



Agriculture Outlook for May, 2024

With Average Retail Market Price Performances of Selected Commodities

Background

Uganda's agricultural sector is a vital component of the country's economy, employing approximately 70% of the population (World Bank, 2018), including 80% of the rural population and 64% of the working population (UBOS, 2022)¹. The sector contributes significantly to Uganda's Gross Domestic Product (GDP), accounting for around 25% (The World Bank, 2024). Moreover, agriculture is responsible for half of Uganda's export earnings (International Trade Administration, 2021)². Despite its importance, the sector faces numerous challenges, including limited access to fertilizer and quality seeds, inadequate irrigation infrastructure, poor post-harvest handling practices, and insufficient storage facilities and packaging capabilities (AGRA, 2024)³. Uganda's agricultural sector has the potential to drive economic growth and development, but addressing these challenges is crucial to unlocking its full potential (The World Bank, 2024)⁴.

Season's Outlook: May 2024

In bimodal Uganda, northwestern areas, representing nearly half of the country, have suffered a meteorological drought characterized by considerably below-average March to May (MAM) rainfall. According to CHIRPS data, the West Nile subregion is worst affected, facing one of the driest MAM seasons on record (since 1981), followed by Lango and Acholi subregions. Extended dry spells and cumulative seasonal precipitation deficits of up to 100 to 200 millimeters (mm) compared to the long-term average (1981-

2020) have resulted in moisture stress and the wilting and drying of crops in the worst-affected areas. The atypically early cessation of rainfall during the vegetative to reproductive stages (45 to 75 percent developmental stage) for crops is expected to result in poor grain filling and reduce the yield of cereals and legumes. While the June to August dry season rainfall forecast indicates chances for above-average rainfall, it is unlikely to reverse the crop damage already inflicted by the poor March to May rainfall.

Additionally, according to the Uganda Red Cross Society (URCS), approximately 39,190 people in 14 districts were affected by flooding in May, and the rising levels of Lake Victoria and Kyoga have caused localized displacement. Heavy rains between January and April also caused flooding and land/mudslides around the Elgon and Rwenzori mountains, displacing 37,866 people according to the International Organization for Migration (IOM); some fatalities and destruction of physical infrastructure including roads, health centers, and schools have also been reported. Given the localized nature of the flooding events, impacts on crop production and food availability are not anticipated to be widespread.

National first-season cereal and legume production is expected to be below-average but similar to last year, particularly in western and northern Uganda, due to rainfall deficits, erratic spatial and temporal distribution of rains, and early-season planting delays in parts of the north. These factors are anticipated to reduce household income from agricultural activities and limit access to food stocks in May and June. Moreover, the constrained food availability and market supply are likely to cause rise of staple food prices in severely affected areas. In parts of the north and west, below-average crop production may lead to at least 20 percent of the population facing Stressed (IPC Phase 2) or worse outcomes from June through September. Concurrently, in Karamoja, despite frequent dry spells causing moisture stress in May, cumulative rainfall from April to June is forecasted to be above average. This, coupled with improved security and agricultural conditions in wet belts, suggests near-normal cereal production by July/August, surpassing the past few seasons. However, regions previously hit by floods may experience reduced planting and output. In May, vulnerable households continue to contend with limited assets and fierce competition for income opportunities, with Crisis (IPC Phase 3) conditions projected through at least July/August, easing to Stressed (IPC Phase 2) following the green harvest.



IPC (Integrated Food Security Phase Classification) is an innovative multi-stakeholder initiative to improve analysis and decision-making on food security and nutrition.

The main goal of the IPC is to provide decision-makers with a rigorous, evidence- and consensus-based analysis of food insecurity and acute malnutrition situations, to inform emergency responses as well as medium- and long-term policy and programming.

Average Farmgate/Wholesale and Retail market prices of selected commodities for May 2024

Commodity	Kampala (Owino/Kisenyi)		Mbale		Mubende		Arua	
	WSP	RP	FGP	RP	FGP	RP	FGP	RP
Beans Nambaale (Kg)	2900	3700	2400	2900	2500	2900	2400	2700
Beans Yellow (Kg)	2900	3900	2400	2900	2500	3100	2400	2700
Maize grain (Kg)	410	610	310	560	360	410	360	410
Millet (Kg)	2900	3100	2800	2900	2300	2600	2300	2600
Groundnuts (Kg)	5100	5300	4900	4800	4800	4600	4900	4700
Cow peas (Kg)	4600	5100	4400	4300	4300	4100	4400	4200
Rice (Super) (Kg)	3600	4100	3400	3300	3300	3100	3400	3200
Bananas (Medium)	22000	27000	10000	14000	8000	12000	12000	14000
Fresh cassava (Kg)	1000	1400	700	800	750	900	750	900
Irish potato (Kg)	1000	1200	800	950	850	750	700	850
Sweet potato (Kg)	800	1000	700	800	500	600	660	800
Fresh Milk (Litre)	1200	1400	1100	1200	900	1100	1100	1200

WSP = Wholesale Price, **FGP** = Farm Gate Price, **RP** = Retail Price

Projected Outlook - June 2024

Bimodal areas, are projected to remain dry (it's the official opening month of the dry season) as farmers finish harvesting most crops. It is the peak season for coffee harvesting, with prices reaching a 10-year high due to poor production. Northwestern regions, particularly the West Nile subregion, will continue to suffer from the impacts of severe drought experienced during March to May, resulting in poor yields for cereals and legumes. Localized flooding in May caused some infrastructure damage, but its impact on crop production is expected to remain limited. Overall, the below-average cereal and legume production will lead to reduced household income and elevated staple food prices, with around 20% of the population in the north and west projected to face stressed (IPC Phase 2) or worse outcomes. The continued influx of refugees will strain resources further, with many relying on inadequate humanitarian assistance, leading to Crisis (IPC Phase 3) outcomes.

In the unimodal areas, planting activities are expected to continue into May, especially for late farmers aiming to take advantage of the remaining favorable conditions. Rainfall is forecasted to remain above average, sustaining the conducive environment for crop growth. This ongoing precipitation bodes well for agricultural activities in these regions, providing farmers with the necessary moisture for successful planting and initial crop development.

Conclusion and Recommendations

This indicates significant regional disparities. In bimodal areas, severe drought has led to poor yields of cereals and legumes, despite the peak coffee harvest season with prices at a 10-year high. Localized flooding has caused infrastructure damage but minimally impacted crop production. Consequently, reduced household incomes and elevated staple food prices are expected, with around 20% of the population in the north and west facing Stressed (IPC Phase 2) or worse outcomes. Conversely, unimodal areas are benefiting from consistent rainfall, supporting successful planting and projecting average harvests in August, offering much-needed relief and improved food security after several poor seasons

Smallholder farmers should adopt drought-resistant seeds and affordable irrigation systems like rainwater harvesting and drip irrigation to enhance crop resilience in drought-prone areas. Training in climate-smart practices such as conservation agriculture and agroforestry is essential. Strengthening farmer groups for better market access and advocating for improved rural infrastructure are crucial. Access to agricultural extension services should be expanded, and improved post-harvest management practices should be implemented to reduce losses. Seeking affordable credit through microfinance institutions is recommended to invest in productive assets and technologies.

References

- [1] UBOS. (2022). Annual Agricultural Survey 2018 Report.
- [2] International Trade Administration. (2021). Uganda - Agricultural Sector.
- [3] AGRA. (2024). AGRA in Uganda.
- [4] World Bank. (2018). Closing the Potential-Performance Divide in Ugandan Agriculture.

About Advocacy Coalition for Sustainable Agriculture (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 conservation and undertakes research and advocacy. ACSA has membership of 29 CSOs spread country wide in 46 districts with Mission “to Empower civil society organizations (both church and non-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”.

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