

AN OVERVIEW OF THE ANNUAL ORGANIC PRODUCTS MARKET PERFORMANCE

Charles Ssekyewa¹, Namanji Stella², Hakizimana John³, Niringiyimana Jackson³, and Agirimabazi Joseph³

- 1- St Lawrence University, Email: cssekyewa@gmail.com
 - 2- King Caesar University, Email: namanjistella@gmail.com
 - 3- Centre for Ecosystems Research and Development, CERD-UGANDA, P.O.BOX 700025, Entebbe, Uganda.
-

ABSTRACT

In order to access safe food, Organic Products markets are necessary. Most food products on the conventional market, Weekly Open markets and other territorial markets are extremely contaminated with pesticides. The Centre for Ecosystems Research and Development together with other Organic stakeholders set out to initiate stand-alone marketing of Organic products. This paper presents the trend of sales and levels at which break-even is possible. Challenges and recommendations are presented.

Key words: Organic products, markets, producers, consumers, supplies

Introduction

Organic Agriculture is the production of crops and rearing of animals with care, justice and respect of the ecology in the environment to ensure environmental and peoples' sound health. The Government of Uganda recognized the importance of this sub-sector and approved the National Organic Agriculture Policy in 2019. The Center for Ecosystems Research and Development (CERD-UGANDA), registered in Uganda since 2018, has been assisting farmers to perform Organic Agriculture as an optimized business. Those assisted and others are in urgent need of an organized local marketing system, which is currently not readily

accessible. The Organic Products Market at Abaita Ababiri, Katabi Town Council is the first physical Organic Products Market in East Africa. Organic Products marketing has been previously focused onto export marketing, and with limited local marketing efforts. The CERD-Organic Market-Entebbe provides people with health food in addition to other organic products such as handcrafts, health care and cosmetics products as well as organic inputs and related tools.

OBJECTIVES OF ESTABLISHING THE ORGANIC PRODUCTS MARKET

1-To contribute to implementation of the National Organic Agriculture Policy (NOAP) launched early 2020.

2-To widen the Organic Products market base so as to improve organic farmers' livelihoods in an effort to recover from COVID-19 effects, and for aligning with the NDP3, NOAP and the National Vision 2040.

3-To increase consumer access to healthy and safe food as provided in national and international policies (SDG2030)

4-To contribute to the sustainable development of Katabi TC, as guided by Local government regulations for widening their alternative revenue base, and to sustainable development of our country Uganda at large.

To achieve above objectives, CERD established the Organic Market in the space available near the Abaita Ababbiri Old Market basing on the plan drawn and approved by Katabi Town Council, in Phase 1. The established Organic Market is surrounded by metallic lock-ups which offer a perimeter fencing effect. The market is served with a bio-digester based toilet and a good supply of both rain and piped water. For sanitation reasons, the ground is also well drained and concretized. To avoid effects of accidental fires and security, stalls are metallic. Each market stall has a defined category of organic products to ensure that there is no competition and each vender makes money.

It was believed that once stalls have been taken up, supplies would be organized in a systematic procedure which would include,

- 1- Products are solicited from natural, in conversion and Organic certified producers/suppliers

- 2- Products are inspected at source to verify their status
- 3- Products are delivered to the Organic Products Market by suppliers
- 4- Delivered products are inspected at entrance to the Organic Products Market and records form filled. Those without the natural, in conversion or certified organic products source are rejected
- 5- Delivered items come with a delivery form which is countersigned by CERD, Uganda
- 6- A copy of the delivery form is kept by CERD, Uganda
- 7- Complying products are issued the CERD, Uganda stickers, which is paid for by the vendor at a nominal fee set by CERD-UGANDA
- 8- Certified organic products shall have two marks, the one from UgoCert, NOGAMU or any other Certifying body and that by CERD to ensure they are checked at entry.



Figure 1 Checked stamp

- 9- Natural and in conversion products shall have only the CERD-Uganda sticker/mark
- 10- Each supplier shall have own records, which shall be updated every time supply is done.
- 11- All fully verified goods are then released to the designated stall owners
- 12- Payment is effected by the vender to the supplier/s, as by their agreed terms.

- 13- Items leaving the Organic Products market must be packed in biodegradable material available in the market, and supplied to venders by the CERD-UGANDA stall.
- 14- Where possible suppliers shall take back biodegradable waste resulting from their delivery of products

Following publicity of the Organic Products Market idea and approval of the plan, 4 Civil Society Organizations which promote Organic Agriculture supported the initiative by booking stalls. Among these is

the Advocacy Coalition for Sustainable Agriculture (ACSA), the Centre for Food and Adequate Living Rights, and Organic Markets Network. Another 7 stalls have been booked by individual stakeholders who found the idea of an Organic Products Market very much align with the consumer demands today, and therefore makes business sense.



Implementing the Organic Products Market

The Organic Products Market was launched in Nov. 2021 with objectives of serving the Organic Sub-sector in a collective and inclusive manner.



Since Nov. 2021, CERD-UGANDA together with OMANET and Makula Buys started implementing the Organic Products Market (Figure 2). Later on costs of running the stalls were overwhelming for OMANET who suspended vending activities at their stall. Arrangements were made to address such challenges by CERD-UGANDA engaging youth who would vend all running stalls and collectively be paid. But even then, OMANET could not make it. CERD-UGANDA took over spices which were vended by OMANET. The market was later joined by Vermipro, who did not buy a stall but occupied it at a commission basis.

By end of September 2022, which ends our assessment period, the market had seven stalls under operation. In operation was Makula Buys for mostly fresh vegetables and seeds, Vermipro for agri-in puts, and CERD-UGANDA who took on wines, juices, honey, spices and cereals in order to sustain the Organic products market. All these stalls were managed by a team of three graduate students previously trained in Organic Agriculture.

Under such an arrangement, CERD-UGANDA faced numerous challenges but persisted as way of upholding the Organic sub-sector whose related Organic policy had just been launched in 2020. However, performance of the Organic products market was limited. Thus, with limited expenditure and subsidizing labour costs, there was a decreasing trend of key aspects of supply and sales (Table 1 and Figure 3).

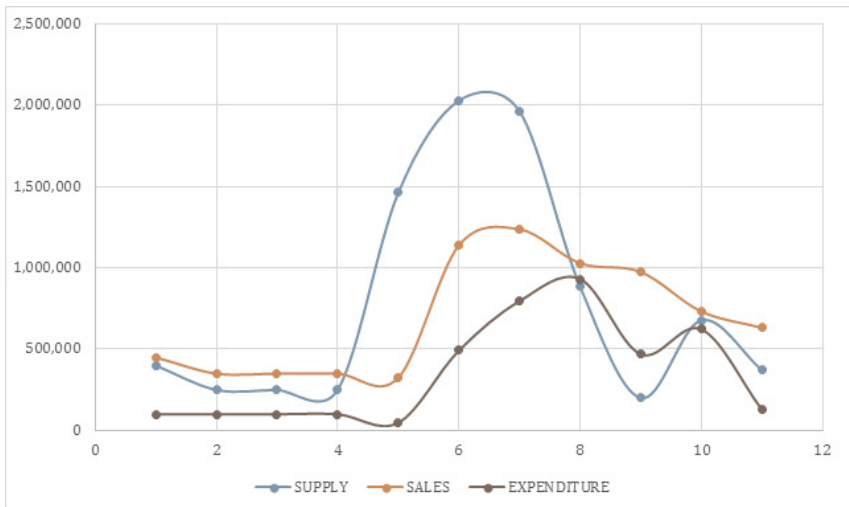
There is an apparent breaking even in June 2022 when sales went up above supply and expenditure as shown in Figure 3. Unfortunately, at this low level of operation, the running of the market was unpleasant. Yet by increasing supply, the demand was not elastic enough to sustain sales at a level above supply and expenditure.

The drop in supplies was mainly because of the limited availability of organic production. However, CERD-UGANDA had taken decision to let the Organic Products Market sustain itself in regards to re-stocking. This could not be well implemented because of expenses that had to be met at the same time amidst low sales, hence encroaching on available capital which would be used in re-stocking the market.

Table 1 Organic supply, sales and expenditures during Nov. 2021 to Sept. 2022.

ORGANIC PRODUCTS MARKET 1 YEAR PERFORMANCE (UGX)											
MONTHS	NOV	DEC	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT
SUPPLY	400,000	250000	250000	250000	1462000	2028000	1962500	885000	200000	678000	372000
SALES	450000	350000	350000	350000	325300	1137500	1237000	1028500	975000	732000	632000
EXPENDITURE	100000	100000	100000	100000	48500	492000	795500	931000	469000	623000	129050

Figure 3 Trends in supply, sales and expenditures in the Organic Products Market at Abaita Ababbiri between November 2021 and September 2022



Major Challenges

There are numerous challenges facing the Organic Products Market at Abaita Ababbiri. These included the following,

- 1- Delayed taking up of bought or booked stalls by both Organizations and individuals
- 2- Limited supply of Organic products to the market even when terms of payment were cash on delivery
- 3- Low turn up of consumers to effectively demand for safe food from the Organic Products market

Conclusions, and Recommendations

We conclude by observing the fact that the performance of the Organic sub-sector in Uganda is very low contrary to the picture exhibited in most previously written reports. Thus, the real situation shows limited production of organic products. Most of what is produced could be destined for the export market and not available on the local market. These causes concern why local consumers would have access to polluted food when the safe food is available. This question could not be answered until now, because even when products were at the same or even lower price than conventional products, consumers, including Agroecology and organic actors, simply went for any readily available product on the market. There is no effort to access Organic Products Markets.

As such, we recommend stimulation of more production of Organic products and with the aim of maintaining a safe and healthy environment as well as availing safe and nutritious food to the Ugandan population other than just improving incomes through exports. Consumers also need to be more aware of the existence of Organic Products Markets. These markets should be developed in many other parts of the country to reduce the need for extra effort for consumers to access safe food, but also to reduce the cost of transporting safe food to markets, hence off-set their carbon foot-print.

We call upon organizations and individuals who bought and booked stalls to take them up. This would be the Organic /Agroecology spirit of collective and inclusive growth. It would be in support of CERD-UGANDA's efforts to sustain the Organic Products Market through the past year. By not taking on the challenge of running the Organic Products Market, those who always sung the Organic song, have shot themselves in the foot! Organic Sub-sector actors must in all aspects be organic themselves (Head, Soul and Hands) and cohesive or else achieving set targets of whatever the Organization shall be a nightmare.

Acknowledgment

CERD-UGANDA appreciates all those who have continuously supported the Organic Products Market at Abaita Ababbiri namely Makula Buys

as stalls owner, Wage as supplier, Kulika as supplier and recently as stall owner, SODI as supplier, Jomigo as supplier and RUCID as a supplier. We thank Vermipro for establishing a supply line with the Organic Products Market. Lastly our gratitude goes to NOGAMU, ACSA and PELUM-UGANDA for supporting the marketing drive of Organic Products Markets in Uganda

REFERENCES

CERD-UGANDA Series of Newsletters from Nov. 2021 to Sept. 2022.