

# Ugandan farmers grab marketing opportunities after conflict

**Civil unrest in northern Uganda, lasting many years, has hampered development of smallholder farming. With peace in the region, farmers can once again engage in local marketing.**

**Government and NGOs support the formation of farmers' groups for bulk marketing and access to market information.**

**Anyanzo Thomas Abbey and Azu Albert**

While Uganda's economy has been growing steadily since the early 1990s, the northern part of the country is lagging behind because of the past civil conflict in this area. Found in this area, Moyo is one of the poorest districts in Uganda. Agricultural production is limited: farmers grow groundnuts, onions, cassava, beans, sorghum and vegetables, and keep a few chickens, goats, pigs and cattle. Farmers are hardly able to grow enough to meet household needs. There are few surpluses to sell, and few people who are interested in buying. This discourages farmers from increasing their production, keeping farmers in the vicious circle of subsistence production.

Within the country's Poverty Eradication Action Plan, the National Agriculture Advisory Services (NAADS) was mandated to strengthen farmer institutions, advise farmers, introduce technologies and develop market linkages. The NAADS programme started in Moyo in 2004. It collaborates closely with NGOs such as the Danish Refugee Council and Environmental Alert in supporting farmers. During the first three years, NAADS emphasised increasing production through advisory services and introducing appropriate technologies. In 2007, farmers asked to be linked to the markets and started working with NAADS co-ordinators and technical staff for a plan. They agreed to assess groundnut and onion yields to establish the quantity produced, develop an inventory and profile of produce buyers, gather and disseminate market information, and organise and facilitate negotiation meetings between farmers and produce buyers. This plan, aimed at supporting farmers to market their products, was implemented between November and December 2007. Farmers sold more than 20 tonnes of groundnut and 2 tonnes of onion. Two approaches were used, with and without middlemen.

## **Marketing groundnuts in Moyo and Lefori**

One of the first activities was to hold meetings with groundnut farmers – both those supported by NAADS or other NGOs, and with those who were not. Community Based Facilitators (CBFs, see box) based at parish level identified farmers who wished to sell their produce. The CBFs compiled their names, as well as the location, quantity and variety of groundnut grown.

### **Community Based Facilitators**

This is one of the farmer institutions under NAADS. CBFs are progressive farmers who are easily approachable, literate, honest and willing to share knowledge with other farmers. They are volunteers. Their role is to assist fellow farmers in technical issues like agronomy, community mobilisation for group formation, facilitating marketing and monitoring and evaluation. They get short trainings to prepare them for the tasks. They get a bicycle so they can easily move around. They report monthly to NAADS.

At the same time, SNV (Netherlands Development Organisation) was promoting the commercialisation of oil seeds, so we established links. We were thus able to access a list of potential buyers in the West Nile region, most of whom had middlemen working in the villages during the harvest seasons. NAADS contacted these potential buyers, but the price they were willing to pay was not attractive: we suspected that they did not want to deal directly with small scale farmers. Farmers were offered 600 shillings (US\$) per kilo of unshelled groundnuts (about US\$ 0.40), when these were being sold at US\$ 800 or more in the nearby town of Arua.

We held weekly meetings with farmers. During these meetings we looked at the total quantities of groundnut available by variety. We listed the names of the middlemen who had been buying local produce before, and invited them to meet the farmers. Sadly, the majority of them never came. And those who came justified the price they were offering: middlemen spend a lot of time and money travelling around the villages looking for and gathering the groundnuts, which increases operational costs. They mentioned that if farmers organised themselves, they could increase prices slightly.

It was then agreed that the CBFs would help farmers get together. The middlemen and farmers agreed on a price of US\$ 700 per kilo of unshelled groundnut. The farmers agreed on a central point in every parish, where all registered farmers should bring their groundnuts for sale. The middlemen also agreed to picking up production from the farmer's home if his or her production exceeded 50 sacks of groundnuts.

In less than two weeks all the groundnuts in the two sub-counties were gathered. On the designated day and location, the middlemen bought the groundnuts, preferring the red varieties for the local market. More than 20 tonnes of groundnuts were sold in a short time, and at a better price than before.

## **Marketing onions in Metu**

As with groundnuts, most farmers who grow onion on larger areas (of about 0.2 hectares) are supported by NAADS or by other organisations. These farmers were targeted for group marketing, but individuals who grow without any external support were also invited to bring their harvest and join the group. Those farmers who harvested early were able to sell a kilo of onions for at least US\$ 1100. When the group was ready, however, the price had fallen to US\$ 900. With no middlemen interested in the commercialisation of onions at that time, NAADS decided to play a leading role in the marketing processes.

Five members of the Subcounty Farmers' Forum formed a "marketing committee" to co-ordinate the whole process, with the support of the NAADS co-ordinators and the District Marketing Officer. This committee held two meetings every week, where they discussed and analysed the information available (prices and demand). Some of them travelled to different places to get more information, even crossing the border into Southern Sudan. Information was also gathered via mobile phones and the internet (e.g. via Foodnet). This provided information on prices of foodstuffs in major towns in Uganda, which was helpful as comparison. The CBFs reported to the committee members which farmers had onions for sale, and



**Thanks to being able to sell their products again, farmers like Mrs. Betty Jurugo have gained more than just money.**

they also told farmers about prices and demand. After about three weeks of meetings, the committee finally decided to take the onions to Nimule, in Southern Sudan – although the price there was not the highest, the demand was big.

During a three week period, all farmers brought their onions to the bulking store which the sub-county authorities provided for free. Farmers with as little as 5 kg also brought their produce. All names and quantities were registered, and all production was cleaned and sorted (removing debris and rotten onions) before weighing. About two tonnes of onion was collected at the end of the three weeks. The district NAADS office cleared the onion with the Uganda Revenue Authority/Immigrations office and it was then possible to take it across the border to Nimule.

In Sudan, it took only two days to sell all the onions at US\$ 1200 per kg. This was the first time since the unrest started that farmers had marketed their produce in groups. It was also the first time that farmers in the border district of Moyo entered the Sudan market as a group. On their return, all farmers who had participated were called and paid according to the quantity of onions they had registered at the store.

Farmers appreciated the initiative. They said that by selling as a group they received all the money at once, made more profit, learnt from each other, and saved time. They promised to grow more onions the following season and have now formed themselves into an onion marketing group.

### Seeing the benefits

Groundnut farmers had similar comments as the onion farmers; they were happy since they sold groundnut within a short time, and at a better price. Among the factors that contributed to such success included the opening up of markets in Southern Sudan, NGO support promoting the commercialisation of local production. Equally important were the higher production levels, resulting from the improved extension services and the availability of high yielding varieties.

In future, apart from onion and groundnut, sesame farmers in four sub-counties will also be invited to participate. The targets

for this year are to market 30 tonnes of sesame, 40 tonnes of groundnut and 5 tonnes of onion. Furthermore, NAADS wishes to involve farmers more so that they learn and pick up activities fully in the near future, besides involving more stakeholders.

This experience has shown that markets can motivate farmers, making them grow more. It has also shown how even those with limited area or resources, with low yields, or who produce under difficult conditions, can benefit from commercialisation. One of the members of the farmer committee argued that farmers already have basic agronomic knowledge: the authorities and other extension agents need do more to facilitate the marketing of their produce “instead of giving out handouts or inputs like seedlings”.

### Future potential

Due to the civil war that has rocked northern Uganda for more than two decades, the region has remained behind in development. As more than 90 percent of the active labour force is involved in agriculture, and given that land is not a limiting factor for production in this region, agriculture can play a central role in reducing poverty. While it is good to introduce and promote use of improved technologies to increase agricultural production, making access to markets easier and enhancing the commercialisation of local production may help even more.

In areas where agriculture is mainly oriented at the household level, and where middlemen are active, they can play an important role in linking smallholders to the market. Farmers, however, need to be empowered with market information and with the necessary skills for group commercialisation in order to succeed. At the initial stages, both the government and NGOs can play an active role, but both need to withdraw gradually so as to make farmers market on their own.

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