

# Six-month Trade and Market Bulletin

## South Darfur

### Darfur Development and Reconstruction Agency

Covering March to August 2016 • www.dra-sudan.org • jamilalla@yahoo.com



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### Headlines:

- Millet and sorghum food-aid prices increased steadily during this six-month period in most South Darfur markets, following the poor harvest and the reduction in WFP's food-aid distribution.
  - Livestock prices for sheep and cattle fluctuated reflecting local market conditions. Sheep prices increased in Nyala in April as Omdurman traders purchased sheep, and again in June in Nyala and other markets as sheep were purchased for Eid ElAdha. Generally, low cattle prices reflect the poor condition of many cattle brought to market due to poor pasture and lack of water.
  - Onion prices followed usual seasonal trends, with a large variation between the production season and off-season.
  - Groundnut and sesame prices were depressed by the availability of cheap imported cooking oil, until demand for groundnut seed for the new agricultural season picked up. Some important groundnut producing areas were cut-off during the rainy season, negatively impacting market integration and causing prices in those production areas to fall.
- Trade generally flowed more smoothly during this six-month period, with the removal of all checkpoints. But some important routes within and out of South Darfur were blocked by flooding Wadis when the rains started.
  - Wage rates for daily labouring, most of which is done by women and children, have risen considerably in 2016 compared with 2015 as men have moved away for gold prospecting.

### Recommendations:

- Investment in all-weather roads in South Darfur would greatly improve trade flows from production to consumption areas. Important trading routes that are badly affected by flooding in the rainy season include the route from Idd El-Forsan to Nyala, across Wadi Bulbul and Wadi Ibra, and the route from Rihaidd El Birdi to Nyala, across Wadi Elkhadra and Wadi El Rihaidd.
- Ways of supporting the livestock trade in South Darfur include improved animal health services, improved water sources during the dry season, and developing the infrastructure of livestock markets, for example through improved availability of water, food and latrines.
- Ways of stimulating the groundnut sector should be found, controlling the negative impact of cheap imported cooking oil so that it does not undercut local production.

### List of CBOs and markets monitored in South Darfur

Al Methag Organization	Nyala
Rehead –Alfrsan for Rural Development	Intakaina
Ghafran for Peace and Development	Geraida
Afag Al Mustagbl	Bulbul Tembisco
Al Ruhma for Development	Al Tomat, Tolous
National Organization for Care & Development	Tajreba, Um Morgo
Al Shorog Organization	Silgo, Um Labasa, Markondi
United Peace Organization	Ragag
Save Motherhood and Children's Organization	Um Ganah, Id-Alfrsan
Al Shamail for Humanitarian Support	Al Ban Gadeed
People's Organization for Development & Rehabilitation	Kas
Darfur Peace Initiative for Development	Aborey
Rufaida Health Foundation	Um Dafoog
Jebel Marra Charity for Rural Development	Belail, Kalma IDP camp
Ghaya for Development	Abu-Ajora
Shera Alamal	Al-Safia

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## Cereals:

**Millet** prices increased during the six-month period of March to August 2016 in most South Darfur markets. This was due, in part, to a poor harvest season in 2015. Poor natural pasture has also meant that millet has been used as livestock fodder by pastoralists. The highest prices were recorded in Alban Gedeed market during the last six months, peaking at SDG 620 per sack in August. This is a consumption area. The lowest prices were in Umdafog market, a production area. When comparing the last 6 months (March to August, 2016) with the same period of last year 2015, the 2016 rise in millet prices is clearly a reflection of the poor harvest season. Although millet prices stabilized in July and August 2016, when the rainy season was seen to be better encouraging some to release stocks onto the market, further price rises are anticipated in the coming months until the new harvest is available, especially in Nyala, a major market for consumption because of its large population. See Figure 1.

**Food-aid sorghum** prices also increased during the past 6 months (March to August, 2016) in some markets, such as

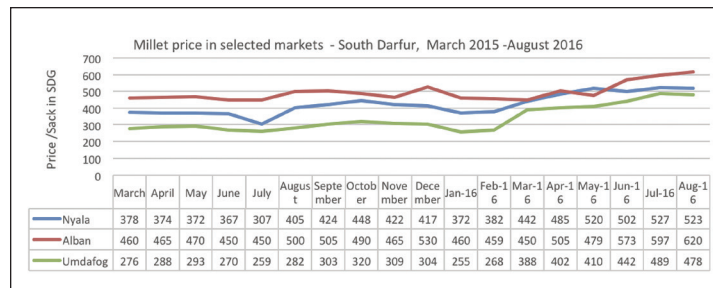


Figure 1: Millet prices in selected markets – South Darfur, March 2015 - August 2016

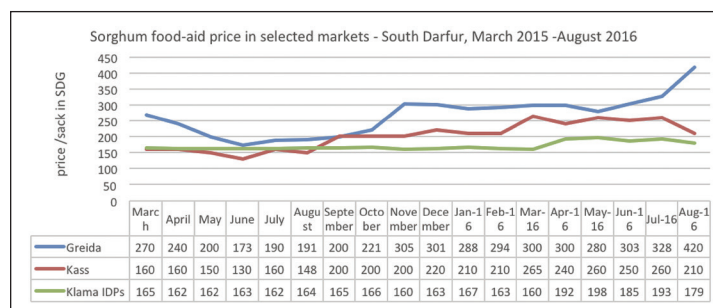


Figure 2: Sorghum Food-aid prices in selected markets – South Darfur, March 2015 - August 2016

Greida market. This is due to WFP reducing rations and numbers of beneficiaries by 30% since January 2016. This reduction in direct food-aid distribution caused the price of food-aid sorghum to rise in monitored markets such as Kalma camp market and in Kass. There has been a rise in demand for food-aid sorghum from pastoralists who are using it for animal fodder due to poor pasture this season. See Figure 2.

There has been no release of the strategic reserve by government in South Darfur during this six-month period, nor policies to control the flow of cereals within, or out of the state.



## Trade routes

Some trade routes within South Darfur were blocked by Wadis flooding during July and August, especially the route from Umdafog through Edelfrsan to Nyala. Even the El Ingaz Road between Nyala and El Fashir was affected by rains and flooding. Overall, however, completion of the El Ingaz road has triggered falls in transportation costs. For example, the transportation cost of 1 tonne of commodities (eg flour, sugar and cement) from Omdurman to Nyala has fallen from SDG 1200 before the road was completed, to SDG 700 now. The time taken to travel the route has also fallen, from 5 days to 2 days. Trade flowed more smoothly in South Darfur during the 6 month period of March to August 2016, with greater safety on the roads and the removal of all checkpoints as ordered by the Wali of South Darfur.

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## Livestock:

**Sheep** prices fluctuated in most monitored markets in South Darfur during the last 6 months (March to August, 2016), with a number of factors at play in different markets. In Nyala the price of sheep increased in April as livestock were moved south in search of pasture and water, as well as traders from Omdurman buying sheep for export. In June, sheep prices rose across a number of markets as Omdurman traders purchased sheep for Eid ElAdha. Once these purchases have taken place, the price may dip as demand falls yet supply has been stimulated.

Comparing the same six months in 2015 (March –August) with 2016, sheep prices are higher in most areas. See Figure 3.

**Cattle** are supplied to Nyala from Altomat, Tullus and Buram. There were no changes in cattle trade routes in the six month period of March to August 2016. Prices fluctuated during this period in most monitored markets in South Darfur. Generally, prices have been lower compared with the same period in the previous year. This is primarily due to lack of fodder and water in 2016 which meant that pastoralists brought their older and thinner cattle to the market. See Figure 4. However, the price trend is slightly different in Markondi, where the cattle price was higher between March and May 2016 compared with the same period in 2015. Markondi is a major livestock market in South Darfur, second only to Nyala. It is used by traders from Omdurman which directly impacts the market dynamics. Fees paid on livestock traded in South Darfur, poor animal health services, and insecurity in some areas all negatively impact the cattle trade.

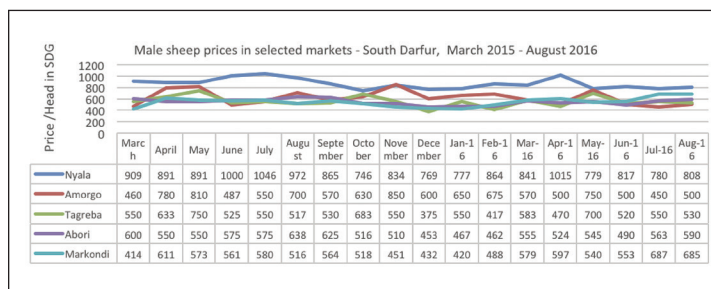


Figure 3: Male sheep prices in selected markets – South Darfur, March 2015 - August 2016

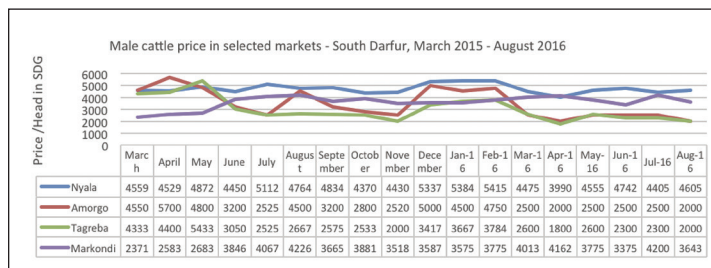


Figure 4: Male cattle prices in selected markets – South Darfur, March 2015- August 2016



## Fruit and Vegetable:

**Onion** prices decreased during the period March to June 2016 reflecting seasonal availability and started to increase in July and August 2016 as is usual for this time of year. The same trend was replicated in the previous year. See Figure 5.

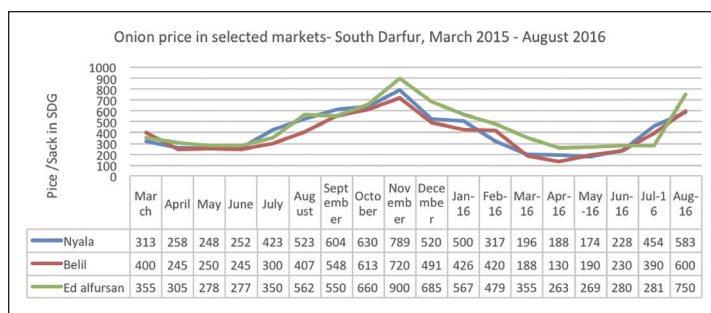


Figure 5: Onion prices in selected markets – South Darfur, March 2015 - August 2016

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## Cash crops:

**Groundnut** prices were either stable or decreased in most of the monitored markets during the six months, March to August 2016. The availability of cheap imported cooking oil, transported to Nyala from Central Sudan, has pushed prices down. However, groundnut prices increased in Nyala during May to July due to high demand for seeds (prepared for the new season) and also high demand for groundnut cake as animal fodder. In Greida market, groundnut prices decreased during March as some producers released part of their store onto the market, increasing supply while demand was limited. However, in July, the price increased due to high demand for seeds for planting. In Intakeina market the price of groundnuts decreased gradually during June, July and August as a result of the early rainy season and Wadis flooding (Wadi Bulbul). This flooding blocked the route out of the production area; a similar trend was seen in the same months in 2015. Large-scale agro-processing of groundnuts is still depressed with most agro-processing done on a small scale: according to the Ministry of Finance in South Darfur, there are only five large-scale groundnut processing mills registered in Nyala, of which only two are functioning, and at reduced capacity<sup>1</sup>; 83 small-scale groundnut processing mills are formally registered.

Availability of **sesame** was reported in very few markets in South Darfur. The price was stable during March to August, but was also affected by cheap cooking oil brought from Omdurman which reduced demand for sesame oil. See Figure 6.

No **gum arabic** was available in any of the monitored markets in South Darfur.

**Dried okra** prices decreased in the last 6 months (March-August 2016) due to the early start of the rainy season, which meant that consumers used fresh green okra instead. Generally dried okra prices were higher at the beginning of 2016 compared with the same period in 2015, reflecting the poor harvest which was exacerbated by infestation by insects which affected production. See Figure 7.

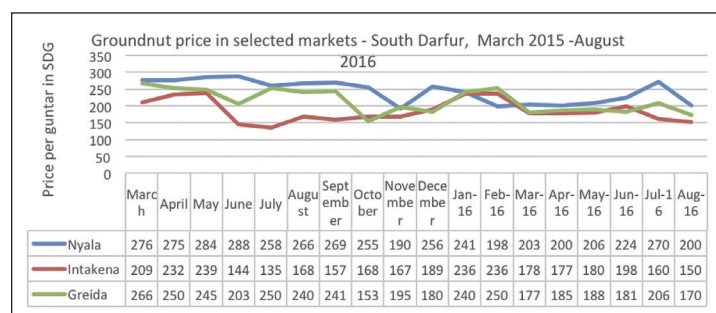


Figure 6: Groundnut prices in selected markets – South Darfur, March 2015- August 2016

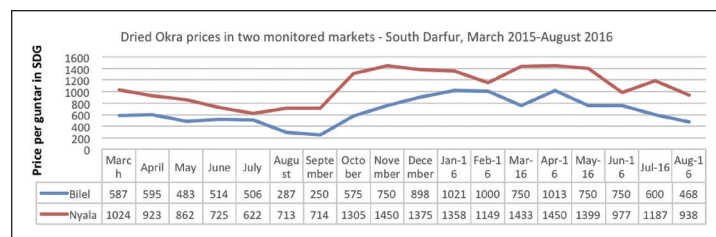


Figure 7: Dried Okra prices in two monitored markets – South Darfur, March 2015- August 2016

<sup>1</sup> This contraction of large-scale agro-processing of groundnuts was noted in the cash crop trade study, 'Taking Root' in 2013. See <http://fic.tufts.edu/publication-item/taking-root/>

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## Daily labouring

The main daily labouring opportunities between March and August 2016 were in building and construction work as well as the agricultural sector. The daily wage rate for building and construction ranged between SDG 30 to 50 per person/per day, with the rate for agricultural labour ranging between SDG 80 to 100 per person/per day, and the rate for domestic work from SDG 15 to 25 per person/per day. Overall, wage rates for building and construction work were considerably higher between March and

August 2016 when compared with the same period in 2015, and most work is done by women and children. See Figure 8. This is at least partly due to men migrating to a gold prospecting area, Tanago, on the border between South Sudan and Sudan since April 2016. This triggered a fall in the availability of daily labourers, and therefore a rise in wage rates, including for agricultural labour during July and August.

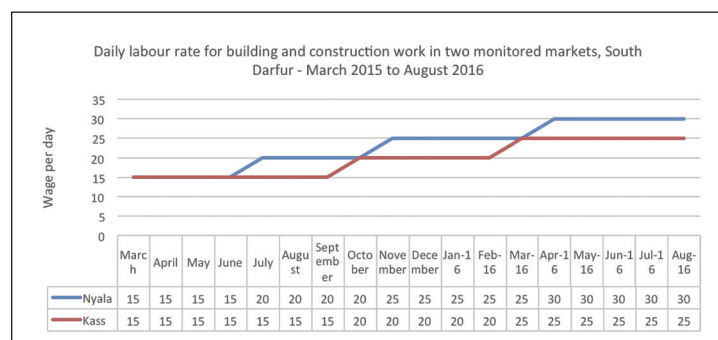


Figure 8: Daily labour rate for building and construction work in two monitored markets, South Darfur - March to August 2016

## Background and methodology

The goal of this community-based market monitoring initiative is to deepen analysis and understanding of the shifting patterns of trade and markets in Darfur, on an ongoing basis for key agricultural and livestock commodities, to identify how livelihoods and the economy can be supported through trade, and to identify peace-building opportunities through trade. Sixteen CBOs/NGOs are monitoring 22 markets across South Darfur on a weekly basis. Quantitative data, for example the price of Darfur's main cereals, livestock, cash crops and fruits and vegetables are collected weekly as well as qualitative data, for example on sources of supply. Some data are collected on a monthly basis, for example transport costs, transport routes and the impact of the conflict on flows of commodities. DDRA holds six-monthly analysis workshops with the CBO enumerators.



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