

Trade and Market Bulletin North Darfur

Darfur Development and Reconstruction Agency



Covering the Quarter December 2013 to February 2014 • Vol. 1, No. 4 • www.dra-sudan.org • mzakaria065@gmail.com



Headlines

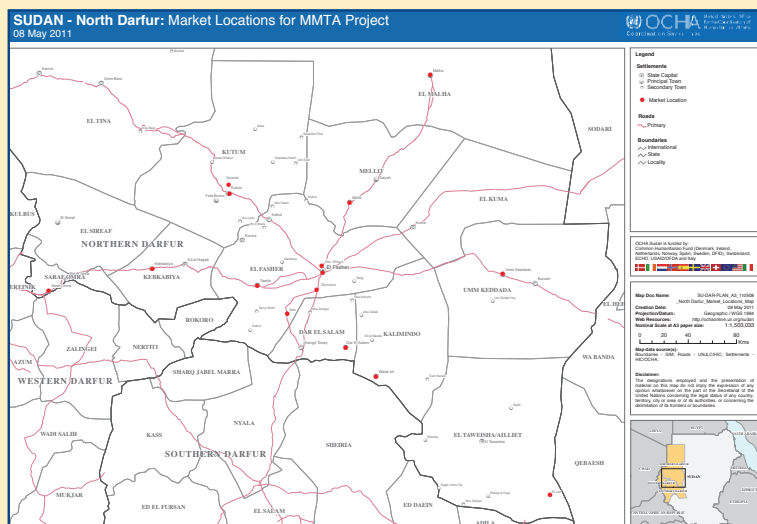
- **Cereal prices** increased sharply in most of the 15 monitored markets in North Darfur, especially in Um Kadada, El Lait and Al Fashir. By February 2014 the price of a sack of millet in Um Kadada had risen by over 50% compared with September 2013, and in Al Fashir by over 70%. In Kutum market and Kassab IDP camp, the impact of food aid distribution appears to have slowed the increase in cereal prices. WFP's food voucher scheme, which commenced in Zamzam IDP camp this quarter, probably contributed to pushing prices up: the price of a sack of millet rose by 40% in Zamzam market over a three month period between December 2013 and February 2014, while the price of millet in Al Fashir rose by just 14% over the same time period.
- **Livestock prices** have mostly been stable across North Darfur, although varying from one market to another according to local conditions.
- In terms of **cash crops**, *tombac* prices increased in three out of four of North Darfur's main *tombac* markets (Al Fashir, Tawilla and Zamzam). In the fourth market, Tabit, there was a small decrease, probably because this was a major area of production in 2013/14 but insecurity constrained access by traders.
- Prices of groundnuts increased in almost all North Darfur's main groundnut markets, a result of the poor harvest due to rainfall shortages.
- Prices of dried okra and dried tomatoes rose sharply during the quarter, also reflecting the poor rainy season.
- Both Wadda and Dar Alsalam markets reported regular availability of *karkidi* (hibiscus) this quarter, which is harvest time. Producers have been supported by UNDP's value chain programme.
- In terms of **fresh vegetables**, onion prices decreased sharply in all monitored markets, and the price of fresh tomatoes also fell, following normal seasonal trends in North Darfur.
- The longer **trade route** that connects Al Fashir with Kutum, Kebkabiya and Saraf Omra via Abu Gamra was relatively stable this quarter, until March 2014 when insecurity in the Saraf Omra area resulted in a major detour of the route through El Geneina.
- The main demand for daily labouring was for the usual activities such as brick-making and construction, as well as irrigated agriculture.

Recommendations

- Close monitoring of household food security is strongly recommended because of rapidly increasing cereal prices across North Darfur, especially in chronically food-insecure areas such as Malha, and other conflict-affected areas, to identify where emergency support is needed. The impact of the WFP food voucher scheme on cereal markets should also be monitored carefully in the next few months as cereal prices rise, for example in Zamzam market.

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 increased sharply in almost all of the 15 monitored markets across North Darfur this quarter. When compared to prices in September 2013, by February 2014 millet prices in Al Fashir, a major area of consumption, had risen by 70%, and by 50% in the Um Kadada area where the harvest was severely affected by pest infestations¹. Millet prices rose by 28% in El Lait market, a major cash crop-producing area. See Figure 1.

The highest average quarterly millet prices were recorded in Um Kadada and El Lait, the latter being a cash crop producing area. There were also price spikes in Wadda and Dar Alsalam markets in February. As well as the impact of the poor harvest, cereals in Wadda were affected by pests, and by insecurity in Dar Alsalam in some rural areas, which caused many people to flee to Zamzam IDP camp. See Figure 2. Meanwhile the lowest prices were reported in Saraf Omra and Kebkabiya markets, where rainfall was relatively better this harvest season². Interestingly, millet

prices in Kutum, Kassab and Kebkabiya markets demonstrated a downward trend, the opposite to all other monitored markets this quarter. See Figure 2 again. This is probably because food aid sorghum was distributed in both Kutum town and Kassab IDP camp, and there was 'food-for-work' in Kebkabiya, causing the price of food aid sorghum to fall. See Figure 3.

The WFP voucher scheme commenced in Zamzam IDP camp in December 2013. The price of a sack of millet in Zamzam IDP market rose by 40% this quarter, over a three-month period (September to November 2013), while in Al Fashir market, just 12km from Zamzam IDP market, the price of a sack of millet only increased by 14% over the same three-month period. This indicates that the food voucher scheme in Zamzam IDP camp may have been a key trigger for the substantial price rise in the camp market. About 40 local traders have signed contracts with WFP which commit them to provide 14 different food items to the Abu Shook, Dar Alsalam and Zamzam IDP camps on weekly basis.

The terms of trade between cereals (a sack of millet) and livestock (a male goat) fell in Al Fashir and Malha markets. This decrease reflects the rising price of cereals, an indicator of deteriorating food security, even though livestock prices have remained relatively stable. This is particularly relevant in Al Fashir where the terms of trade have halved over a 9-month period since June 2013. Terms of trade were more stable in Um Kadada market (although there was a drop in the September to November 2013 quarter) and in Kutum market. See Figure 4.

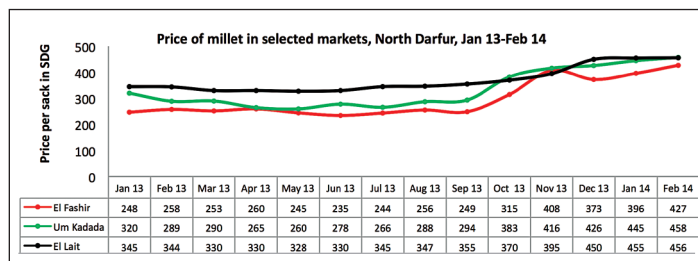


Figure 1: Price of millet in selected markets, North Darfur, January 2013-February 2014

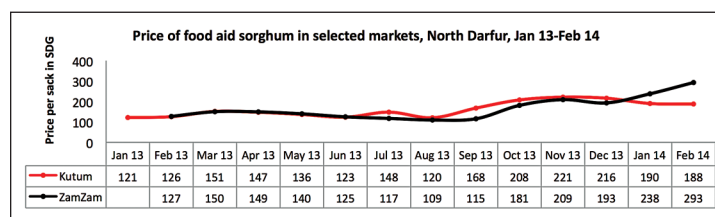


Figure 3: Price of food aid sorghum in selected markets, North Darfur, January 2013-February 2014 (Kutum as direct food distribution area and Zamzam IDP as food voucher area).

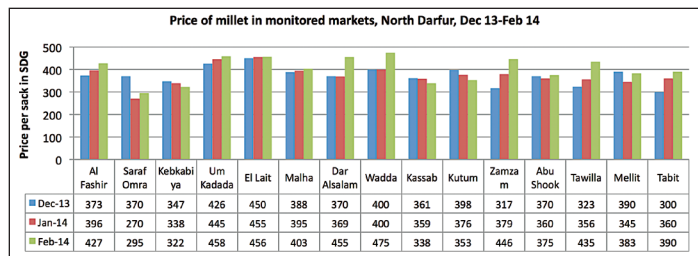


Figure 2: Price of millet in monitored markets, North Darfur, December 2013-February 2014

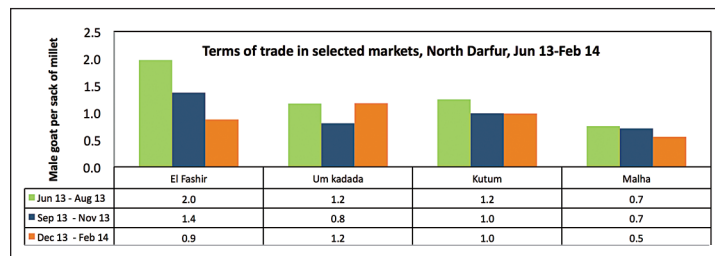


Figure 4: Terms of trade in selected markets, North Darfur, June 2013-February 2014

¹ Post-harvest Survey Report 2014, Ministry of Agriculture, North Darfur

² Post-harvest Survey Report 2014, Ministry of Agriculture, North Darfur

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Livestock

During this quarter livestock prices varied from one market to another according to local conditions. However, they were fairly stable in most monitored markets in North Darfur.

A minor increase in male sheep prices was reported in Saraf Omra, Kebkabiya, Kutum, Wadda and Um Kadada. This was because livestock herds moved away from these markets because of the lack of pasture due to the poor rainy season. However, the price fell a little in Al Fashir, a major market in North Darfur which is supplied from many different sources. Sheep prices remained high in Um Kadada market, reflecting the high quality of sheep in that area. Um Kadada is also a major source of sheep for export. See Figure 5.

Cattle prices followed a similar trend to sheep prices this quarter, and were generally fairly stable.

Export-camel prices remained stable this quarter in almost all traditional export-camel markets in North Darfur. North Darfur is regarded as a major state for producing camels, particularly for export. However, export-camel prices have been affected by the disturbance in cross border trade between Sudan and Libya following the political disruption in Libya, which has resulted in the price for export camels remaining more or less stable in nominal terms, rather than increasing like most other commodities in Sudan. See Figure 6.

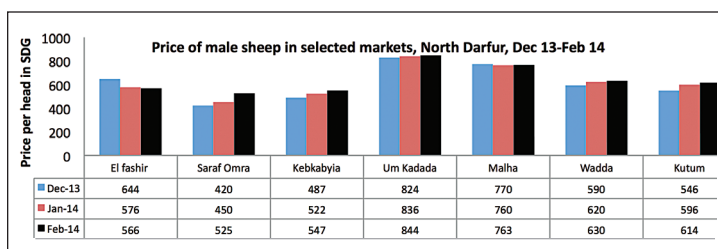


Figure 5: Price of male sheep in selected markets, North Darfur, December 2013-February 2014

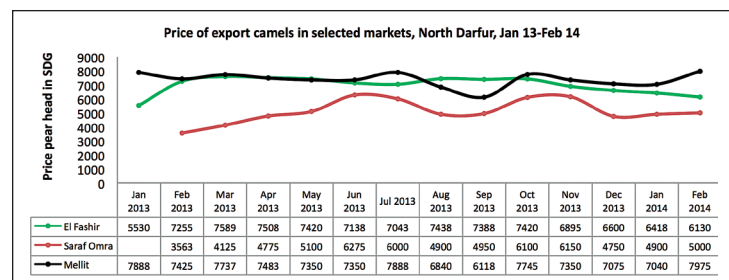


Figure 6: Price of export camels in selected markets, North Darfur, January 2013-February 2014

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Cash Crops

Generally, cash crop prices rose in all monitored markets in North Darfur this quarter as a result of the poor 2014 harvest. *Tombac* is one of the pillars of North Darfur's economy, and about 80% of *tombac* produced in Darfur is produced in North Darfur state, particularly in the traditional areas of Al Fashir, Tawilla and Tabit. *Tombac* prices in Al Fashir market rose by 29% this quarter compared to last quarter (September to November 2013), and by 24% in Tawilla market over the same period. However, Tabit market recorded an increase of only 2% due to insecurity around the market which made it risky for traders to try and access the market, even though *tombac* supplies were available. See Figure 7.

Groundnut prices increased in all traditional markets this quarter, for example in El Lait and Dar Alsalam. Probable causes for these increases were the poor 2014 harvest season and therefore reduced supply to the monitored markets. Additionally there was high demand for groundnut cake which is used as livestock fodder, especially for livestock traded in Omdurman. Groundnut prices in February 2014 were 45% higher in El Lait than in February 2013, and were 34% higher in Dar Alsalam. However, the groundnut price has remained remarkably stable in Al Fashir market, possibly because groundnuts have been stored from last year, and are only sold for local consumption. See Figure 8.

During this quarter prices of both dried okra and dried tomatoes increased dramatically in almost all monitored markets across North Darfur, a direct result of the poor rainy season which negatively affected the 2014 harvest season. For example, the price of dried okra in Saraf Omra in February 2014 was 800% higher than in September 2013, and the price of dried tomatoes was 94% higher in February 2014 than in December 2013. Dried tomato production was also affected by pest infestations in Nertiti, in the Jebel Marra area. See Figures 9 and 10.

During this quarter both Wadda and Dar Alsalam markets reported regular availability of *karkidi* (hibiscus). *Karkidi* producers in these areas have been supported by UNDP's value chain programme through the Voluntary Network for Rural Help and Development (VNRDH), which is one of DRA's partners monitoring these two markets.

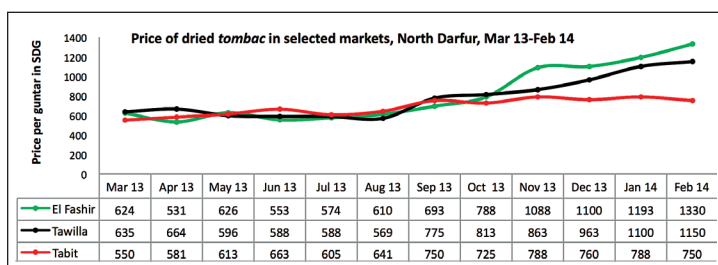


Figure 7: Price of dried *tombac* in selected markets, North Darfur, March 2013-February 2014

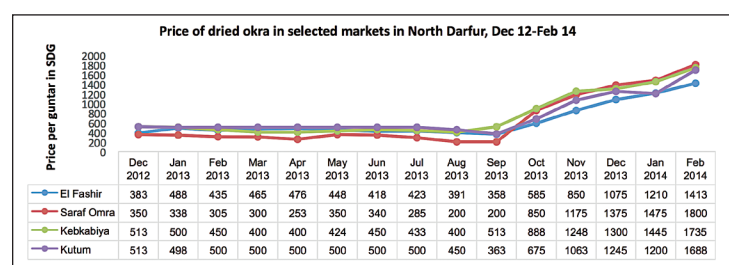


Figure 9: Price of dried okra in selected markets, North Darfur, December 2012-February 2014

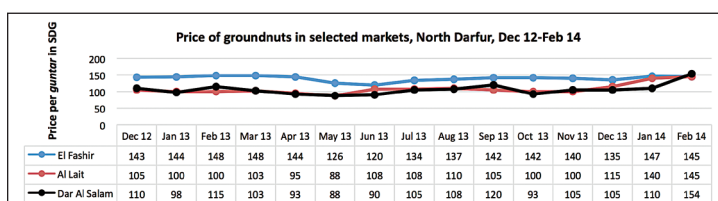


Figure 8: Price of groundnuts in selected markets, North Darfur, December 2012-February 2014

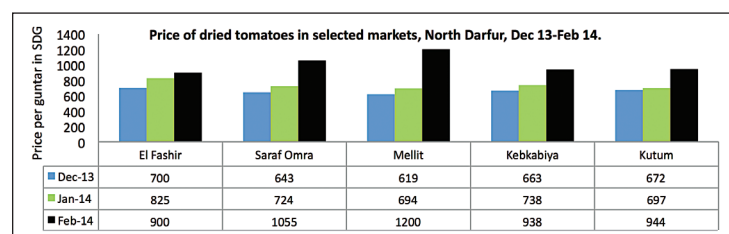


Figure 10: Price of dried tomatoes in selected markets, North Darfur, December 2013-February 2014.

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Fruits and Vegetables

The impact of seasonality on the price of onions was clear in all 15 monitored markets this quarter as the price fell at harvest time. But prices were much lower than the same time last year: for example, in Al Fashir the price of onions was 61% lower in February 2014 than it was in February 2013, 67% lower in Kutum, and 70% lower in Saraf Omra. This reflects the negative impact of insecurity in 2013 in the Saraf Omra area, a major area

of onion production. See Figure 11. Interestingly, there was less volatility in onion prices in Malha market, which is supplied from Omdurman rather than from within Darfur.

Fresh tomato prices steadily decreased this quarter following normal seasonal trends. See Figure 12.

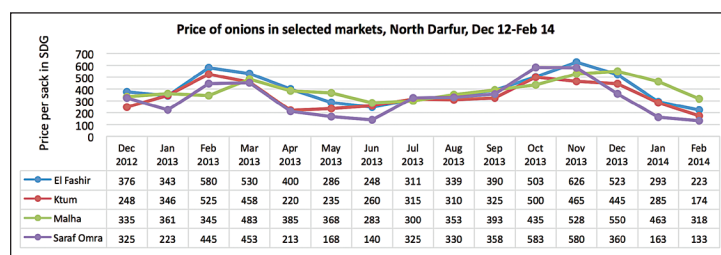


Figure 11: Price of onions in selected markets, North Darfur, December 2012-February 2014.

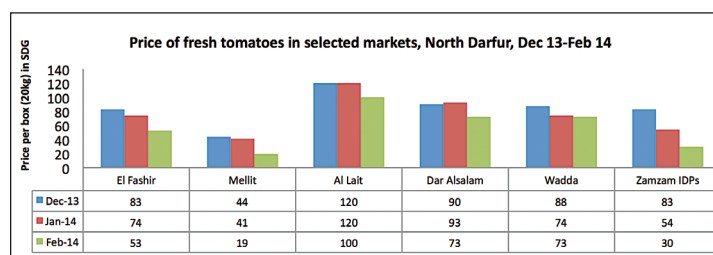


Figure 12: Price of fresh tomatoes in selected markets, North Darfur, December 2013-February 2014

Daily Labouring

The main daily labouring activities that were available were brick-making, construction and domestic tasks. There was some

daily labouring on irrigated farms in certain areas, for example harvesting onions in Saraf Omra and Kutum. See Table 1.

Table 1: Local labour costs

#	Market	Item	Gender	Average cost in SDG		
				Jun-Aug 13	Sep-Nov 13	Dec 13-Feb 14
1	Saraf Omra	Making 1,000 red bricks	Male and female	50	70	70-100
		Construction (per day)	Male and female	25	25-30	25-30
		Daily labour (market activities)	Children and women	10	10-15	15-20
2	Zamzam	Daily labour (market activities)	Children and women	15	15-20	15-20
3	Wadda	Daily labour	Male and female	30	35	35
4	Tawilla	Making 1,000 red bricks	Male and female	100	100	100
5	Mellit	Daily labour	Male and female	15	20	20-25

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Transportation: Access and Costs

In March 2014 the longer trade route that connects Al Fashir to Saraf Omra through Kutum and Kebkabiya via Abu Gamra was lengthened further because insecurity broke out around Seraif Beni Hussain, Saraf Omra and Kebkabiya. Instead of travelling south from Abu Gamra to Saraf Omra, the new route continues to Altina and then to Geneina before coming back to Saraf Omra. This is a substantial diversion affecting the costs and time of transportation, costs which are eventually passed onto the consumer, thus affecting livelihoods.

Most of the monitored markets saw an increase in transportation costs due to general commodity price increases. See Table 2.



Table 2: Transportation costs

Trade route	Commodity	Jun – Aug 2013	Average cost (SDG)	
			Sep – Nov 2013	Dec 13 – Feb 14
Kutum to El Fashir	Onions per sack 90kg	30	40	50
Omdurman to Malha	Onions per sack 90kg	75	100	110

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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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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