

Trade and Market Bulletin

West Darfur



Darfur Development and Reconstruction Agency

Covering the Quarter March to May 2012 • Vol. 1, No. 1 • www.dra-sudan.org • mohamedharoun12@yahoo.com



Headlines

- Although cereal prices have generally increased during the quarter, they fell in some markets between April and May 2012, which may be a consequence of the trade embargo between Sudan and South Sudan halting the cereal trade from Darfur to South Sudan.
 - Cereal prices in West Darfur are generally lower than in North Darfur reflecting greater availability and there appears to be stronger market integration than in North Darfur.
 - Livestock prices were mostly stable during the quarter, although increased in some markets. The camel export trade to Libya is showing signs of recovery.
 - Cash crop production has been depressed in West Darfur since the conflict began. Unusually only a few markets reported cash crops available this quarter, partly because of the poor agricultural season of 2011/12, and also the early *talleeg*.
- There is high seasonal variation in the price of fresh fruit and vegetables, for example mangoes and tomatoes, except where there is irrigated off-season production.
 - Trade flows within West Darfur improved in the last year with some improvement in security. One of West Darfur's major trade routes, from El Geneina to Nyala through Zalingei, is closed intermittently because of insecurity and has numerous checkpoints, both inhibiting the flow of trade and increasing transportation costs.

Introduction to the project

Trade is the lifeblood of the economy of the Darfur region and one of the main ways in which different livelihood groups interact. Normal trading patterns have been severely disrupted by the conflict, in turn impacting on livelihoods and on the wider economy of Darfur, but these dynamics are still poorly understood. 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.

The project is managed by the national NGO, DRA, and implemented through a network of six community-based organisations monitoring eleven markets across West Darfur on a weekly basis – see map below. The project is funded by the European Union and supported with technical advisory input provided by the Feinstein International Center of Tufts University funded by DFID and UNEP. The approach to market monitoring was piloted in North Darfur during 2011. Building on this experience the project has now been extended into West Darfur since early 2012.

This bulletin presents the findings and analysis of the first quarter of market monitoring in West Darfur, from March to May 2012. As the project gathers momentum and builds its analytical capacity and database, later bulletins will make recommendations for action to support livelihoods and to shore up the economy of West Darfur.

Participating CBOs and the markets they monitor

El Massar Organization for Nomad Development and Environment Conservation (MONEC) [El Geneina, Kerenik and Habila]

Pioneers of Peace and Development Organization (PPDO) [Mornei and Kirinding IDP camp]

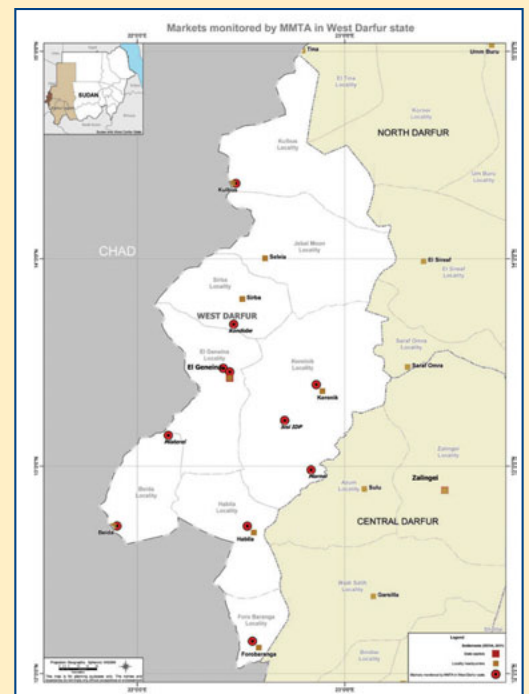
Community Development Association (CDA) [Foro Baranga and Kondobe]

Beida Organization for Relief and Development (BORD) [Beida and Misterei]

Sarabeel Organization for Services and Development (SOSD) [Kulbus]

Darfur Development and Reconstruction Agency (DRA) [El Geneina and Sisi IDP camp]

This project is funded by the European Union





Cereals

In West Darfur there has been a general upwards trend in cereal prices during the quarter. This would be an expected seasonal trend but it may have been exacerbated this year by the high rate of inflation in Sudan – over 30% by May 2012¹ - and by the devaluation of the Sudanese pound as some of West Darfur's cereal markets are supplied from Chad. Figures 1 and 2 show the average monthly price of millet and local sorghum in all eleven markets monitored by this project. The steepest price rise occurs between March and April 2012. In a number of markets cereal

prices stabilized or even fell slightly between April and May 2012. This may be due to the embargo on trade between Sudan and South Sudan which came into effect in May 2012, reducing the flow of cereals from West and South Darfur to South Sudan.

Foro Baranga and Beida recorded the highest millet prices during the quarter, partly reflecting the poor harvest in this area in 2011/12 but also because of high demand for cereals from Rahed El Birdi in South Darfur. In addition, the Chadian authorities have

limited the movement of cereals across the border into Darfur in recent months. Krinding market is an IDP market on the outskirts of Geneina town; the limited purchasing power of IDPs means that cereals are traded by *kora* only, not by sack – hence the lack of data on the price of a sack of cereal in Krinding market during the quarter. In Misterei, an area where local sorghum is not grown, only food aid sorghum was available in the market.

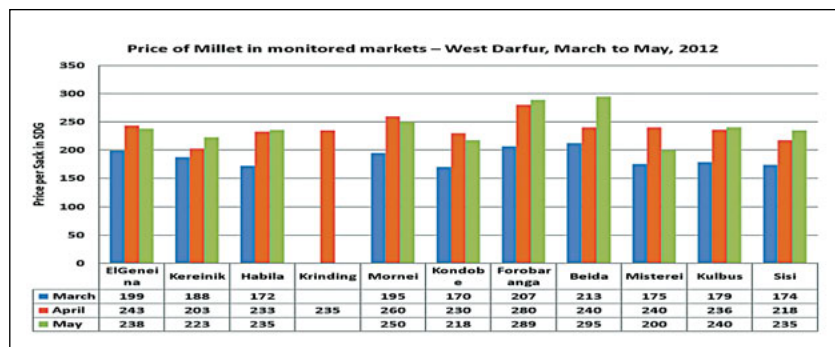


Figure 1 Millet prices in monitored markets in West Darfur, March to May 2012

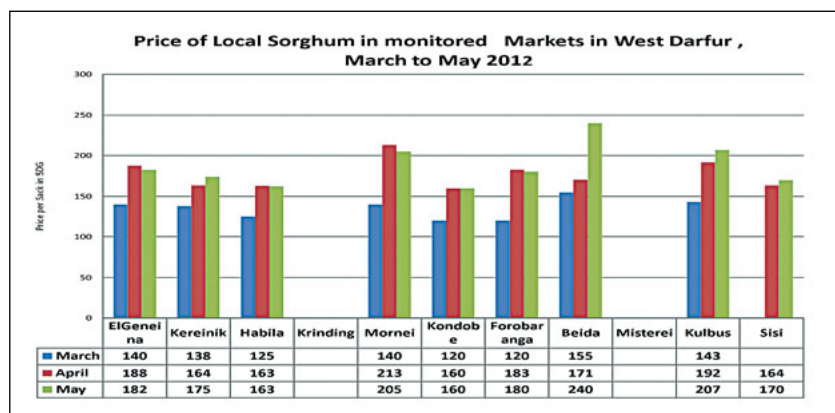


Figure 2 Sorghum prices in monitored markets in West Darfur, March to May 2012

Cereal prices in West Darfur are generally lower than in North Darfur. The average price of millet in El Geneina during this quarter was SDG 227 per sack compared with an average price of millet of SDG 308 per sack in El Fasher over the same time period. (See also the Trade and Market Bulletins for North Darfur). This reflects the fact that cereal production is generally higher in West Darfur, that it enjoyed better rainfall in 2011 than North Darfur, and that the state is supplied from Chad. The price differential between markets in West Darfur is also smaller than the price differential between markets in North Darfur, indicating a higher degree of market integration and easier trade flows between markets in West Darfur. For example the price differential between the average price of millet in Foro Baranga during the quarter is just 25% compared with the average price of millet in El Geneina during the quarter.

¹ Source: Central Bureau of Statistics

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Livestock

Livestock prices were generally stable during the quarter. In some markets they increased slightly, for example in El Geneina, Foro Baranga and Kulbus. See Figure 3 for the price of sheep and Figure 4 for the price of cattle. This may be the combined effect of inflation, devaluation of the Sudanese pound impacting the price of livestock brought from Chad, and because livestock herds were moved away from the main towns at this time of year in search of grazing.

Improved trading links with Libya have boosted the camel export trade from West Darfur. This can be seen in the rapidly rising price of camels bought for export from Foro Baranga, West Darfur's main camel market. See Figure 5.

The localized impact of gold prospectors on commerce can be seen in Habila market. Livestock prices increased in April in Habila as successful gold prospectors invested their new-found wealth in livestock. See Figure 3. Although Geneina and Kirinding livestock markets are in close proximity, the difference in the price of livestock between these two markets is explained by higher quality animals being brought to Geneina, sometimes for export to Omdurman or cross-border, whereas livestock brought to Kirinding IDP market are usually for local consumption and therefore of poorer quality.

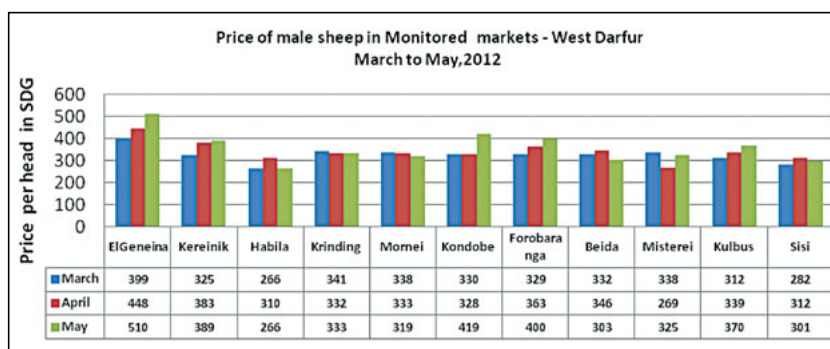


Figure 3 Sheep prices in monitored markets in West Darfur, March to May 2012

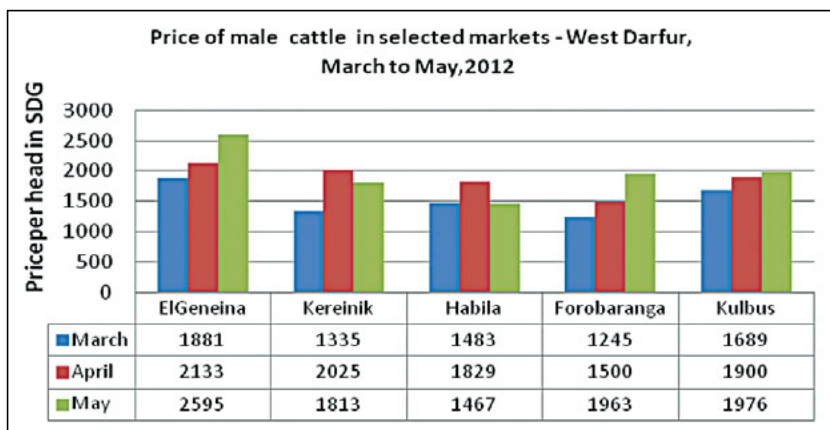


Figure 4 Cattle prices in selected markets in West Darfur, March to May 2012

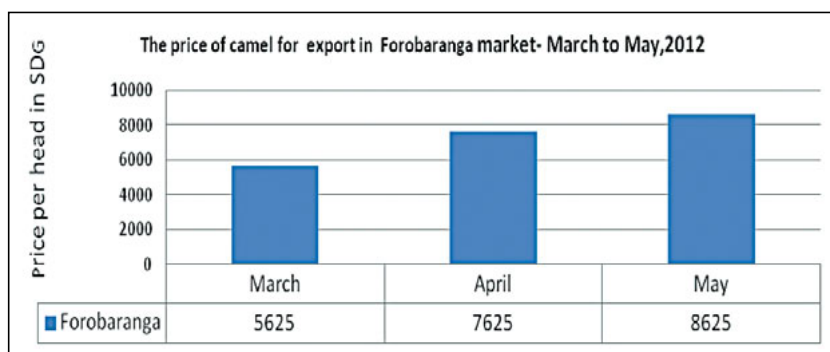


Figure 5 The price of camels for export in Foro Baranga market, March to May 2012

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Cash Crops

West Darfur is important for cash crop production. The following cash crops are grown, particularly in the following areas:

1. Groundnuts in Misterei and Beida from July to November
2. Sesame in Foro Baranga , Kerenik and Kulbus localities from July to November
3. Tombac in Umshalia in Azum locality, and Mornei in Kerenik locality, from November to March
4. Garlic in Umshalia in Azum locality in winter and also in Kerenik locality and Foro Baranga locality.
5. Onions in Kerenik locality, Kondobe in Serba locality and Foro Baranga at Wadi Azum, from November to March
6. Mangoes produced in many locations along wadis, harvested between January and May

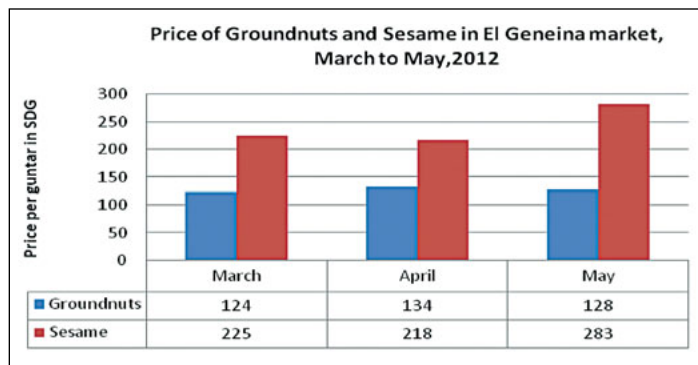


Figure 6 The price of groundnuts and sesame in El Geneina market, March to May 2012

Unusually, only a few markets reported cash crops available during the quarter. The reasons for this appear to be the poor agricultural season of 2011/12, and also livestock grazing on the cash crop fields early (the *talleeg*), which negatively affected production and the harvest of crops such as karkadeh, water melon seeds and sesame. There was limited availability of each of these cash crops in El Geneina market, no availability of sesame in the production areas of Mornei, Kerenik and Kulbus, and a general shortage of watermelon seeds in all monitored markets.

Overall, cash crop production has been depressed in West Darfur since the conflict began and many rural producers became displaced, and prices have been high. See Figure 6 for groundnut and sesame prices in El Geinena market.



Transportation: Access and Costs

Trade flows and the movement of trucks within West Darfur have generally improved over the last year, reflected in the relatively small price differentials between markets mentioned

above. However, the extent to which transport costs are affected by insecurity and poor road infrastructure is evident on the Kulbus-Geneina route where transport costs are high. On this stretch of 132 km, where the road conditions are poor there are approximately 20 checkpoints, each charging around SDG 5 per truck. As fuel costs have risen the cost of transporting a sack from Kulbus to El Geneina has increased from 15 SDG per sack in March 2012 to 20 SDG per sack in May 2012. Emergency regulations also mean that the trucking of fuel has been prohibited, further pushing up transport costs.

One of West Darfur's major trade routes is from El Geneina to Nyala through Zalingei. There are approximately 80 checkpoints along this route which is intermittently closed because of insecurity. Both of these factors inhibit the flow of trade and increase the cost of transportation.

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Fruits and Vegetables

The price of fresh fruit and vegetables varies seasonally except where it is irrigated for off-season production. Figure 7 shows the price of fresh tomatoes in selected markets in West Darfur. Whereas the price of tomatoes in El Geneina has increased sharply between March and May 2012 which is the off-season, the price of tomatoes in other markets such as Habila, Mornei and Kondobe has remained stable because of the availability of irrigated tomato production. The price is also stable in Kulbus market which is supplied from Chad.

The price of mangoes fell during the quarter as this is the time of the mango harvest. See Figure 8. The price of onions remained relatively stable. See Figure 9

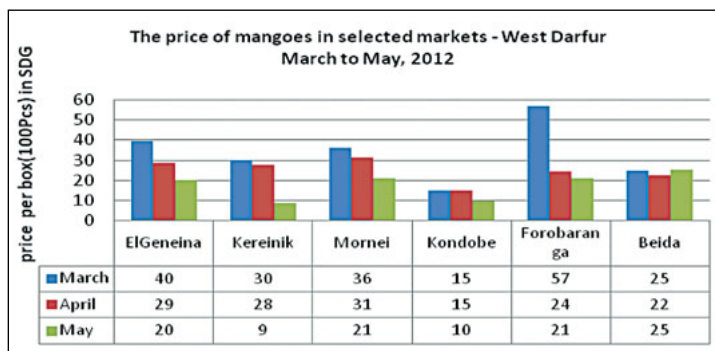


Figure 8 The price of mangoes in selected markets in West Darfur, March to May 2012

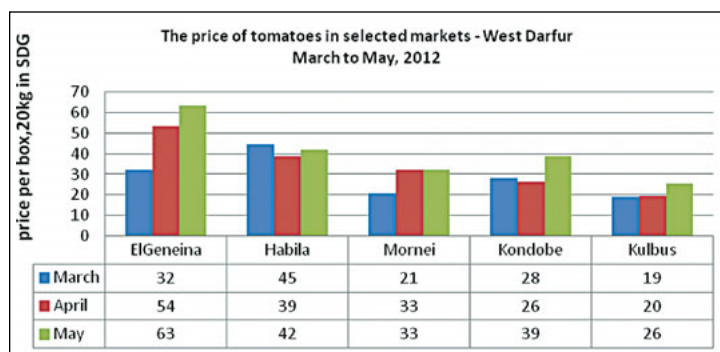


Figure 7 The price of tomatoes in selected markets in West Darfur, March to May 2012

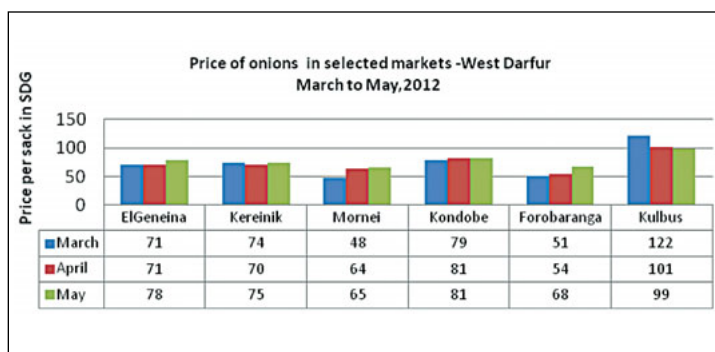


Figure 9 The price of onions in West Darfur, March to May 2012



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

Advisory support: Feinstein International Center, Tufts University, funded by UKAid from the Department for International Development through the United Nations Environment Programme



United Nations Environment Programme



This project is funded by the European Union

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

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

This bulletin has been produced with the assistance of the European Union. The contents of this publication are the sole responsibility of DRA and can in no way be taken to reflect the views of the European Union