

Trade and Market Bulletin North Darfur



Darfur Development and Reconstruction Agency

Covering the Quarter June to August 2013 • Vol. 3, No. 3 • www.dra-sudan.org • mzakaria065@gmail.com



Headlines

- During this quarter (June to August 2013) cereal prices have shown an upward trend in almost all the 15 markets monitored by this project throughout the state.
- Livestock prices were fairly stable during the quarter with some localized fluctuations. The exception is the price of camels for export as trade between Darfur and Libya slowed due to internal issues within Libya which impeded this cross-border trade.
- Unlike the last quarter there was a steady upwards trend in groundnut prices this quarter. This is an expected seasonal trend at this time of year, but is exacerbated by the poor rainy season and anticipated poor harvest as well as the increasing price of all cooking oils.
- The price of dry tombac was stable during the quarter, following the normal seasonal trend.
- Onion prices have also followed normal seasonal trends, gradually increasing during the 'off-season'. The price of fresh tomatoes has similarly risen in almost all monitored markets in North Darfur, as expected during the 'off-season'.
- The trade route connecting El Fashir, Kutum, Kebkabiya and Saraf Omra was calm and remained open during the quarter. Other trade routes linking El Fashir with Nyala and Zalingei were blocked by flooding wadis. The trade route between Omdurman and Nyala through Elnuhood, Al Lait, and Ed Daien shifted during the quarter because of insecurity, now passing from Elnuhood through Gabir, Wadda and Khazan Jadeed to Nyala.
- Agricultural labouring was the main activity for daily labouring this quarter, instead of brick making and construction. This follows normal seasonal trends.

Recommendations

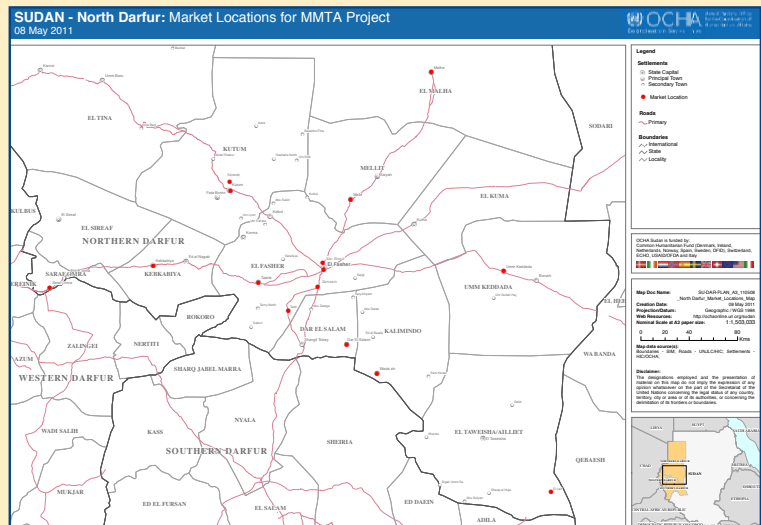
- Increasing cereal prices indicate that a poor cereal harvest is anticipated. Close monitoring of household food security over the next year is therefore recommended, especially in chronically food insecure areas such as Malha.

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 upwards trend in almost all the 15 monitored markets across North Darfur State this quarter (June to August 2013). One of the main reasons appears to be the poor and very short rainy season which started very late, in late July/early August and stopped at the end of August. In anticipation of a poor harvest many households are holding their cereal stocks, thus reducing the flow of supply into the market. Although the highest price of millet was registered in Malha market this quarter, the price unusually fell in Malha in July and August as a result of the distribution of food aid by WFP. See Figure 1. The movement of pastoralists with their livestock from one area to another also impacts on cereal prices. When they are present in the area local demand increases, for example in Wadda and Dar Alsalam. As in previous quarters, El Lait and Malha markets reported the highest average price of millet (SDG 341 in El Lait and SDG 324 in Malha) while Saraf Omra – an area of production – reported the lowest average price over the quarter (SDG 215).

Cereal prices in 2012 were higher this quarter (June to August) than this year, but had started to decrease in August 2012

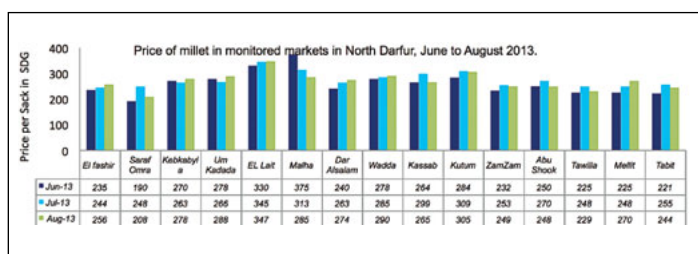


Figure 1: Millet prices in monitored markets in North Darfur, June to August 2013

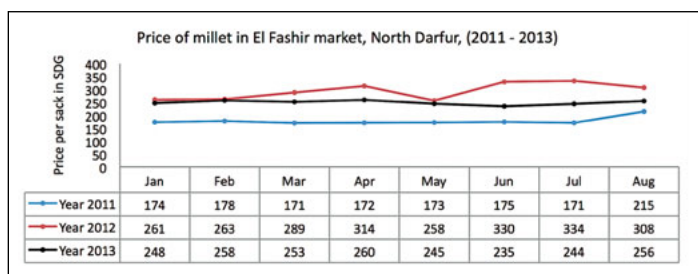


Figure 2: Price of millet in El Fashir market in the last three years: 2011– 2013

reflecting anticipation of a good harvest after a favourable rainy season. 2013 is showing a different pattern as cereal prices have started to rise in anticipation of a poor harvest this year. See Figure 2.

The terms of trade between cereals (a sack of millet) and livestock (a male goat) have started to fall in some markets such as Um Kaddada and Kutum as cereal prices rise and as livestock prices fall, especially at this time of year as households sell some of their livestock to raise income to meet schooling requirements in some areas. See Figure 3. The terms of trade in Malha have stabilized, probably because of the WFP food distribution. See Figure 4. Surprisingly the terms of trade improved in El Fashir market: the reasons deserve further investigation.

The price of food aid sorghum has been relatively stable in the last five months but fell in August 2013. See Figure 5. This probably reflects the fact that some of it is sold in the market as fodder for animals. Therefore the availability of green grass during this quarter will have reduced demand.

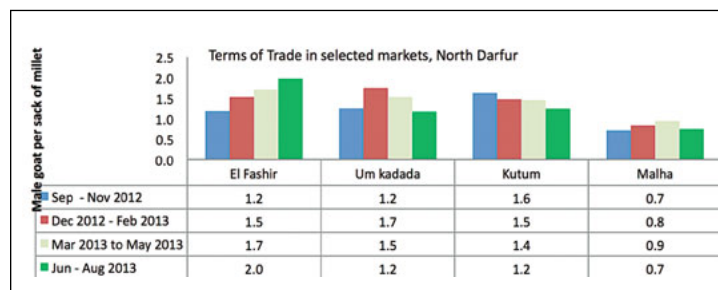


Figure 3: Terms of trade (goats for millet) in selected markets in North Darfur

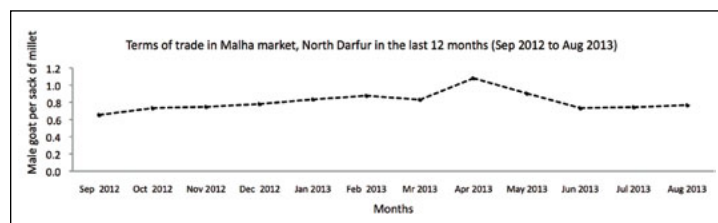


Figure 4: The terms of trade (goats for millet) in Malha market since September 2012

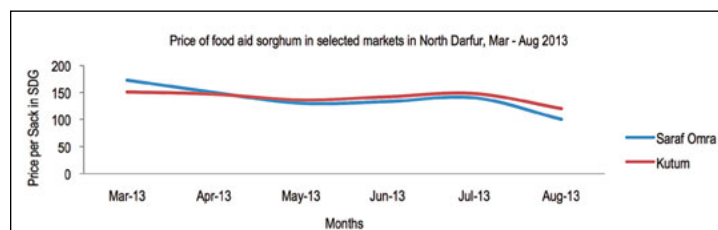


Figure 5: Price of food aid sorghum in two markets in North Darfur, March to August 2013

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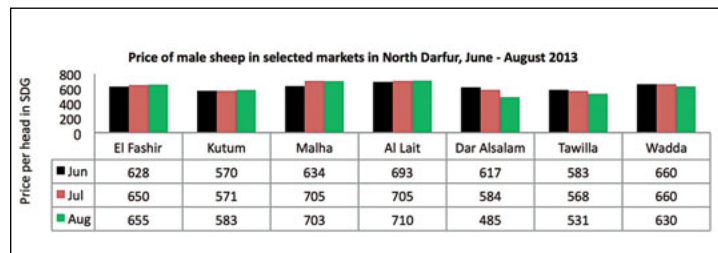


Figure 6: Price of male sheep in selected markets in North Darfur, June to August 2013

Livestock

Generally livestock prices have remained stable this quarter. Fluctuations in livestock prices (sheep and goats in particular) can often be explained by the seasonal presence of livestock in the area. A higher density of livestock around markets such as Tawilla, Wadda and Dar Alsalam may have caused the price to fall, while livestock moving away from markets such as ElFashir, Al Lait and Kutum, in search of pasture and water, may have caused the price to rise. See Figure 6. The price of cattle has been relatively stable. See Figure 7. El Fasher market has continued to be supplied by *Korri* cattle from South Darfur.

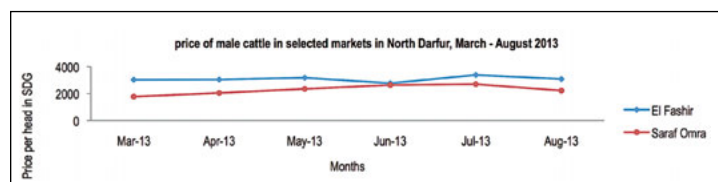


Figure 7: Price of male cattle in selected markets in North Darfur, March to August 2013

Unusually the price of export camels in North Darfur fell during the quarter in Saraf Omra and Mellit, North Darfur's main camel markets. This appears to be due to a slowing down of the cross-border trade between Darfur and Libya due to internal issues within Libya. See Figure 8.

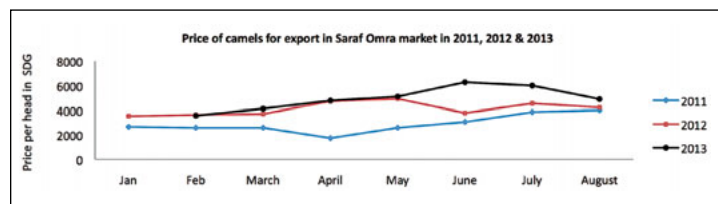


Figure 8: Price of export camels in Saraf Omra Market, 2011 - 2013

Daily Labouring

Generally wage rates for daily labouring stabilized or rose during the quarter. See Table 1. Where the wage rate rose this was probably due to higher wage rates for agricultural laboring.

Table 1: Wage rates for daily laboring since December 2012

Market	Activity	Average cost in SDG		
		Dec 2012 to Feb 2013	Mar to May 2013	Jun - Aug 2013
Saraf Omra	Making 1000 red bricks	40	50	50
	Construction work (per day)	20	20	25
	Daily labour (market activities)	10	10	10
Zamzam	Daily labour (market activities)	10	12	15
Waddaa	Daily labour (market activities)	20	20	30
Tawilla	Making 1000 red bricks	70	100	100
Mellit	Daily labour (market activities)	15	15	15

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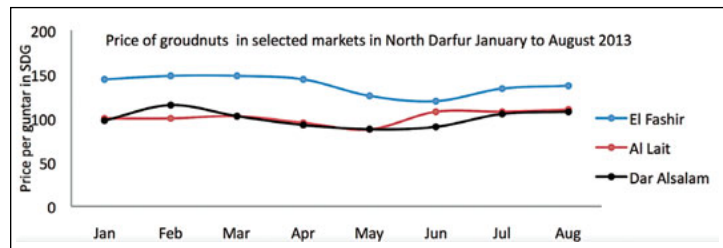


Figure 9: Price of groundnuts in selected markets in North Darfur, January to August 2013

Cash Crops

Groundnut prices increased this quarter in traditional production areas such as Al Lait, Dar Alsalam and Wadda as well as in consumption areas such as El Fashir where the price was considerably higher. See Figure 9. This reflects the poor rainy season and may also be influenced by the increasing price of cooking oil, associated with depreciation of the exchange rate. Figure 10 shows the seasonal trend in groundnut prices in El Fashir market over the last three years, and the unusual phenomenon in 2013 of the price falling until June 2013.

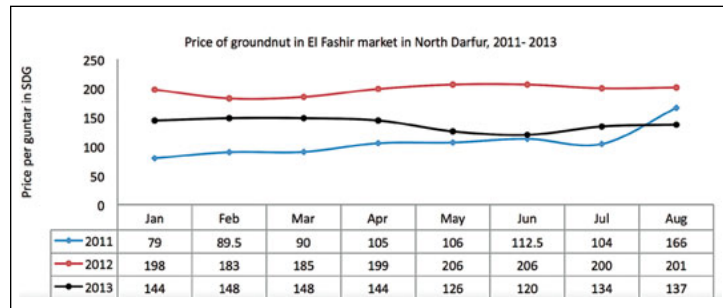


Figure 10: Price of groundnuts in El Fashir market, in the last three years.

The price trend of cash crops such as dry tomatoes and dry okra fell during the quarter, a normal seasonal trend.

The price of dry tombac increased in El Fashir market, a major area of consumption, and may be influenced by the impending resumption of trade between Sudan and South Sudan. But the price stabilized or fell slightly in production areas such as Tawilla, Zamzam and Tabit. See Figure 11.

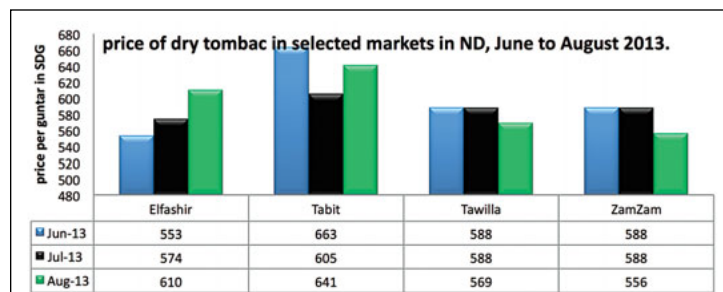


Figure 11 Price of dry tombac in four markets in North Darfur, June to August 2013.



Fruits and Vegetables

Onion prices rose in all 15 monitored markets in North Darfur during the quarter, reflecting the phasing-out of the production season. See Figure 12 for the price in Kutum, an area of

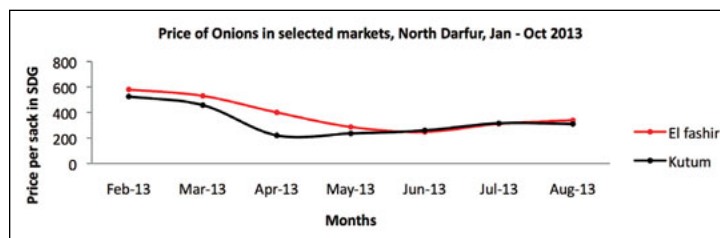


Figure 12 Price of onions in two markets in North Darfur, February to August 2013

production, and the price in El Fashir, an area of consumption. The price of fresh tomatoes rose much more sharply as availability fell in the off-season. See Figure 13.

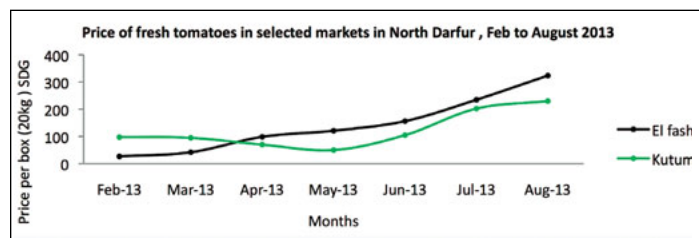


Figure 13: Price of fresh tomatoes in two markets in North Darfur, February to August 2013

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Transportation: Access and Costs

Some trade routes were affected by heavy rainfall this quarter. For example the route from Omdurman to El Fashir, Nyala and Zalingei was affected by flooding, triggering a re-routing via Kutum to Saraf Omra. The trade route from Omdurman through Alnuhood to Al Lait, Eddain and Nyala changed to Omdurman – Alnuhood – Jabir - Waddaa–KhazanJadeed up to Nyala. In other words it shifted north as a consequence of localised conflict in Eastern Darfur State. However, the trade route connecting El Fashir, Kutum, Kebkabiya and Saraf Omra was calm and remained open during the quarter.

The start of the rainy season triggered an increase in transportation costs on most routes. See Table 2.



Table 2: Transportation costs on selected routes

Trade route	Commodity	Dec 2012 to Feb 2013 Average cost (SDG)	Mar to May 2013 Average cost (SDG)	Jun – Aug 2013 Average cost (SDG)
Kutum to El Fashir	Onions per sack - 90kg	30	20	30
Omdurman to Malha	Onions per sack - 90kg	72	70	75
Kebkabiya to El Fashir	Transportation cost per person	200	170	200

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.



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United Nations Environment Programme

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



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