	2200	2500	1800	2000	2200
15	Fish Tilapia (kg)	10000	12000	10000	11000	13000	90000	10000	11000	10000	12000	14000	10000	12000	13000	10000	12000	13000
16	Tomatoes (kg)	1600	2500	1400	1600	2000	1400	1600	2000	1400	1600	2000	1400	1800	2200	1400	1600	2000
16	Eggs Exotic (tray)	1000	13000	9000	10000	11000	9500	10500	12000	9500	11000	12000	10000	11000	13000	9500	11000	12000
17	Eggs Local (tray)	16000	20000	12000	14000	16000	12000	14000	16000	12000	14000	16000	15000	17000	20000	12000	14000	16000
18	Chicken broilers (bird)	9000	10000	8000	9000	10000	8000	9000	10000	8000	9000	10000	8000	9000	10000	8000	9000	10000
19	Chicken Local (bird)	20000	28000	14000	16000	18000	20000	22000	24000	20000	22000	24000	20000	22000	25000	20000	22000	24000
20	Pineapple (Large)	1500	2000	1200	1300	1500	1000	1200	1500	1200	1500	1800	1300	1500	2000	1000	1200	1500
21	Honey (ltr)	22000	25000	20000	21000	22000	20000	22000	24000	20000	22000	20000	20000	23000	25000	20000	22000	25000

WSP: Wholesale price **RT:** Retail price **FGP:** Farm gate price **MP:** Market Price

NOTE: Kampala prices are the averages obtained from the agricultural markets of St. Balikudembe (Owino), Kisenyi, Nakawa and Kalerwe.

Bar graph showing comparison of national monthly average retail market price performances of selected commodities from September, 2022 to February, 2023

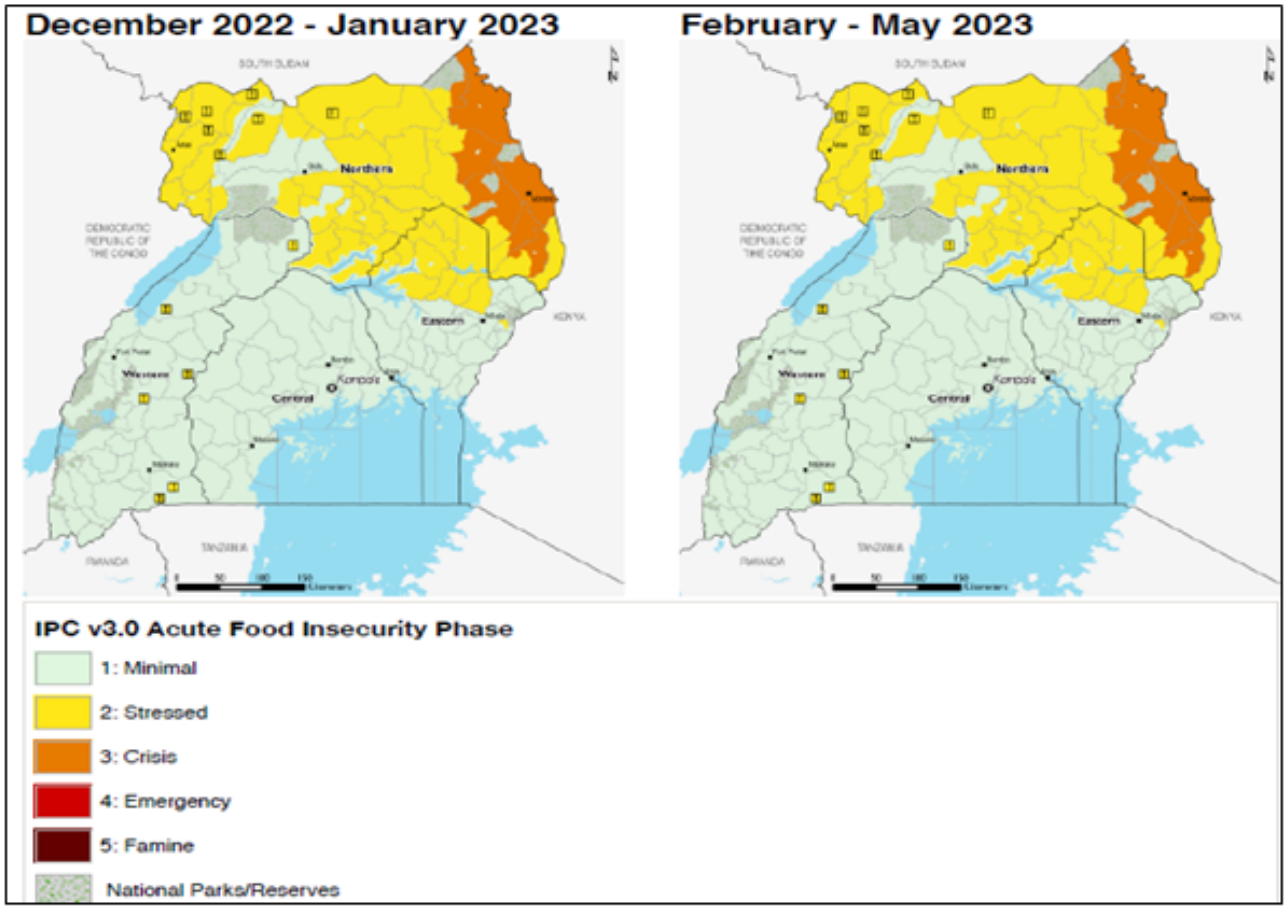


Source: ACSA Market information 2022/23

The impact of seasonal performance on the food security

Significantly below-average crop production (estimated to be slightly above the half of normal levels) for a third consecutive season and localized insecurity continue to disrupt typical livelihoods and reduce income-earning across the country. Across bimodal areas, the number of households facing Stressed (IPC Phase 2) or worse outcomes decreased alongside increased availability of food from own crop production as areas entered into the harvesting months of November, December and January. However, by February, the number facing Stressed (IPC Phase 2) or worse outcomes began to increase again as stocks quickly exhausted, most especially in areas where production was relatively poor. Many poor urban households are likely to continue experiencing Stressed (IPC Phase 2) outcomes through at least May 2023. In the unimodal pattern areas of (especially) northern Uganda, the number of households facing Crisis (IPC Phase 3) and Emergency (IPC Phase 4) outcomes remained atypically high for a postharvest period. In the coming months, many households will likely exhaust food stocks earlier than normal.

Below-average purchasing power, and limited remaining coping capacity, an increasing number of households will likely face Crisis (IPC Phase 3) or worse outcomes throughout the projection period. Area-level Crisis (IPC Phase 3) outcomes are expected to persist in some many areas until the next season's harvest.



Source: Famine Early Warning Systems Network, 2023

The Long View

Current production in consecutive seasons continues to fall below average. Regions have already been experiencing shortages of food and food inflation has hit the new highest levels shortly after harvest. Failure in this year's production, especially in the areas of unimodal rainfall pattern will spell doom and threaten these areas to total famine. Climate is more likely to continue being unpredictable and unfavorable as already observed in the down pours of January 2023 which was expected to be a dry month. Smallholder farmer's situation is worsened by incidences of pests and disease whose management is challenging amidst over reliance on few crops for both human and animal feeding.

Research has shown that this situation can be improved only when a holistic approach is implemented. Farmers need to engage in activities to counter the

effects of climate change. These importantly include identification through on farm research of locally appropriate crops and other plant varieties that are adaptive to changing climate and rainfall patterns. There is a need to adopt new technologies that are increasingly available for better production and water efficiency. However, emerging farmers need considerable knowledge and resources if they are to make use of these technologies. This is where advocacy and lobbying campaigns to government and other service providers is becoming very paramount.

Important to the smallholder farmers also is the provision of farmer-support programs which make a world of difference in bridging the knowledge gap. Within ACSA network, a number of organisations offer training and on-farm extension support.

i. Kulika Uganda has established a training centre that has been since rated as centre of excellence and has presence in all regions of the country.
ii. Agency For Integrated Rural Development (AFIRD) with a training centre in Namayumba Wakiso trains farmers in the districts of Wakiso and Mpigi.
iii. Uganda Youths at Risk Development Network (UYDNET)/KSAM farm has a training farm in Najjembe-Buikwe which trains and mentors farmers across the country.
iv. Mityana District Modern Farmers Association (MDMF) has a training and demonstration farm in Lubanja in Mityana, and targets farmers in the districts of Mityana, Mpigi, Kasanda, Mubende and Kiboga.
v. Homeland Organics and Agro-tourism Center Limited with a practical training farm at Kibalinga - Mubende targets farmers from Mubende, Kyegegwa and Kasanda districts.
vi. RUCID Organic Agriculture Training College at Lubanja, Mityana district trains farmers in production and value addition (post-harvest handling) from across the country and the East African region.

These organisations have been developing farmer extension support services, in which farmer support officers train and mentor farmers to help them overcome production challenges faced to profitable farms amidst weather changes.

Conclusion and Recommendations

While nearly all farmers are currently engaged in some form of coping and many have employed response strategies near to sustain meaningful production in the shocks, consecutive below-normal production seasons have been experienced. This calls for more interventions with a holistic approach. At the national level, it is imperative that decision makers examine more closely the composite needs of agriculture when budgeting. As more climate anomalies are becoming more frequent and more intense, building shock responsive social protection systems at the national level should become a critical priority. This should trickle down to farmers through the extension service system. With technical support from the extension agents, farmers can adopt new practices ranging from irrigation to planting techniques in order to have access to improved seeds to make their farms more resistant to pests and diseases. Finally, directed investments in post-harvest can help improve post-harvest processing facilities.

For smallholder farmers, as weather patterns and pests evolve, they can do the following;

i. Reduce reliance on a few crops and promote diversification, for example, in favour of cassava, groundnuts, beans, sorghum and millet, and other actions like switching to short-maturing strains of maize or staggering planting phases to increase resilience as weather patterns evolve.

ii. Access and utilize irrigation systems that suit the local water resources.

iii. Adoption of research-informed locally adapted varieties.

iv. Adoption of better planting techniques, with improved seeds and plant material.

v. Adoption of technologies and techniques in post-harvest handling to reduce wastage and promote climate proofing value chains.

vi. Develop and adopt alternative sources of animal feed ingredients like Black soldier fly larvae to reduce food competition with humans.

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