

Marketing of agroforestry products in Nama sub-county, Mukono district, Uganda

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Abstract The demand for agroforestry products in Uganda is rapidly expanding and hence markets and marketing of the products are increasing. A study on marketing of agroforestry products was therefore, conducted in Nama sub-county, Mukono district. The objectives were threefold: identify important agroforestry commodities produced in Nama sub-county; assess the marketing structures that exist in the area and identify the opportunities and constraints faced by farmers from production to marketing of the agroforestry products. One hundred semi-structured questionnaires and interviews using Participatory Rural Appraisal (PRA) method were used to collect the data. SPSS was used to analyse the data. A variety of agroforestry products (crops, trees and animal related) were produced by the farmers in this sub-county. Some of the products were consumed at household level while others were sold. Majority (77%) of the farmers marketed their produce at the farm-gate. Over 85% of farmers marketed their agro-products individually. Group or cooperative marketing was very limited. Poor pricing policies, inadequate market information, poor transport as well as handling and storage facilities hindered marketing of agroforestry products. Expanding markets for agro-products and increasing support by extension workers were reported as the available opportunities to market agroforestry products. There is a need to encourage farmers to organise themselves into farmer groups so they have a better bargaining power over their products and avoid being cheated by the middlemen.

Key words: Agroforestry markets, marketing structures, Uganda

Résumé La demande de produits agro forestiers en Ouganda est en expansion rapide, ainsi l'augmentation des marchés et du marketing des produits. Une étude sur le marketing des produits d'agroforesterie a été par conséquent entreprise dans la sous localité (sub-county) de Nama, district de Mukono. Il y avait trois volets d'objectifs : identifier les opportunités et contraintes auxquelles les fermiers font face de la production au marketing, évaluer les structures de marketing existantes dans la localité. 100 questionnaires semi-structurés et interviews utilisant la méthode de l'évaluation rurale participative (PRA) étaient utilisés pour la collecte de données. Une variété de produits agro forestiers (de récoltes, d'arbres et animaliers) étaient générés par les agriculteurs dans cette localité. Certains des produits étaient consommés au niveau des ménages pendant que d'autres étaient vendus. La majorité des fermiers (77%) ont mis leurs produits en vente au niveau de la ferme-même. Plus de 85% les ont mis en vente individuellement. La vente en groupe ou sous forme de coopérative était très limitée. Des politiques médiocres concernant les prix, une information inadéquate au sujet des marchés, un transport inadapté aussi bien que l'infrastructure de stockage et de manoeuvre étaient de facteurs qui gênaient le marketing des produits d'agroforesterie. Il existe un besoin d'encourager les agriculteurs en vue de leur organisation en groupes de fermiers de telle sorte qu'ils puissent bénéficier d'un pouvoir de négociation accru par rapport leurs produits et éviter qu'ils soient exploités par les intermédiaires.

Mots clés: Marchés pour l'agroforesterie, structures de marketing, Ouganda

Introduction

Agroforestry has been defined as a dynamic and ecological based natural resources management systems that through integration of trees on farms and in the agricultural landscape diversifies and sustains production for increased social, environmental and economic benefits for land use at all levels (ICRAF, 1997). One of the aims of establishing Agroforestry is to improve peoples' welfare by alleviating poverty and increasing household cash income (ICRAF, 1992), through technologies that provide products, which can be marketed. Freudenberger (1996) noted that cash income from agroforestry products can be maximized through effective markets and marketing strategies for farmers to keep their income stable and predictable over time. FAO (1996) also noted that most

raw materials used to make various products around the world come from agroforestry and are a source of income as the market expands at the national, regional and global levels.

In Uganda, agroforestry practices have immense potentials at local level to form a foundation for income generating activities (MAAIF, 2000a, b). This potential is however largely under-exploited. The major obstacle being lack of information and linkages between farmers, buyers and processors, which has resulted into a heavily distorted and biased market. Little has been done to seek more market opportunities in the area of agroforestry. Uganda's agroforestry products such as fruits and vegetables generate interest in international markets (Olaki, 2001). This implies that there is external market for the agroforestry products ventured into. Little is known about marketing

strategies that can be adopted for higher returns to farmers. The constraints that hinder the flow of the agroforestry products to the markets and the existing opportunities that can be exploited to improve on agroforestry as a business, have also been ignored by researchers. The need for such vital information was the basis of this study. The objectives of the study were therefore threefold: to identify important agroforestry commodities produced in Nama sub-county; to assess the marketing structures that exist in the area and to identify the opportunities and constraints faced by farmers from production to marketing of their agroforestry products.

Study area. Nama is one of the sub-counties of Mukono county in Mukono district, central Uganda. The sub-county comprises of six parishes (Namubiru, Namawojjolo, Mpoma, Bulika, Kasenge and Katoogo). Many agroforestry projects have over the past years been conducted in these parishes with varying success. The average minimum and maximum temperatures in the area vary from 18 to 23°C and 23 to 28°C, respectively while the average annual rainfall is about 1500 mm. The area has ferrolitic soil representing the final stage of development from granite base rocks. Most of the households derive their livelihood from peasantry farming.

Methodology

Data were collected from the five out of the six parishes that comprise Nama sub-county. A total of 100 structured questionnaires were used to gather the data. Information on the socio-economic profile of the farmers, agroforestry commodities produced, marketing structures that exist in the area, the opportunities and constraints faced by farmers from production to marketing of agroforestry products were sought. Twenty respondents from each parish were selected systematically for the interview. Data were coded and analysed using Statistical Package of Social Scientists (SPSS). Results were presented in form of descriptive statistic.

Results

Agroforestry commodities produced by farmers in Nama sub-county. Table 1 presents the agroforestry commodities produced by farmers in Nama sub-county. A large number of agricultural crops are produced. The most prevalent ones are cassava, bananas, sweet potatoes, beans, maize, vanilla and coffee. Most these are produced for both household consumption and sale. Many tree products were also reportedly being obtained from trees grown on-farm. The most common were jackfruits, avocado, pawpaws, firewood, mangoes, medicinal products and oranges. Majority of the households also depends on livestock husbandry. The major livestock reared for both home consumption and sale were chicken, cattle, pigs, goats and sheep. Bee keeping and fish farming were very uncommon.

Marketing structures. Three different locations were identified for the sale of agroforestry products (Table 2). Most (77%) of the farmers sold their produce at the farmgate. Some said they transport and sell their products to the local village and town markets. These market locations are believed to have differing effects on the returns from the sale of agroforestry products. Farmers also basically use three channels in marketing their agro-products. Over 85% said they market their agro-products themselves (individually) Twenty six percent reportedly market their agroforestry products through middlemen while 19% engaged in group/ cooperative marketing.

Constraints to marketing of agroforestry products. A number of factors hindered marketing of agroforestry products in Nama sub-county. Inadequate market information, poor pricing policies, high transport costs, high taxes, inadequate credit facilities, poor storage and handling facilities were the major hindrance (Table 3). Other challenges included unorganised markets for agroforestry products, low quality products and exploitation by middlemen.

Table 1. Agroforestry commodities produced by farmers in Nama sub-county (N=100).

Crops	% response	Tree products	% response	Livestock reared	% response
Cassava	86	Jackfruits	98	Chicken	64
Bananas	81	Avocados	83	Cattle	52
Sweet potatoes	80	Pawpaws	81	Pigs	46
Beans	50	Firewood	73	Goats	44
Maize	42	Mangoes	69	Sheep	13
Vanilla	36	Medicine	61	Rabbit	8
Coffee	35	Orange	13	Ducks	5
Groundnuts	9	Guava	10	Honey bees	2
Yams	6	Charcoal	6	Fish	1
Pumpkins	6	Lemons	5		
Cabbage	5				
Passion fruits	5				
'Ntula'	4				
Peas	3				
Tomatoes	3				
Watermelons	2				

Opportunities to marketing of agroforestry products. In spite of the numerous constraints, there are still opportunities to marketing of agroforestry products in Nama sub-county, Mukono district. The opportunities included the expanding market for agro-products, increasing support by extension agents on market issues, improving transport facilities as well as government commitment to address issues related to marketing of agro-products (Table 4).

Discussion of results

The results indicated that farmers in Nama sub-county, Mukono district produce a wide array of agroforestry commodities, which are used for both home consumption and sale. This finding was not surprising because agroforestry by nature is known to be an intensive land use practice involving a mix of components such as crops,

Table 2. Marketing structures for the sale of agroforestry products (N=100).

Variable	% response
Market location (place of sale)	
Farm gate	77
Local village market	16
Town market	9
Channel used	
Individual	86
Middlemen	26
Group/cooperative	19

Table 3. Constraints to marketing of agroforestry products by farmers (N=100).

Constraints	% response
Lack of/inadequate market information	78
Poor pricing policies	77
High transport costs	77
High taxes	65
Inadequate credit facilities	43
Inadequately handling and storage facilities	36
Unorganized markets	27
Seasonality of some products	24
Low/poor quality products	21
Exploitation by middlemen	20
Poor post harvest infrastructure to add value	8

Table 4. Opportunities to marketing of agroforestry products in Nama sub-county (N=100).

Opportunities	% response
Market expansion	89
Increasing extension support	82
Improving transport facilities	81
Increasing government commitment	56

trees and animals (Young, 1989). Although most of the farmers were limited by land size, they were still able to grow a variety of crops like cassava, bananas, sweet potatoes, beans and maize together fruit trees such as jackfruit, avocado, pawpaw and mangoes. Besides, a wide array of livestock including chicken, cattle, pigs, goats and sheep were reared. Agasha (2004) reported that small land sizes was the major limitation especially to fruit tree production by farmers in Wakiso district. This was however, not a major problem in Nama sub-county. Their biggest challenge lies in how to market the agroforestry commodities that they produce.

Most farmers in this sub-county therefore sell their produce individually on-farm, which reduces their bargaining powers over products to buyers. Few farmers sell their produce to town/urban markets where they would be better offers in terms of price. Their finding is comparable to those of Mrema *et al.* (2001) who reported that most small scale farmers usually sell their produce either on-farm or in the local village where price offers are low. Selling of the produce to middlemen was also not uncommon. These middlemen were however, reported by farmers to be very exploitative in that they buy produce cheaply from farmers and make abnormal profits out of them. Tomich (1996) looked at this kind of exploitation as a disincentive to the poor farmers to engage themselves more in production and marketing of agroforestry products.

Most of the challenges to marketing agroforestry products in the sub-county are beyond the control of the poor farmers. Such challenges included poor pricing policies, inadequate and market information. Some of factors facilitated exploitation by middlemen. In fact in situations where there is inadequate market information and weak institutional pricing policies supporting marketing of agro-products, farmers usually loose and fall out of the business. Physical nature of some agroforestry commodities also presented a big marketing problem to farmers. Most agroforestry farmers have inadequate transport facilities as well as handling and storage facilities. Some of the perishable products like fruits and vegetables cannot be stored for long periods without getting spoiled. As such their markets were limited. Ngategize and Kaboyo (2001) reported that the availability of good transport, handling and storage facilities are good determinants of the price a farmer would offer his/her products for sale. In Nama sub-county, however, these challenges are still likely to remain for some time.

Nonetheless, marketing of agroforestry products, though still at primitive level in the sub-county, adds value to the trees and crops grown as well as animal reared by farmers. Government should therefore aim higher at expanding markets for agro-products and should be committed to addressing some of the obstacle to marketing of agroforestry products. The farmers see increasing support to farmers by extension agents on market related issues as step a head to this drive. However, support should not only be limited to market issues but should cover other things like improved seeds or planting materials and improved breeds of animals. There is also a need to encourage the farmers to organise themselves

into farmer groups so they have a better bargaining power over their products and avoid being cheated by the middlemen.

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