



Agriculture Outlook for July, 2024

With Average Retail Market Price Performances of Selected Commodities

Background

Agriculture is a cornerstone of Uganda's economy, providing employment for approximately 70% of the population and contributing around 24% to the national GDP (World Bank, 2020). Smallholder farming is vital as it provides employment for the majority of the rural population, significantly contributes to the nation's GDP, and is key to ensuring food security and rural development (FAO, 2021). Providing smallholder farmers with timely market information enhances their decision-making, bargaining power, and market access, leading to improved financial planning and reduced post-harvest losses (IFAD, 2022). This information allows farmers to adapt to market trends and manage risks effectively, thus supporting sustainable agricultural practices and economic stability in rural communities (World Bank, 2020).

Season's Outlook: July 2024

In the bimodal rainfall pattern areas of Uganda, the onset of the rainy season has shown considerable variation this year. Particularly in the Bunyoro region, encompassing Kagadi, Kibaale, Kakumiro, and surrounding areas, the rains began earlier than usual. This early onset facilitated timely planting activities in July, setting the stage for a potentially productive season. Farmers in these areas have already planted their crops, allowing them to transition to weeding by the end of July. This early start is crucial as it can lead to higher yields and better crop quality. Conversely, other parts of southwestern Uganda and eastern Uganda are still anticipating the arrival of the rains, which typically commence in August and occasionally extend into early September.

Farmers in these regions are currently focused on preparing their gardens, ensuring their fields are ready for planting once the rains begin. This preparatory phase is essential for optimizing soil conditions and planning for crop varieties that suit the expected climatic conditions.

In Bunyoro, the early rains have transitioned the farming activities from planting to weeding as July comes to a close. The timely rains in this region have allowed crops to establish earlier, necessitating early weed management to ensure healthy crop growth. Weeding is a critical task as it reduces competition for nutrients, water, and sunlight, ultimately enhancing crop yields. This early start is expected to give farmers in Bunyoro a head start on the growing season compared to their counterparts in other regions still awaiting the rains. Early rains can also improve soil moisture levels, benefiting crops throughout their growth cycle and potentially leading to earlier harvests.

Regarding food prices, most agricultural products have experienced stable increases, although they remain at an all-time low for this period over the past five years. Bananas, which saw a significant slump in June, have begun to recover, indicating a potential stabilization of the market. As of July, banana prices in western Uganda rural areas have rebounded to UGX 7,000 per bunch, up from UGX 2,000 of medium bunch in June. On the other hand, coffee has reached record high prices, with clean coffee beans selling for as much as UGX 14,000 per kilogram, reflecting strong demand. This significant price increase highlights coffee as a standout performer in the agricultural market this season, driven by both local and international demand. Milk prices in Kampala have also seen a modest gain, rising from UGX 1,400 to UGX 1,500 per liter. The overall trend in food prices indicates a mixed outlook, with some products recovering and others experiencing unprecedented highs. This variability underscores the dynamic nature of Uganda's agricultural market, influenced by regional climatic conditions and market demand.

In unimodal rainfall areas, July ended with farmers beginning their harvests, bringing much-needed relief. The commencement of the harvest season is crucial for these farmers, who rely on the yields to sustain their livelihoods and food security. Early reports indicate that maize and beans, staple crops in these regions, are yielding well, with maize prices currently at UGX 600 per kilogram and beans at UGX 2,500 per kilogram. The successful onset of the harvest alleviates some of the pressures faced during the growing season, such as food shortages and financial constraints. The harvest season marks the beginning of a period of economic activity and food availability, benefiting both farmers and local markets. This influx of fresh produce into the markets can help stabilize food prices and improve nutrition for many households. Moreover, the income generated from the sale of these crops provides farmers with the capital needed to invest in the next planting season, purchase essential goods, and support their families.



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

	Kampala (Owino/Kisenyi)		Mbarara		Mubende		Arua	
	WSP	RP	FGP	RP	FGP	RP	FGP	RP
Beans Nambaale (Kg)	3000	3700	2600	3000	2500	2900	2500	2800
Beans Yellow (Kg)	3500	4000	2800	3200	3000	3300	2500	3000
Maize grain (Kg)	560	800	350	560	360	450	360	410
Millet (Kg)	3000	3500	3000	3500	2500	3000	2500	2800
Groundnuts (Kg)	5100	5500	4900	5000	4800	5000	4900	4800
Cow peas (Kg)	4600	5100	4400	4300	4300	4100	4400	4200
Rice (Super) (Kg)	3600	4200	3400	3500	3300	3500	3400	3600
Bananas (Medium)	18000	25000	6000	8000	6000	10000	12000	14000
Fresh cassava (Kg)	1000	1400	700	800	750	900	650	800
Irish potato (Kg)	1200	1400	800	950	850	750	700	850
Sweet potato (Kg)	1000	1000	700	800	500	600	660	800
Fresh Milk (Litre)	1400	1600	800	1000	900	1100	1200	1400

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

Projected Outlook - August 2024

Bimodal Areas:

In the bimodal rainfall areas of Uganda, August 2024 is expected to bring continued favorable conditions following the early onset of rains in regions like Bunyoro. With the early planting in July, crops are anticipated to be in various stages of growth, from initial establishment to advanced vegetative stages. Farmers will likely intensify weeding and other crop management practices to ensure healthy growth and optimize yields. This proactive approach can enhance crop resilience against pests and diseases, which tend to proliferate during wet periods. As the season progresses, attention will shift to monitoring rainfall patterns closely. Consistent rainfall throughout August is crucial for maintaining adequate soil moisture levels, essential for crop development. Farmers in areas still waiting for the rains, such as parts of southwestern and eastern Uganda, are expected to start planting as the rains commence. Timely planting will be critical to align crop growth stages with the optimal climatic conditions of the latter part of the season. Market-wise, food prices in bimodal areas may continue to reflect the variations in regional rainfall patterns. With the recovery of banana prices, farmers might experience improved income levels. The timely onset of rain will greatly assist dairy farmers, as the July sun scorched some areas, impacting pasture quality. Dairy farmers, whose milk prices have risen modestly to UGX 1,600 per litre, may also benefit from improved feed availability due to the rains.

Unimodal Areas:

In the unimodal rainfall areas, August 2024 marks a crucial period as the harvest season continues. Farmers in these regions will be busy harvesting maize, beans, and other staple cereals, which are critical for both food security and income generation. The successful harvest in unimodal areas brings an influx of fresh produce into their markets,

likely leading to a temporary stabilization or slight decrease in prices for some staples due to increased supply. This period is vital for farmers to capitalize on the good yields, sell their produce, and reinvest in their farms for the next planting season. However, the unimodal areas must also prepare for the post-harvest period. Effective storage solutions will be essential to prevent post-harvest losses, especially given the relatively high prices of beans and maize. Farmers and local authorities need to focus on proper drying and storage techniques to preserve the quality and quantity of the harvest. This preparation is crucial for ensuring that the benefits of a good harvest extend well into the next planting season and beyond.

Conclusion:

The season's outlook for July 2024 highlights the critical influence of rainfall patterns on Uganda's agricultural activities and market dynamics. In bimodal areas like Bunyoro, early rains have enabled timely planting and weeding, setting the stage for a productive season, while southwestern and eastern regions await rains expected in August. Food prices show mixed trends, with commodities like bananas and coffee recovering significantly, reflecting the dynamic nature of the market. In unimodal areas, the ongoing harvest provides much-needed relief and financial resources for farmers, emphasizing the importance of effective post-harvest management to sustain these benefits into the next planting season.

Recommendations:

Farmers can better navigate the current agricultural season's challenges and opportunities, enhancing food security and farmer livelihoods across the country.

1. Optimize Planting Schedules: Smallholder farmers in bimodal areas should closely monitor rainfall patterns and prepare to plant immediately when rains arrive. Timely planting is essential to ensure crops align with optimal growth conditions and can take full advantage of the available moisture.

2. Intensify Crop Management Practices: Farmers should focus on effective weeding, pest control, and crop rotation practices. Regular weeding helps reduce competition for nutrients and water, while crop rotation can improve soil health and reduce pest and disease pressure.

3. Implement Post-Harvest Handling Techniques: Smallholder farmers in unimodal areas should adopt proper post-harvest handling practices, such as drying crops thoroughly before storage and using airtight containers to prevent spoilage. This will help minimize post-harvest losses and maintain the quality of harvested produce.

By implementing these recommendations, smallholder farmers can enhance their resilience, optimize crop production, and improve their livelihoods.

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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