

Trade and Market Bulletin North Darfur



Darfur Development and Reconstruction Agency

Covering the Quarter June to August 2014 • Vol. 4, No. 3 • www.dra-sudan.org • mzakaria065@gmail.com



Headlines

- Cereal prices, millet in particular, continued to rise in many of the 15 monitored markets across the state this quarter. For example, prices rose this quarter by 25% in El Lait. But in some markets cereal prices appeared to stabilize, for example in Saraf Omra where traders were once again permitted to transport cereals out of the locality. The reasons for rising prices continue to be limited supplies exacerbated by the very poor harvest in 2013/14. The food voucher scheme increased demand for cereals in the market, although food aid was available in-kind through food-for-work and food-for-recovery.
- Livestock price trends varied between monitored markets according to livestock mobility: prices fell in markets where animals gathered, and increased in the markets they had left. Insecurity and the outbreak of conflict in Tawilla triggered the movement of livestock far away from Tawilla market.

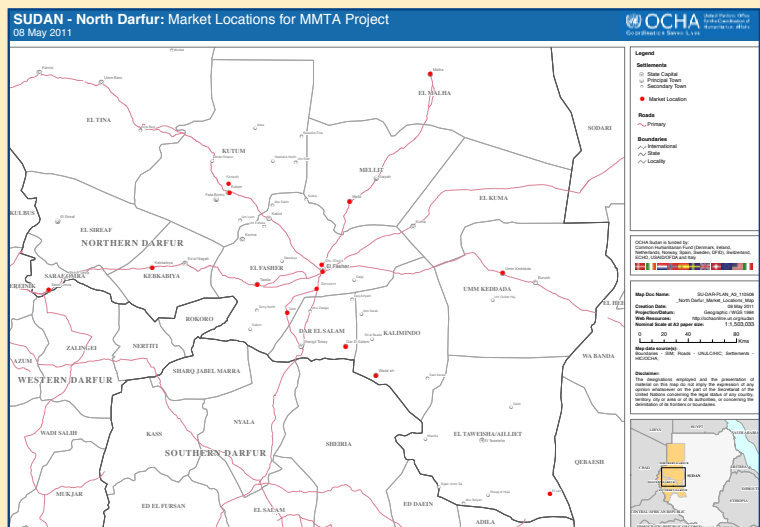
- Groundnut prices soared this quarter, increasing by 125% in El Lait market between May and August 2014. The price trend for dried okra varied between markets, as other vegetables became available. The price of dried tomatoes continued rising, reflecting the impact of seasonality. The price of *tombac* varied between markets according to the rainfall and therefore release of stocks into the market.
- Onion prices continued increasing in all monitored markets, reflecting the off-season as well as the closing of some trade routes. Two-thirds of markets reported no availability of fresh tomatoes because of seasonality.
- The number of checkpoints along the El Fashir-Kutum trade route continued to increase this quarter which increased transport costs. Some trade routes closed because of heavy rainfall and flow of *wadis* (e.g. Kebkabiya-Saraf Omra route) whilst insecurity closed others. The El Fashir-Nyala trade route remained stable and functioning.
- In this quarter traditional daily labouring opportunities such as brick-making and construction were replaced by agricultural labour opportunities.

Recommendations

- Close monitoring of household food security is needed as cereal prices continue to rise across North Darfur. This is especially important in chronically food-insecure areas, such as Malha, to identify if 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

During this quarter (June-August 2014) most monitored markets across North Darfur reported an increase in cereal prices compared to last quarter (March-May 2014). These price rises were due mainly to limited supplies at this time of year, exacerbated by the very poor harvest in 2013/14.

Most markets reported a rise in millet prices. For example prices rose by 7% in El Fashir compared with a 12% rise last quarter, and by 4% in Malha compared with 10% last quarter. The extent of the price rises were mostly less than last quarter, but varied from one market to another: for example prices rose by 25% in El Lait. Generally, millet prices in cash crop areas such as El Lait, Dar Alsalam, Wadda and Tawilla, along with areas of high consumption, like El Fashir and Mellit, all registered an upward trend. On the other hand, prices appeared to stabilize in other markets, such as in Saraf Omra (considered one of the main sources of cereals in the area) where traders were once again permitted by the authorities in Saraf Omra to transport cereals outside of the area. A ban had been imposed by the new authorities in March 2014 and lasted until July 2014. High locality fees of SDG 30 per sack must now be paid to the authorities in Saraf Omra. See Figure 1. Some markets registered a fall in millet prices in July, for example Kutum, Zamzam and Kassab. This was probably because food aid distribution pushed prices down.

The food voucher scheme increased demand for cereals in the market, and encouraged the flow of cereals from Central Sudan as local supply was unable to meet demand. Some food aid was available in-kind, through food-for-work and food-for-recovery. Nevertheless, millet prices in El Fashir market were 113% higher in August 2014 compared with a year earlier, in August 2013¹. See Figure 2.

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

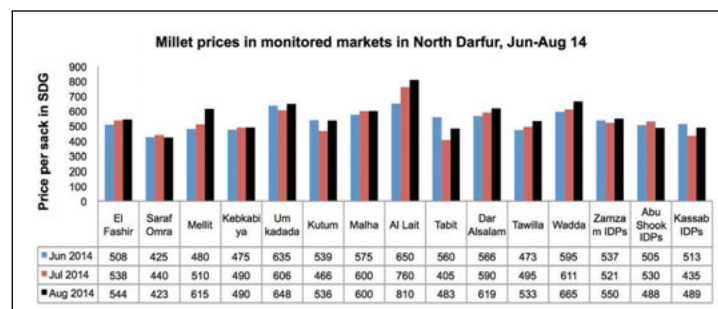


Figure 1: Millet prices in monitored markets, North Darfur, June to August 2014

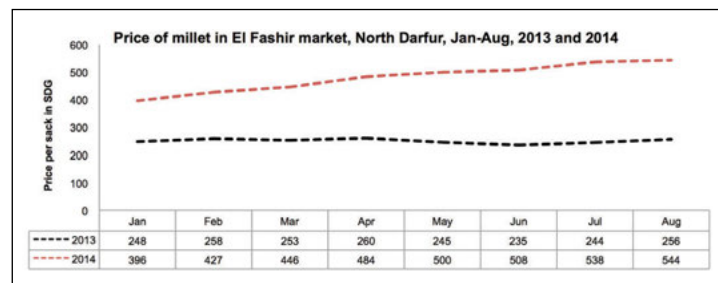


Figure 2: Millet prices in El Fashir market, North Darfur, January to August, 2013 and 2014

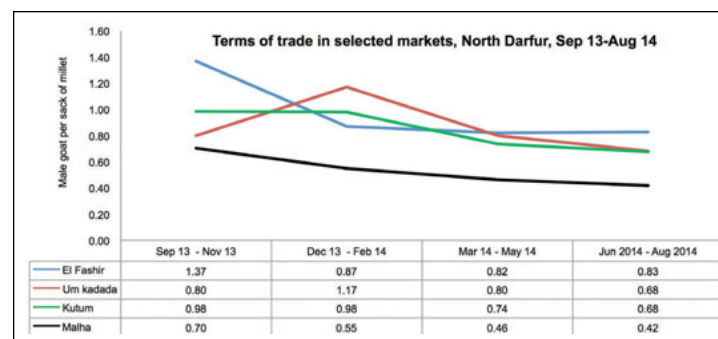


Figure 3: Terms of trade in selected markets in North Darfur, September 2013 to August 2014

¹ In August 2013 millet prices were SDG 256 per sack. In August 2014 the price was SDG 544 per sack.

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Livestock

Generally, livestock price trends varied from one market to another this quarter, particularly sheep and goat prices. This variation was due to the movement of livestock from place to place in search of pasture and water, which is normal at this time of year with the onset of the rainy season (*rushash*). Also, livestock often lose weight during this period because of lack of pasture and fodder, so prices fall. Livestock prices fell in markets around which livestock gathered, and rose in markets from which they left, such as Malha, Dar Alsalam, Tawilla and Wadda. Insecurity in the Tawilla area between June and the second week of July triggered the movement of livestock away from Tawilla market to more secure areas. On the other hand, Kutum, Saraf Omra and Tabit saw livestock prices fall in August as animals gathered close to these markets where good rainfall meant good pasture. See Figures 4 and 5.

The price of cattle was relatively stable although fell in El Fashir market in August, indicative of the availability of *cori* cattle from South Darfur. This is a seasonal trend as water becomes available along the trade route from South Darfur during the rainy season. See Figure 6.

The price of export-camels varied between markets according to local conditions, although generally camels were moved

north during the rainy season. However, the price of export-camels continues to be negatively affected by the lack of export opportunities to Egypt and Libya. See Figure 7.

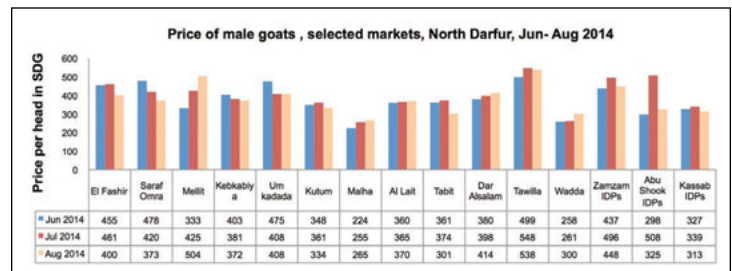


Figure 5: Price of male goats in selected markets, North Darfur, June to August 2014

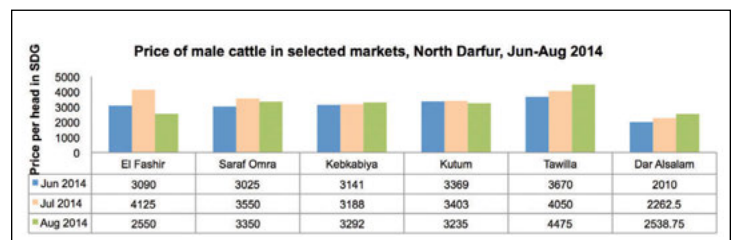


Figure 6: Price of male cattle in selected markets in North Darfur, June to August 2014

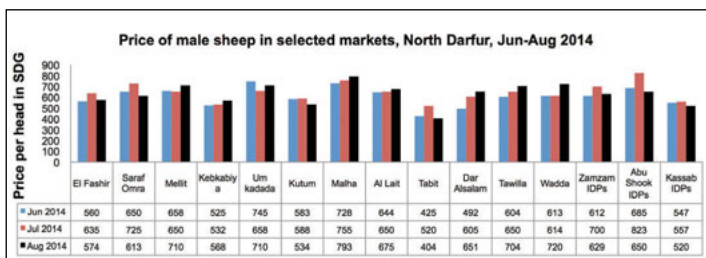


Figure 4: Price of male sheep in selected markets, North Darfur, June to August 2014

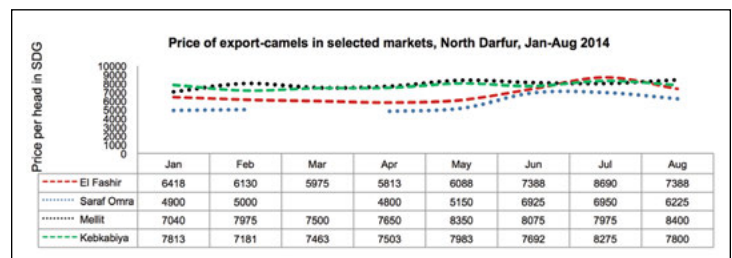


Figure 7: Price of export-camels in selected markets, North Darfur, January to August 2014



Cash Crops

During this quarter the price of cash crops, groundnuts in particular, continued to rise in almost all markets that reported availability. For example between May and August 2014 the price of groundnuts in El Lait rose by 125%, in Dar Alsalam by 46% and in Wadda by 50%, all production areas. In El Fashir, an area of consumption, the price increased by 62% over the same time period. See Figure 8. The trend in the price of dried okra varied between markets, increasing in some and falling in others. This is normal at this time of year because it is the rainy season, and other vegetables become available in some markets where rainfall was good, but not in areas where rainfall is insufficient. The price of dried tomatoes also continued to rise, reflecting the impact of seasonality. The price of dried *tombac* varied between traditional markets throughout North Darfur this quarter. Good rainfall in August triggered the release of local stocks into the market, pushing the price down in most markets, except Tawilla where the quality of *tombac* was higher. See Figure 9.

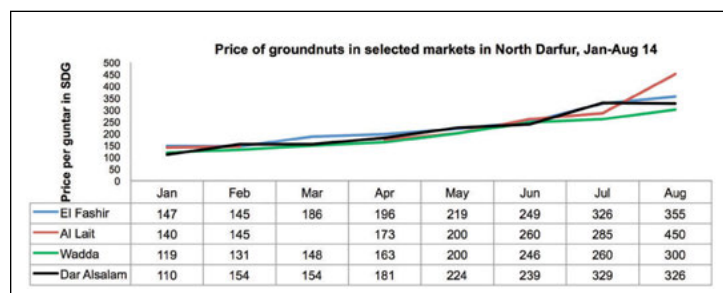


Figure 8: Price of groundnuts in selected markets in North Darfur, January to August 2014

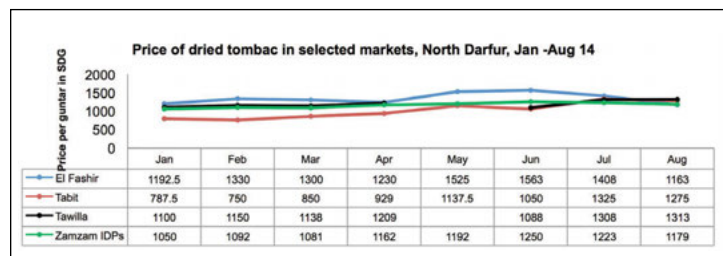


Figure 9: Price of dried *tombac* in selected markets, North Darfur, January to August 2014.

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Fruits and Vegetables

The price of fruit and vegetables, particularly for onions and fresh tomatoes, continued to increase in all monitored markets this quarter. This reflects the impact of the off-season as well as the closure of some trade routes, such as the Saraf Omra-Abu Gamra-Kutum-El Fashir trade route used for transporting onions,

because of rainfall mainly in August. See Figures 10 and 11. Only three markets reported regular availability of fresh tomatoes: Kutum and Kassab, where tomatoes are grown under irrigation, and El Fashir, a major area of consumption.

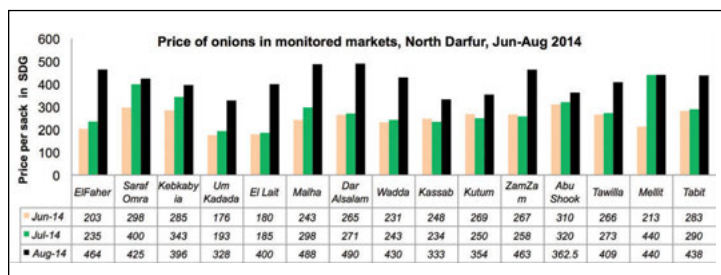


Figure 10: Price of onions in monitored markets in North Darfur, June to August 2014

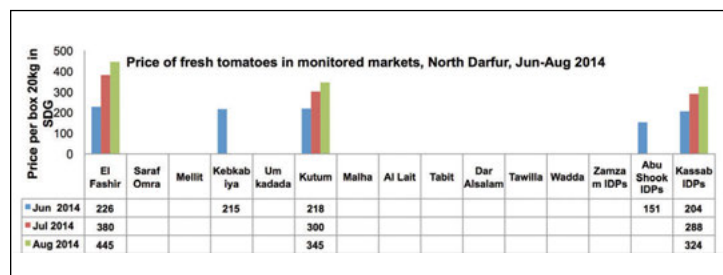


Figure 11: Price of fresh tomatoes in monitored markets in North Darfur, June to August 2014

Daily Labouring

During this quarter agricultural activities provided the main opportunities for daily labouring, along with construction activities in a very small number of areas. There were no

opportunities for brick-making because of the rainy season. See Table 1.

Table 1: Local labour cost

#	Market	Item	Daily wage rate in SDG			
			Sep – Nov 13	Dec 13 – Feb 14	Mar – May 14	Jun – Aug 14
1	Saraf Omra	Making 1,000 red bricks	70	70-100	70-100	NA
		Construction (per day)	25-30	25-30	NA	NA
		Daily labour (market activities)	10-15	15-20	NA	15-20
2	ZamZam	Daily labour (market activities)	15-20	15-20	15-20	20
3	Wadda	Daily labour	35	35	30 (for agricultural activities)	30-35
4	Tawilla	Making 1,000 red bricks	100	100	100	NA
5	Mellit	Daily labour	20	20-25	20-25	20-30

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Transportation: Access and Costs

During this quarter some trade routes reported a dramatic increase in the number of checkpoints. For example, the number of checkpoints along the trade route connecting El Fashir to Kutum rose again this quarter, from 34 to 42, as those collecting fees from checkpoints on other routes moved to this route. Transportation costs increased sharply as a result, for example from SDG 50 to SDG 100 for a sack of onions. See Table 2. Some trade routes closed this quarter due to heavy rainfall and the flow of *wadis*, such as the Kebkabiya-Saraf Omra route, while others continued to be closed due to insecurity, for example Saraf Omra-Serif Bani Hussein. However, the heavy rainfall and insecurity affected trade routes in the western part of the state only. The El Fashir-Nyala trade route remained stable and functioning during the quarter. The Omdurman- Malha trade route also remained stable and transport costs here have remained unchanged for the last nine months.



There is anecdotal evidence that people are now shifting from flying between Khartoum and El Fashir (SDG 750 a ticket) to taking the express bus (SDG 250 per ticket), due to the completion of the Salvation road. However, this change was not reflected yet in transportation costs this quarter.

Table 2: Transportation Costs

Trade route	Commodity	Dec 13 – Feb 14	Average cost (SDG)	
			March – May 14	Jun – Aug 14
Kutum to El Fashir	Onions per sack 90kg	50	50-75	100
	Transportation cost per person	50	75-100	100-150
Omdurman to Malha	Onions per sack 90kg	110	110	110
Kebkabiya/El Fashir	Transportation cost per person	250	250-300	300-400

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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