

Focus: Farmers



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Commercializing Smallholder Farming

Impact of lockdowns on smallholder farmers

One can hardly talk about COVID-19 without mentioning the impact of the lockdown as one of its consequences. Uganda, has so far had two lockdowns. The restrictions imposed to prevent the spread of the coronavirus have caused disruptions in food chains, which in turn posed a twin threat of exacerbating poverty and hunger in vulnerable populations. Thousands of people in rural areas rely on subsistence farming for their food and supplementary income. Much of what they took for granted is now uncertain.

This category of farmers often have little savings to sustain and protect their families, and now cannot farm

as they used to, nor sell their produce at the local markets, as a result of the aggressively enforced – lockdown measures. Many of these farmers were also not eligible for the one off government support of the UGX 100,000= that targeted the most vulnerable in our society, nor considered for a bail out as their work is not considered a formal occupation, because they are not formally registered.

During the lockdown, movement of people, including agricultural laborers, remained severely constrained.

Inter-district travel was prohibited other than for emergency purposes. And public

transport facilities remained shut down. These restrictions (referred to collectively as 'lockdown') presented challenges for many smallholder farmers. As concerns continue to grow about the virus, it is not only wreaking havoc on the stock exchange market, but, also causing a significant downturn in the general economy, especially among smallholder farmers.

In order to understand the gravity of this, there are key issues we have to look at.



Families learning to prepare a kitchen garden
Photo by: Caritas Kampala –SAP

Markets and prices of farm produce

Just like in the first lockdown, in the second lockdown, guidelines for social distancing, reduced travel, avoiding crowds, closures of schools and arcade shopping centers, and other protective practices to slow the spread of COVID-19 were again issued.

They were a directive from The Head of State.

Consumers consequently had to make tough choices about food, eating away from home, and their overall spending pattern. This was despite placing agriculture in the essential

services category and making efforts to keep borders and ports open for cargo.

On the market, most food types that prominently feature in out-of-home eating, had disruptions in sales. This had a negative impact on the markets and their prices.

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Special points of interest:

- Families of smallholder farmers were adversely affected by food shortages.
- Some smallholder farmers abandoning cash crops for food crops.
- Change in consumer feeding patterns affected sales of some products.
- Boosting the use of mobile money can weather the impact of the pandemic among smallholder farmers.

Food shortages and slow down of supply chains

Measures that were taken by the government affected transport, which in turn impacts many other farming pillars in the food chain. Access to markets be it to buy inputs or sell produce was heavily hit and farmers say they were forced to sell produce at giveaway prices.

Supply disruptions of farm inputs were isolated; however, logistics were under pressure and costs were being driven up by travel restrictions, border checks, curfews, delays caused by staff shortages, and a general reduction in volume.

With some products less on the market, this caused panic buying which further raised the cost of

food and thus affected the largely the vulnerable in communities.

The farm workforce wasn't spared either in this crisis. Even when the general population infection rate was becoming low, compared to how it was in June. Some farm workers ended up sick.

And, when the lockdown restrictions were eased, and the infection rate low, some farm workers remained out of work particularly due to school closures and/or to care for the sick or elderly family members.



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Tough choices for smallholder farmers

With these developments, farmer incomes are coming under greater strain just as the costs of inputs, food and other expenses are rising. This is translating into higher default rates as farmers find it increasingly difficult to sell enough crop to pay for the management of their farms.

The loss of income is also pushing farmers to make difficult decisions about input purchases, how much land to farm and what

types of crops to plant. All these decisions will certainly have a detrimental impact on future production volumes and crop quality.

Mr. John Kasajja a subsistence farmer in Muduma Subcounty in Mpigi district says that some farmers in his group were thinking of switching production wholly from

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cash crops to subsistence crops to ensure they are able to feed their families because of the rise in food prices. Such a decision is a clear indication that smallholder farmers have suffered from a lack of information, with many abandoning their fields or enterprises for fear of losing their entire livelihood.

Horticulture and Dairy - The most affected value chains

Smallholder farmers in some value chains have been more affected than others by the lockdown restrictions. Stricter response measures have seen farmers growing perishables and those that rely on milk sales negatively more affected than their counterparts.

These smallholder farmers have also experienced greater drops in income than others.

Mr. Claudio Batanzi of Bulamu village who grows perishable

crops, such as vegetables, says he was severely affected due to the lack of storage facilities and transportation delays.

Although demand for horticulture increased in the early weeks of the second lockdown, demand declined as the pandemic spread in mid June, 2021. Supply to local restaurants and hotels collapsed, as middle-to low-income households in the urban areas shifted their consumption away from more expensive perishable prod-

ucts to lower-cost staples.

There were also incidents when some farmers decided to destroy their crops or feed them to livestock.



A farmer besides her vegetable kitchen garden.



P & V COMMODITY SUPPLIES

Plot 43 Bulamu, Mityana Road.
P.O. Box 70508,
Clock Tower – Kampala, Uganda

Tel: +256 772 723 806 / +256 414 370 203

WhatsApp: +256 752 723 806

EMAIL: admin@pvcommodity.com /

vsebukyu@pvcommodity.com

SKYPE: vincent b sebukyu / FACEBOOK: @pvcommodity

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www.pvcommodity.com

The People & Views Commodity Supplies is found in Uganda. It was registered by the registrar of companies under the number 140974. The purpose of starting it was to enable people within their respective institutions and or communities realize that their views or ideas are a resource that can be turned into a commodity of trade. It therefore, supports them to overcome gaps in knowledge and skills to enable them live dignified, secure, productive and healthy lives through the promotion of their initiatives.

This lockdown has had a toll on us too, we had to move our offices closer to the communities in the countryside. We are now located at Bulamu, on Mityana road in Mpigi district. This has further brought a new challenge, we are looking for UGX 1,800,000= to set up a better website that will inform our networks and well-wishers about our activities.

Just like most smallholder famers in our catchment area, we have also been affected by the lack of a stable voice and internet network in our community. This made it impossible for us to link up with our farmers and well-wishers, and thus were not able to produce the monthly Info News for August, 2021. We have however, informed the concerned communication companies, and have promised to soon rectify this problem.

Government should boost the use of mobile money

When farmers were asked what they needed most during the lockdown, they consistently and overwhelmingly cited financial support or cash. Indeed, the government responded with a range of measures to help low-income populations and small businesses weather the pandemic, including issuing moratoriums on existing loans and issuing low-interest loans. These, unfortunately may not have helped the smallholder farmer.

The government should introduce a voucher system for quality seeds or other inputs. Some countries have used subsidies, grants and income support payments to stimulate the use of inputs that enhance agricultural productivity, and enhance support to smallholder livelihoods. They provide a safety net to farmers. These measures have become even more relevant in the context of the COVID-19 pandemic.

Just to mention a few-

Ecuador: Doubled the num-

ber of mobile money cash-out points within two weeks to facilitate access to cash. It also prohibited mobile operators from disconnecting mobile voice and data services for lack of payment.

Brazil: Transferred a monthly \$117 [UGX 427,050] to low-income Brazilians using mobile savings accounts.

Rwanda: Eliminated fees on

transfers from banks to mobile money wallets, mobile money transfers and merchant fees for contactless transactions, including mobile money, for three months. It also raised the limits on mobile money transactions for level one customers.

Uganda & Togo: Distributed relief payments to 500,000 citizens during the lockdown using mobile money.

Bangladesh: Lifted monthly digital transaction limits and waived charges on cash-outs. It made about \$600 million in loans available for the agriculture sector. Re-financed up to \$350 million in loans for low-income individuals, farmers and microenterprises. Disbursed \$30 [UGX 109,500] per low-income family via mobile money.

These initiatives may also not help a smallholder farmer as high-speed voice & internet services are not reliable in some rural areas including those communities with a strong agricultural base.



*A child from a farming family feeding her piglets during the lockdown.
Photo by: Christine Nakimuli - P & V*