

MARKET MAPPING REPORT ON IRISH POTATO TRADE ACTIVITY IN KAMPALA



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Introduction

Kampala is a densely populated urban area with an increasing population; about 4.2% of Uganda's population lives in Kampala. This is as a result of rural urban migration and other factors. This has increased demand for fast foods including French fries (potato chips). One of the most demanded foods in Kampala restaurants is chips and chicken, Chips and eggs, chips and liver, but at least most of fast foods have chips included. This has encouraged continuous potato trade and demand both at household level, processors, and by hotels. This mapping is mainly focused on potato trade activity in Kampala mainly in the market areas of Owino, Kisenyi, Nakawa, Kalerwe, USAFI market and Kibuye markets; almost all these markets are daily markets.

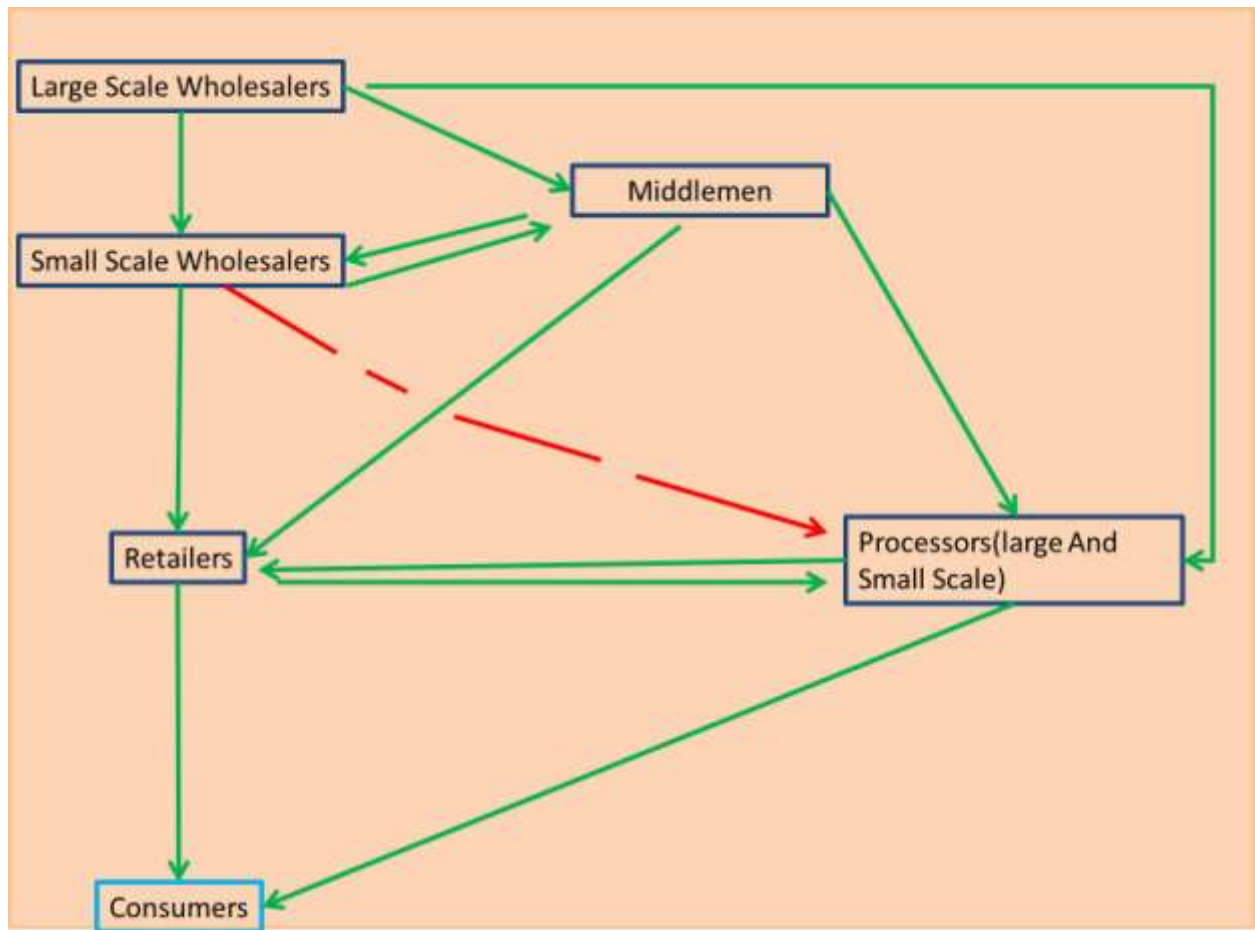


Figure 1 Potato Trade Activity flow in the markets around Kampala up to final consumers)

There are different categories of people involved in the trade of Irish potato in Kampala, ranging from wholesalers, retailers, processors and also middlemen / brokers participate in this trade. It is mainly an informal type of trade. At one of the surveyed markets (Kisenyi Market), there were more men at wholesale, porters, transportation levels and the women dominated at the retail and small scale processing level. This was easier data to get because the potato traders in that market are organized in a cooperative and the data provided below is as given by Ms Namuddu Rose, Chairperson, Bumonde Cooperative SACCO Kisenyi (The SACCO has about 70 officially registered members and an average of 500-600 informally known members but operating within the market and these are mainly retailers and potters equating to an average total of 670 members of Bumonde Cooperative SACCO Kisenyi.)

	Wholesalers	Retailers	Value Addition	Brokers	Transporters	Porters/ Casual Laborers	Total
Women	15	125	30	20	5	10	205
Men	55	85	15	65	25	160	405
Children(Below 18 Years Of Age)	0	20	10	0	0	30	60
Total	70	230	55	85	30	200	670

Table 1 The gender of the people employed in different categories in Potato Trade in Kisenyi market

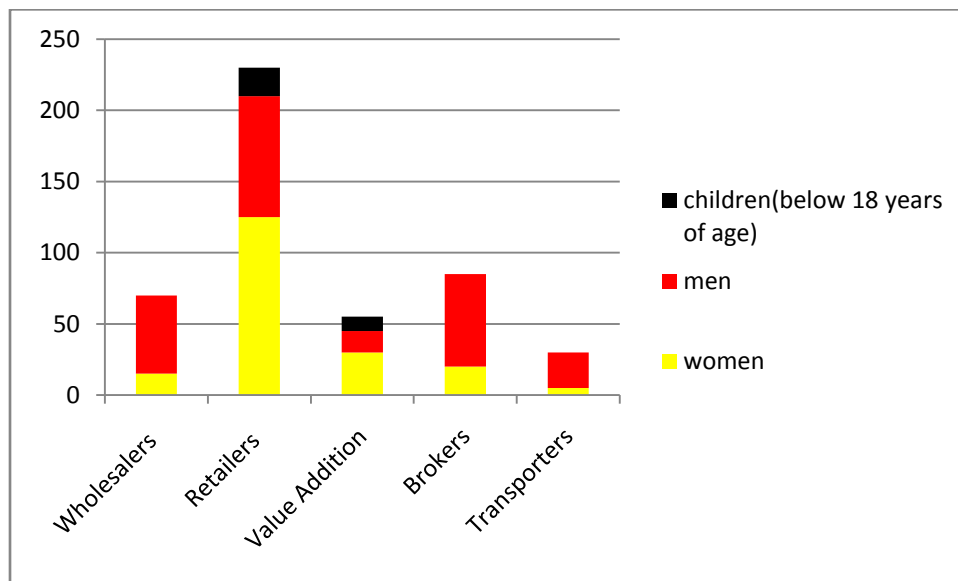


Figure 2 Gender of people involved in Potato Trade in Kisenyi Market

The main objectives of the market mapping include;

- ❖ To find out who is involved in potato trade.
- ❖ To find out where those involved in potato trade get their supply.
- ❖ To find out where those involved in potato trade sell their Irish potatoes.
- ❖ To find out the main potato varieties traded in Kampala

Varieties of potato traded in Kampala

Potato varieties are mixed when traded in Kampala. This is resulting from lack of knowledge among the potato traders and buyers. The traders that know the different varieties, they mix varieties so as to sell off the undesired varieties. And it's because of lack of knowledge about potato names that traders chose to refer to all varieties from a given place to a name of their origin.

Common Name	Tuber size	Skin color	Flesh color	Tuber shape	Storability
Kisoro	Medium large	White	Cream	Oval long	Good
Kabale	Large	purple	white	Round	excellent
Mbale	Large / very large	Light red	White / cream	Round and large	good
Mubende	Medium large	Rose red	Cream	Round	good
Masaka	Medium	White	White	Round	fair

Table 2 Characteristics of potato varieties sold in Kampala (the names are given according to whattradersknow them/ refer them to)



Figure 3 One of the potatoes brought onto Kisenyi potato market and loading area from Mbale ('Mbale variety').

In Kampala potato trade is at its peak especially in the month of July and August. The prices and volumes in Kampala markets vary from season to season depending on forces of demand and supply. The prices and potato volumes shown in this report are as at the time of this market mapping, which is when potato trade is at its increased stage (almost at its peak).

Source of the Potatoes

An average of 515 MT (five hundred fifteen metric tons) of potato is brought and sold onto the Surveyed Kampala markets per week. This potato is mainly from the districts of Kabale, Kisoro, Mubende (Singo), Mbale, Katakwi, Masaka (Koki), Sebei, and Kapchorwa in Uganda; and from the areas of Busia, Moro and Mau in Kenya.

market	volume of potatoes(in MT)
Kisenyi	160
Owino	110
Usafi	15
Nakawa	20
Kibuye	80
Kalerwe	130
Total	515

Table 3 volume of potatoes brought on the markets in Kampala on a weekly basis (In MT)

According to Mr. Miir Hassan, a potato trader, the potato packaging depends on the source, for example much of potato got from Kisoro and Kabale is in 100kg bags while that from Masaka, Mbale, Katakwi, and Kapchorwa is in 100-180 kg bags. According to him and the members in his association about 100 trucks bring in Irish potatoes from different places every week.

	Kisoro	Mbale	Kabale	Mubende	Masaka	Kapchorwa	Sebei	Kenya	Other s(Kibale, Arua, Zomb o,Etc)	Total
Kisenyi	33.6	32	41.6	9.6	14.4	12.8	4.8	8	3.2	160
Owino	23.1	22	28.6	6.6	9.9	8.8	3.3	5.5	2.2	110
Usafi	3.15	3	3.9	0.9	1.35	1.2	0.45	0.75	0.3	15
Nakawa	4.2	4	5.2	1.2	1.8	1.6	0.6	1	0.4	20
Kibuye	16.8	16	20.8	4.8	7.2	6.4	2.4	4	1.6	80
Kalerwe	27.3	26	33.8	7.8	11.7	10.4	3.9	6.5	2.6	130
Total	108.15	103	133.9	30.9	46.35	41.2	15.45	25.75	10.3	515

Table 4 Different Sources of Potatoes to the surveyed Kampala Markets (In MT)

Kabale, Kisoro and Mbale account for the largest potato produced in Uganda with potato of desirable characteristics especially ware potato thus much of the volume of potato that is brought onto the Kampala markets is from those areas and less from the other parts of the country. However because less potato is produced in Uganda, traders chose to import more potato from the neighboring country of Kenya especially from the markets of Busia, Moro and Mau and this is done to fulfill the growing demand for potato in Kampala given the increasing population and more value addition inform of crisps, chips and potato flour.

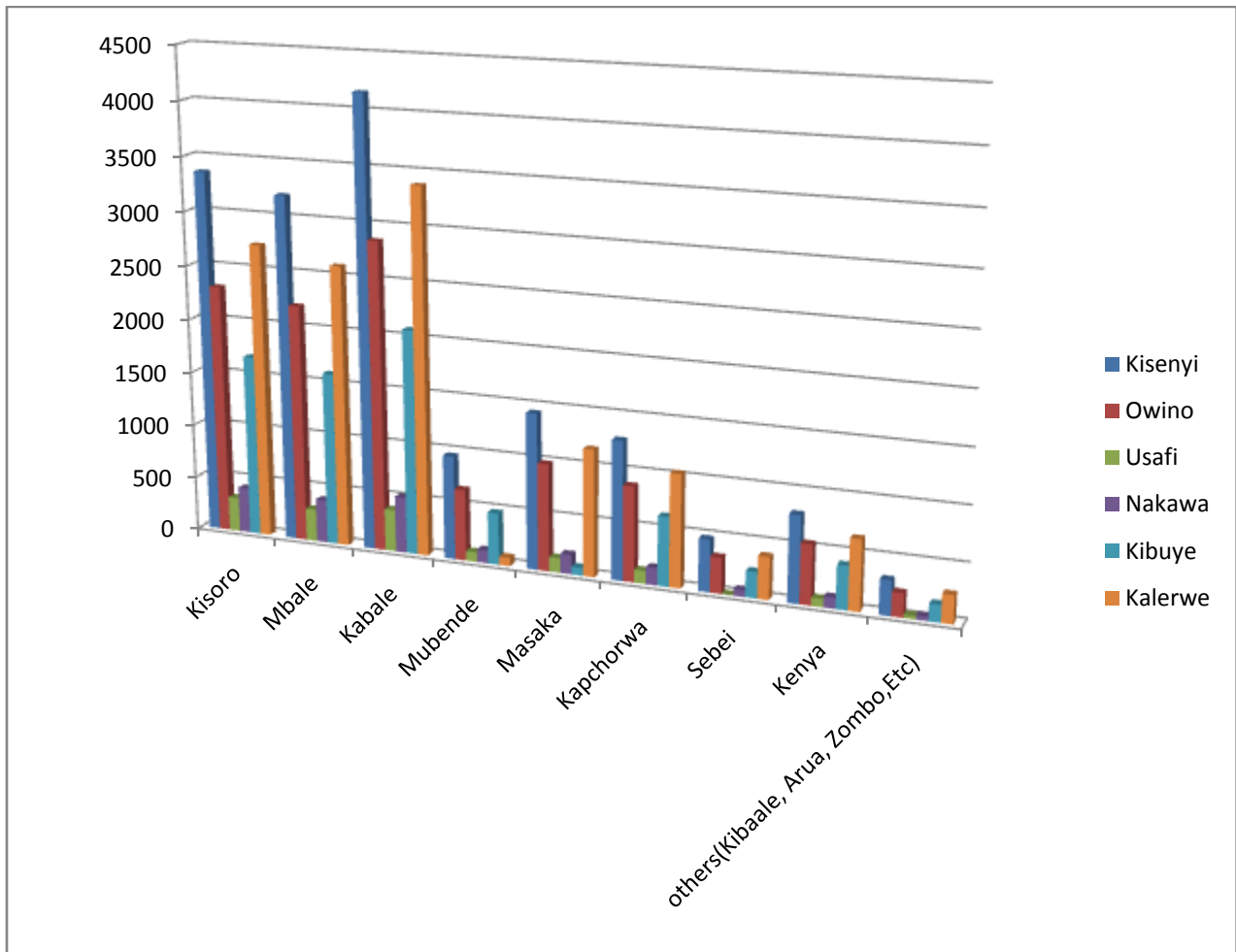


Figure 4 Volumes of Potato brought to the surveyed Kampala markets (In MT)

Sale of potatoes in the Kampala markets.

The markets of Owino, Nakawa, Kisenyi, Kibuye, Nakawa and Kalerwe are strategically located given the high population that provides abundant market for potatoes and also some traders have resorted to forming associations that will aid collective marketing, pricing, among other advantages. Almost all of the potato sold in Kampala markets is sold as ware potato. As the chart and table below show, 70% of ware potato sold in Kampala markets is sold for use in Kampala; another 27% is sold for use in other destinations in Uganda (6% for Entebbe, 5% for Gulu, and 16% for Mukono and other destinations combined); and only 3% is exported to South Sudan (2%), India (0.6%) and China (0.4%).

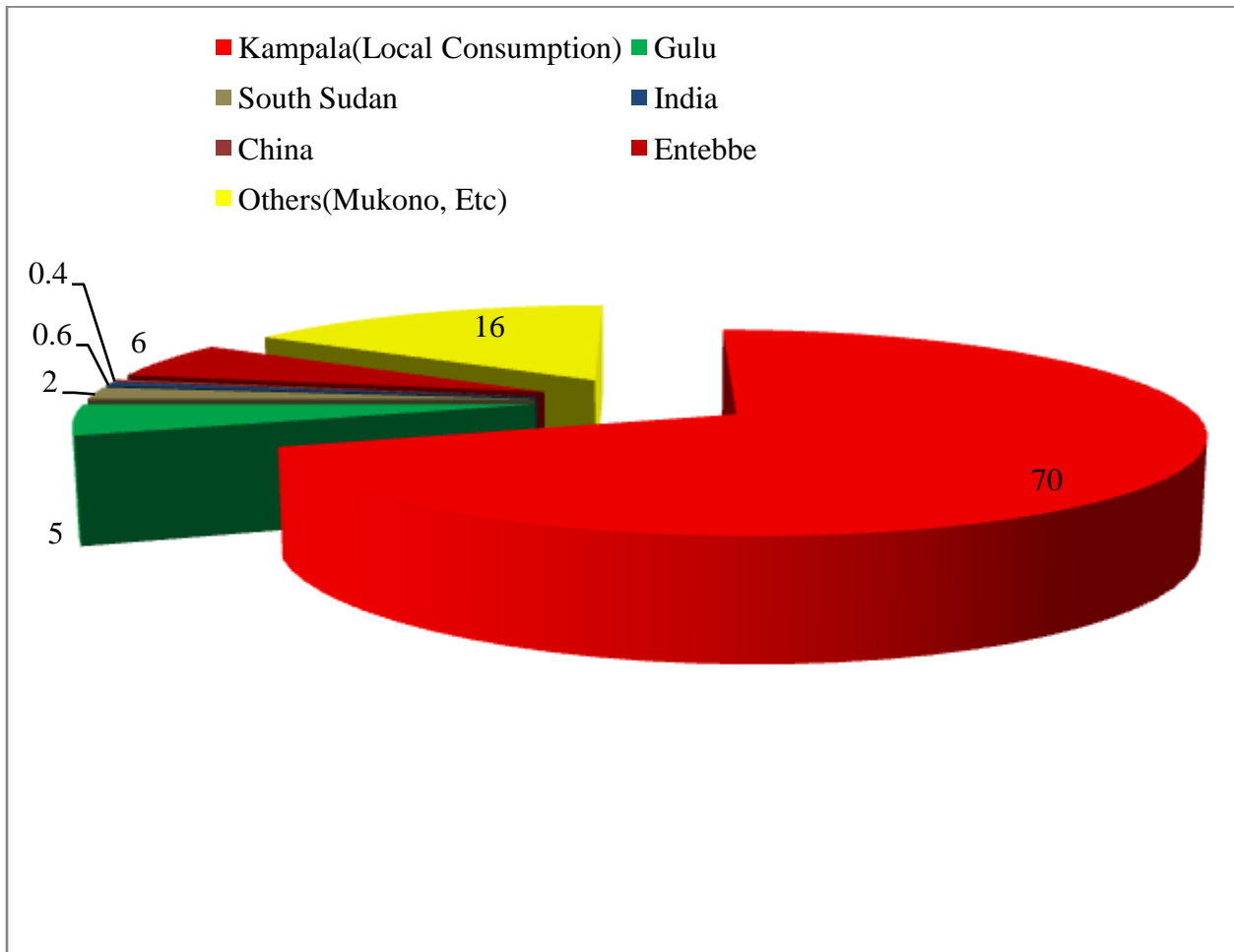


Figure 5 Percentage of Potato sold from Kampala markets to different

Place Supplied To	Market						
	Kisenyi	Owino	Usafi	Nakawa	Kibuye	Kalerwe	Total
Kampala(Local Consumption)	112	77	10.5	14	56	91	360.5
Gulu	8	5.5	0.75	1	4	6.5	25.75
Sudan	3.2	2.2	0.3	0.4	1.6	2.6	10.3
India	0.96	0.66	0.09	0.12	0.48	0.78	3.09
China	0.64	0.44	0.06	0.08	0.32	0.52	2.06
Entebbe	9.6	6.6	0.9	1.2	4.8	7.8	30.9
Others (Mukono, Etc.)	25.6	17.6	2.4	3.2	12.8	20.8	82.4
Total	160	110	15	20	80	130	515

Table 5 Volume of potato supplied to different areas from the surveyed Kampala markets (in MT)

Retailers

Most potato traders are in the retail business and this like earlier discussed is dominated by women, followed by men and some children (below 18 years of age). The retailers in Kampala buy from the wholesalers from within the Kampala markets so as to reduce the cost of operation since many are small scale traders with limited capital. Potatoes are sold in different volumes and quantities as discussed below.

❖ **Potato heaps:** these contain medium sized potatoes that weigh relatively between 700gms to 1kilogram. They are put on either old sacks or tarpaulins. These are sold at about UGX 2000. According to Mr. Katende Matia one of the retailers said that most of his customers prefer this quantity because it is cheaper and affordable to customers from different walks of life (from the rich to the low income earners) and smaller families or individuals.

❖ **Small buckets:** These are commonly reused “250gms soap powder buckets”. They are filled up and heaped on the top and are sold at UGX 3000. However this quantity is usually more than that of the potato heaps (UGX 2000) by just a few grams.

❖ **Small size basins.** These are locally known as “butaasa” (refer to figure 5 for a picture of this). They are sold at an average price of UGX 10,000 and carry an average of 4-7kg of potato depending on potato size, quantity and weight.

❖ **Big basins.** The prices of the big basin range from 18,000 UGX to UGX 30,000. The bigger basins are not of uniform size, thus variation in the price and also the variety of potato determines the price of a basin of potato. Kabale and Kisoro potato is usually more expensive than the potato from Masaka and Mbarara.

- ❖ **Sacks.** Sacks in the markets have variations, the Kabale and Kisoro potato is sold in kilograms while for other varieties traders just fill up a sack and top up more potato to heap up the sack.

Sack size	Price(UGX)
100kg Sack(Kabale and Kisoro)	140,000-150,000
50kg Sack(different varieties)	70,000-85,0000
100-160kg Sack(different varieties)	140,000-160,000

Table 6 Prices of Different sack sizes of Potato.

Wholesalers

There are a number of wholesalers in Kampala markets; these mainly sell to buyers in Entebbe, South Sudan, restaurants such as NANDOS, State House Entebbe, and other restaurants in Kampala and neighboring towns. Wholesale potatoes are mainly sold in form of sacks. The wholesale price for sacks of potatoes ranges between UGX 120000 to UGX 140000

Exporting

Some traders from Kampala export their potatoes to South Sudan (mainly Juba), China, and India. The export prices depend on the traders bargaining ability. At the time of the study, we were only able to get the price of potato sacks exported to Juba: a 100kg sack cost about UGX 180,000 - UGX 220,000



Figure 6 Prices of different potato volumes sold in the Kampala markets

Transport means

The transport means depends on the distance to be travelled. The majority of ware potato is brought from the potato sources using trucks; according to Ms Namuddu Rose, the trucks carry about 100-110 sacks of potato per trip. When in Kampala, potato sacks are loaded on bicycles, motorcycles (boda boda) and also supported by casual laborers that carry the sacks on their backs to transport them to nearby retailers and stores,



Figure7 Transport means for Potato in Kampala

Challenges faced by potato traders

While carrying out the mapping study, the potato traders surveyed spontaneously shared their challenges and asked that UPP help them advocate to overcoming these challenges. The challenges include:

- **Lack of Space in Markets**, according to Mr. Zilitwawula Marvin, some of the potato traders expressed their concern for lack of a permanent place to sell their products. He said that they use the available rented premises on a temporary basis and this makes the cost of operation very hard; some expressed fear of being evicted soon (mainly those in the Kisenyi area)
- **Scarcity of associations enabling** producers, traders and processors to meet, to explore new trading opportunities and marketing channels. This is backed up by lack of willingness by potato traders to associate with other traders. According to Ms Nabatanzi Edith a potato trader emphasized that they have often formed associations but these collapse before even half a year; she put the reason for the collapse on lack of cooperation and disunity amongst potato traders.
- **Seasonal supply of potato**, which forces down prices, combined with crop perishability, In addition this has resulted into price fluctuations which resulted in unstable trade (some traders are out of business in times of scarcity).
- **Lack of market information** or an inability of traders to be able to benefit from knowing market prices, due to lack of associations.
- **Collusion amongst traders** which drives down farm gate prices and yet also retain high urban market prices. At the retail level, many traders collude to maintain prices to protect themselves from rapid price fluctuations.
- **Lack of processing technologies** and industries to segment the market more effectively. Most processors are using traditional means to process crisps, chips etc. which has resulted into low processing yet demand is high thus inability to fulfill market demand.
- **Very expensive stores** and rent costs.
- **Inadequate capital** in their businesses.
- **Competition from the other fast foods** vendors (a threat to processed potato products)
- **Over taxation** from the local authorities (KCCA)
- **High cost of transportation** from the production areas(source of potatoes) to markets in Kampala
- **High interest** rate on loans

NAME	CONTACT	POSITION
Zilitwawula Marvin	0754260156	Trader
Ms Namuddu Rose	0772464294 / 0701464294	Chairperson, Bumonde Cooperative SACCO
Miiro Hassan	0756796768	Trader
Katende Matia	0751849259	Trader
Teefe Zubairi Hussein	0754779756/0782661825	Treasurer, Muzana Bumonde Traders Association

Table 7 The Important contacts relevant for this mapping.

Conclusion

The Irish potato trade in Kampala markets is flourishing, and there is willingness by traders to get more volume onto the potato market if the challenges they face are handled. The increasing population in Kampala has increased demand for ware potato and potato products.