Trade and Market Bulletin
North Darfur

Darfur Development and Reconstruction Agency

Covering the Quarter March to May 2014 • Vol. 4, No. 2 • www.dra-sudan.org • mzakaria065@gmail.com

Headlines

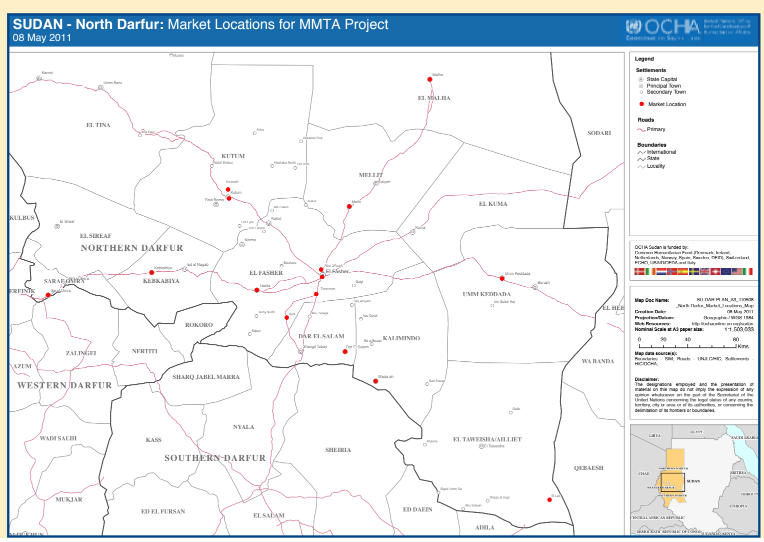
- During this quarter (March to May 2014) cereal prices increased in almost all the monitored markets in the state, reflecting lack of supply due to the poor harvest as well as the impact of recent insecurity. Markets particularly affected by insecurity included Saraf Omra, which is usually a major source of cereals for many urban centres in Darfur, but from where trade routes have been barely functioning since March. Insecurity closed El Lait market in March, where cereal prices rose by over 40% between February and May. The newly introduced food voucher scheme in Zamzam market appears to have triggered a significant flow of cereals from Central Sudan to meet demand.
- Livestock prices fell in some markets in April when insecurity broke out in parts of the state, triggering looting of livestock. This increased the supply of animals to certain markets, such as Kutum and Kebkabiya, either looted animals brought to market, or because of distress sales.
- Cash crop prices generally increased. Groundnut prices continued to show an upward trend in traditional markets, such as El Lait, Dar Alsalam and Wadda, for two main reasons: the poor harvest and seasonality. *Tombac* prices also rose in traditional markets such as El Fashir, Tabit and Tawilla due to reduced stocks because of the poor harvest season. The price of dried okra continued to rise sharply, also reflecting the poor harvest season, and dried tomato prices also rose.
- Fresh vegetable prices rose. Onion prices started increasing in May 2014 in most monitored markets, reflecting the impact of the off-season as well as the closing of the Kutum/El Fashir trade route in the same month. The price of fresh tomatoes sharply increased, reflecting the impact of the off-season.
- There was a dramatic increase in the number of checkpoints (and therefore fees) on the trade route linking El Fashir with Kutum during the quarter, from 14 to 34 checkpoints. An old trade route linking Saraf Omra with Nyala via Zalingei was reactivated this quarter in response to the closing of the Saraf Omra-Kutum-El Fashir route due to insecurity. The El Fashir-Nyala trade route remained stable and functioning during the quarter.
- In this quarter traditional activities like brick-making and construction were the main sources of daily labouring. Localised conflict caused displacement into Saraf Omra, thus swelling the numbers looking for daily work.

Recommendations

- Close monitoring of household food security is strongly recommended because of rapidly rising cereal prices across North Darfur. This is especially important in chronically food-insecure areas, such as Malha, to identify where emergency support is needed.

Participating CBOs and the markets they monitor

EVNRHD	El Fashir, Tabit, Tawilla, and Wadda
KEADS	Kutum and Kassab
KSCS	Kebkabiya and Saraf Omra
URDP	Um Kadada and El Lait
DRA	Abu Shook and ZamZam camps
SAG	Mellit
DWDA	Dar Alsalam
Buzza	Malha



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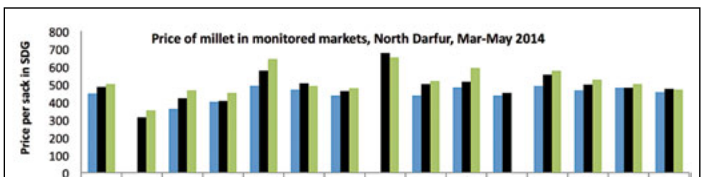
Cereals

Cereal prices have shown an upward trend in most monitored markets across North Darfur this quarter. This reflects both the continued influence of the bad 2013/2014 harvest season and the impact of the insecurity in March in some areas, such as El Lait, Mellit and Saraf Omra. Due to the security situation it was not possible to collect market data for El Lait and Saraf Omra in March, and for Tawilla in May. See Figure 1. For example, over the four months from February to May 2014, the price of millet increased by 42% in El Lait market, 18% in Mellit and 16% in Saraf Omra. El Lait registered the largest rise because insecurity in March blocked all the trade routes into the market for the whole month. This situation was aggravated by a lack of stock due to El Lait being a cash crop production area, reliant on cereals coming a long distance from production areas such as Um Dukhun in Central Darfur. As Saraf Omra is a cereal production area that supplies most urban centres in Darfur, prices are lower compared to other parts of the state despite the insecurity. Mellit market is supplied by El Fashir, just 60km away, so registered lower prices than El Lait, despite the insecurity. The food voucher scheme that was introduced in Zamzam IDP camp by WFP last quarter appears to be exacerbating the lack of local supply, and some voucher traders sourced cereals, particularly sorghum, from Central Sudan in order to fulfil their contracts. Overall cereal prices are significantly higher this year (2014) compared to the same period in the last three years (2011-2013). See Figure 2 for millet prices in El Fashir over this period.

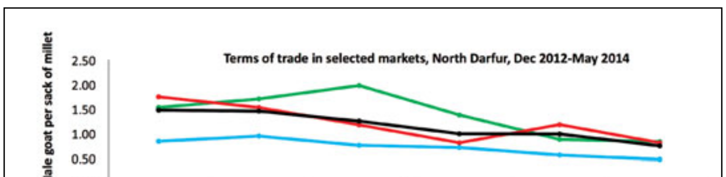
The terms of trade between cereals (a sack of millet) and livestock (a male goat) continued to fall in most monitored markets (El Fashir, Um Kaddada, Kutum and Malha) during this quarter, reflecting the upward trend in cereal prices. Figure 3 shows the overall decline in the terms of trade since end of 2012.

Food aid sorghum was widely distributed through different modalities (e.g. general food distribution, food-for-work, or food-for-recovery) by WFP in areas like Malha, Mellit and Kebkabiya during this quarter. Nevertheless, the price of food aid sorghum continued to rise in most monitored markets, following the price trend of millet as a substitute staple to millet. The exception was Kutum market, where food aid sorghum was distributed in large quantities and the price was lower and more stable. See Figure 4.



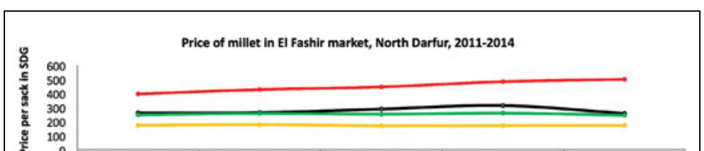
	El Fashir	Saraf Omra	Mellit	Kebkabiya	Um kadada	Kutum	Malha	Al Lait	Tabit	Dar Alsalam	Tawilla	Wadda	Zamzam IDPs	Abu Shook IDPs	Kassab IDPs
Mar 2014	446		360	400	491	469	435		435	481	435	490	465	480	455
Apr 2014	484	313	420	405	576	505	460	675	500	514	450	554	497	480	473
May 2014	500	353	465	450	643	490	478	650	518	591		575	524	500	469

Figure 1: Price of millet in monitored markets, North Darfur, March to May 2014



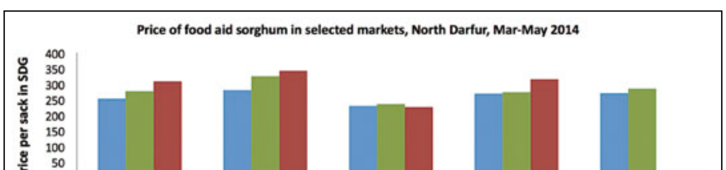
	Dec 12 - Fe 13	Mar 13 - May 13	Jun 13 - Aug 13	Sep 13 - Nov 13	Dec 13 - Feb 14	Mar 14 - May 14
El Fashir	1.52	1.70	1.97	1.37	0.87	0.82
Um kadada	1.74	1.52	1.17	0.80	1.17	0.80
Kutum	1.47	1.45	1.24	0.98	0.98	0.74
Malha	0.83	0.94	0.75	0.70	0.55	0.46

Figure 3: Terms of trade in selected markets, North Darfur, December 2012 to May 2014



	Jan	Feb	Mar	Apr	May
2011	174	178	171	172	173
2012	261	263	289	314	258
2013	248	258	253	260	245
2014	396	427	446	484	500

Figure 2: Price of millet in El Fashir market, North Darfur, 2011-2014



	El Fashir	Kebkabiya	Kutum	Tabit	Tawilla
Mar-14	253	280	230	269	270
Apr-14	277	325	235	274	285
May-14	309	343	226	315	

Figure 4: Price of food aid sorghum in selected markets, North Darfur, March to May 2014.

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Livestock

Livestock prices demonstrated different trends in different markets this quarter, according to local conditions. Sheep prices dipped in most markets in April. In some markets, such as Kebkabiya, Kutum and Saraf Omra, this was as a result of insecurity triggering both the looting of livestock and distress sales by livestock owners in order to mitigate risk. See Figure 5. Access to both El Lait and Saraf Omra markets was disrupted by the insecurity in March and, as previously mentioned, it was not possible to collect data here. Sheep prices in Um Kaddada and Malha markets remained stable in April because neither area was affected by insecurity.

Similar to other livestock, cattle prices fluctuated over the course of this quarter. Cattle prices decreased a little in Kebkabiya, Kutum and Saraf Omra markets in April due to the effects of insecurity. However, prices remained stable in El Fashir and Tabit. Saraf Omra market reported an increase in cattle prices in May 2014 owing to the closure of Medaises and Karkari markets, both in the El Seraif locality, the main cattle suppliers to Saraf Omra market. Cattle prices steadily increased at Dar Alsalam market due to a tax increase imposed by the locality of SDG 100 per head of cattle. See Figure 6.

Export camel prices continued to remain stable in all the traditional camel markets in North Darfur this quarter. The small increase in price between January and May 2014 may be due to changes in the local currency exchange rate. The slowing in cross-border trade between Libya and North Darfur continues to have a negative impact on the export camel market. See Figure 7.

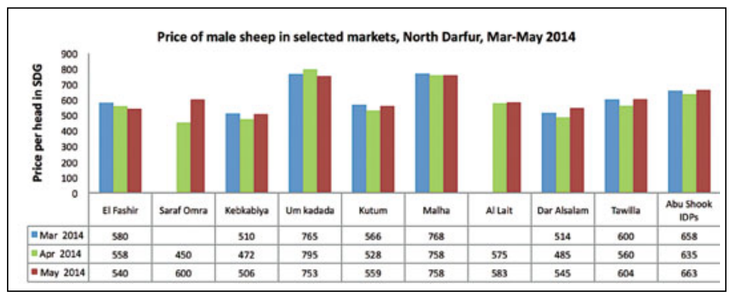

Figure 5: Price of male sheep in selected markets, North Darfur, March to May 2014

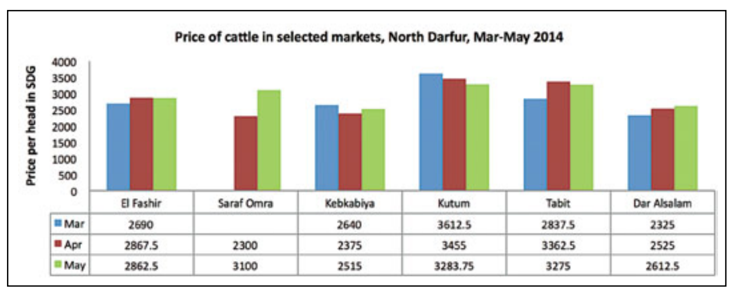

Figure 6: Price of male cattle in selected markets, North Darfur, March to May 2014

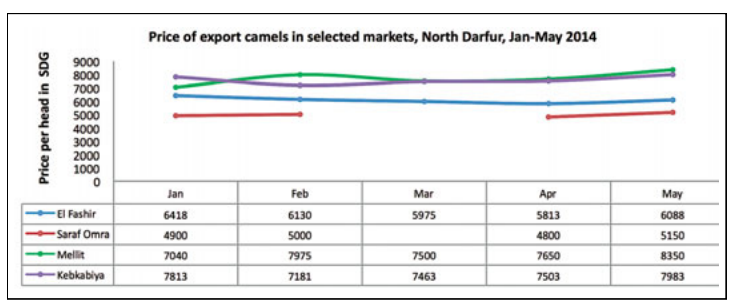

Figure 7: Price of export camels in selected markets, North Darfur, January to May 2014

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Cash Crops

Cash crop prices rose dramatically in all monitored markets this quarter as a consequence of the bad 2014 harvest season, and as a result of seasonality. Groundnut prices in all traditional markets, such as El Fashir, Dar Alsalam, El Lait and Wadda, started rising rapidly last quarter and have continued to do so this quarter. For example, between June 2013 and May 2014 groundnut prices increased by 148% in Dar Alsalam market, 85% in El Lait market, and 82% in El Fashir market. See Figure 8.

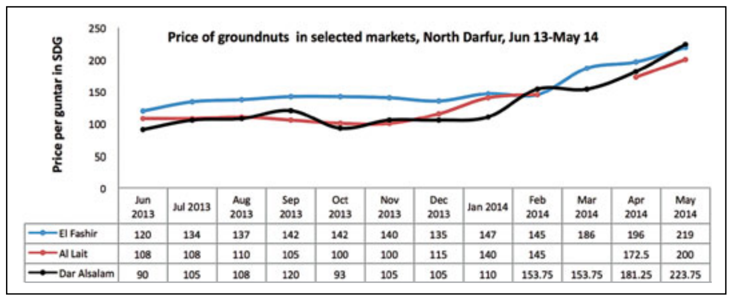

Figure 8: Price of groundnuts in selected markets, North Darfur, June 2013 to May 2014

The price of dried *tombac* also continued to increase in all traditional markets in North Darfur (El Fashir, Tawilla, Zamzam and Tabit), owing to the bad 2014 harvest season and relative improvement in the security situation along some trade routes that lead to South Kordofan and Blue Nile states, where *tombac* is widely used. See Figure 9.

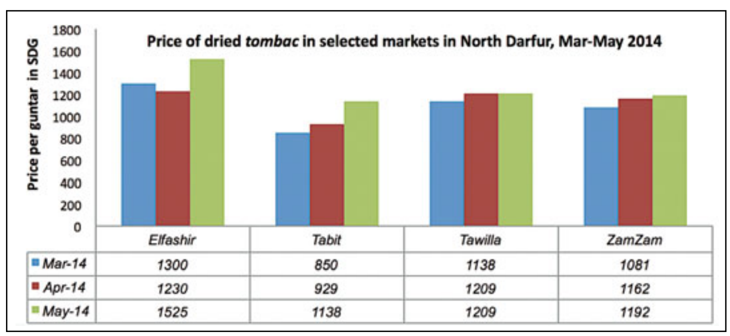

Figure 9: Price of dried tombac *in selected markets in North Darfur, March to May 2014*

The price of dried okra continued to increase sharply this quarter in most monitored markets in North Darfur, again due to the poor 2014 harvest and the impact of seasonality. See Figure 10. For instance, between June 2013 and May 2014 prices increased by 426% in El Fashir market, 694% in Saraf Omra, 458% in Kebkabiya, and 487% in Kutum. Similarly, the price of dried tomatoes reported an upward trend in most monitored markets. Both Dar Alsalam and Wadda markets reported availability of sesame and hibiscus (*karkadi*) this quarter.

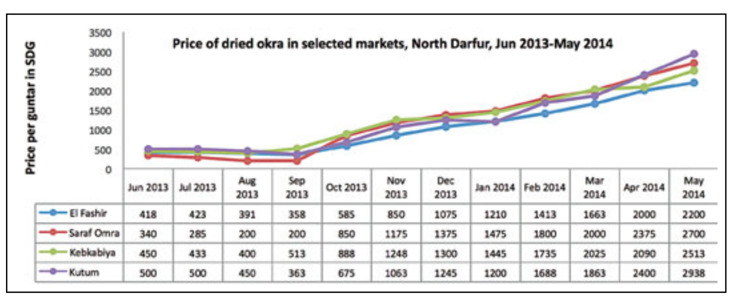

Figure 10: Price of dried okra in selected markets, North Darfur, June 2013 to May 2014.

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Fruits and Vegetables

During this quarter the price of vegetables started to rise in most monitored markets as this is the off-season, and because the El Fashir-Kutum trade route closed for a couple of weeks in May. This trade route is a major route through which fruit (oranges and mangoes) and vegetables (onions and fresh tomatoes) flow from production to consumption areas. Onion prices decreased in April and then rose again in May in most monitored markets for these reasons. The exceptions to this were El Fashir, which received supplies from Omdurman (due to the paving of the Omdurman-El Fashir road and restrictions on the El Fashir-Kutum trade route) and therefore saw a decrease in onion prices, and Saraf Omra, where insecurity caused prices to rise sharply in May. See Figure 11. Similarly the price of fresh tomatoes increased sharply in most monitored markets as the fresh tomato season came to an end. In five months the price rose by 205% in El Fashir market, 277% in Kebkabiya, and 303% in Kutum. See Figure 12.

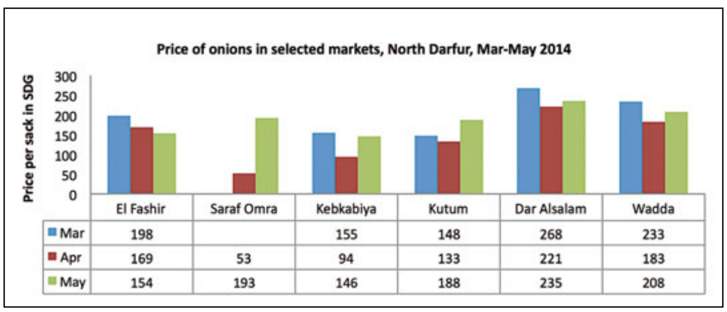

Figure 11: Price of onions in selected markets, North Darfur, March to May 2014

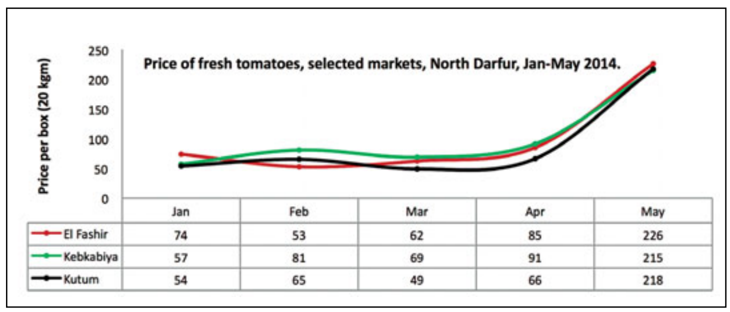

Figure 12: Price of fresh tomatoes in selected markets, North Darfur, January to May 2014

Daily Labouring

During this quarter traditional activities such as brick-making and construction were the main sources of daily labouring. Daily labour rates remained stable as this quarter is the dry season and therefore there were no farming operations. There was greater availability of labour in Saraf Omra town due to displacement. See Table 1.

Table 1: Daily labouring wage rates

#	Market	Item	Daily wage rate in SDG		
			Sep – Nov 13	Dec 13 – Feb 14	Mar – May 14
1	Saraf Omra	Brick-making (red) 1,000	70	70-100	70-100
		Construction (per day)	25-30	25-30	N/A
		Daily labour (market activities)	1-15	15-20	N/A
2	Zamzam	Daily labour (market activities)	15-20	15-20	15-20
3	Wadda	Daily labour	35	35	30 (for agricultural activities)
4	Tawilla	Brick-making (red) 1,000	100	100	100
5	Mellit	Daily labour	20	20-25	20-25

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Transportation: Access and Costs

During this quarter some trade routes were affected by insecurity. This triggered a dramatic increase in the number of checkpoints along the trade route linking El Fashir with Kutum, from 14 to 34 checkpoints, as commercial traffic stopped using other routes and those who had been collecting informal fees on those other routes moved to the main trade route that is still being used. This, of course, increased the fees that had to be paid on the El Fashir to Kutum route. Because insecurity affected the trade route connecting El Fashir to Kutum and Saraf Omra, an old trade route linking Saraf Omra with Nyala (South Darfur) through Zalingei (Central Darfur) was reinstated. Saraf Omra is an important agricultural production area, so it was vital that these crops were brought to market. The trade route that links El Fashir to Nyala remained stable and functioning.

During this quarter most of the monitored markets reported an increase in transportation costs due to the impact of insecurity on a large number of trade routes in the state. See Table 2.

Table 2: Transportation costs in North Darfur

		Average cost (SDG)		
Trade route	**Commodity**	**Sep – Nov 13**	**Dec 13 – Feb 14**	**March – May 14**
Kutum to El Fashir	Onions per sack 90kg	40	50	50-75
Omdurman to Malha	Onions per sack 90kg	100	110	110
Kebkabiya/El Fashir	Transportation cost per person	250	250	250-300

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. Seven CBOs plus DRA are monitoring 15 markets across North Darfur, including three markets in IDP camps, 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. DRA holds quarterly analysis workshops with the CBO enumerators.

SOS SAHEL INTERNATIONAL UK

Tufts UNIVERSITY | Gerald J. and Dorothy R. Friedman School of Nutrition Science and Policy

Feinstein International Center

This project is funded by the European Union, with additional funding from the United Nations Development Programme

Advisory support: Feinstein International Center, Tufts University

Ministries with which DRA has a technical agreement in North Darfur:

1. Ministry of Finance and Economy and Civil Service
2. Ministry of Agriculture and Irrigation
3. Ministry of Animal Resources and Fisheries