

# Policy Brief

## *Organic Versus Conventional Farmer Crisis Responses*

### *Implications under Covid and Russia-Ukraine War*

#### **The case of Uganda**

**January 2021**

The impact of the COVID-19 Pandemic on Organic and Conventional Farmers and Mitigation Strategies in Africa assessment was initiated by Biovision Africa Trust in eleven countries in Africa, including Uganda.

# Abstract

The COVID-19 pandemic is a health and humanitarian crisis threatening the food security and nutrition of millions of people around the world (FAO 2020). In Uganda, the COVID-19 situation was made worse by other concurrent crises such as the desert locust (*Schistocerca gregaria*) invasions since December 2019, in addition to weather-related shocks, and the refugee influx and weather extremes (FSIN, 2020). In Uganda the government instituted various restrictions that were stricter than in Kenya such as a total lockdown and internal travel ban throughout the country, with citizens only allowed to leave their homes on emergency bases only (Steverding & Margini, 2020). The combined effects of COVID-19 itself, as well as the strict enforcement of these stringent mitigation measures largely disrupted the peoples' way of life with significant ramifications for food security and the livelihoods of many Ugandans. Although the country was already struggling with widespread poverty, it faced disruption in three main ways i.e. Loss of livelihood especially in the informal sector, Reduced remittances and disrupted food systems. PELUM Uganda is the County Lead Organization for the Ecological Organic Agriculture Initiative (EOA-I. Other organizations supporting the process are Uganda Marty's University and the Eastern and Southern African Small Scale Farmers' Forum Uganda. The BIOVISION Africa Trust (BvAT) is the lead executing agency for the Swiss Agency for Development and Cooperation (SDC) support to the EOA-I. It hosts the Continental Steering Committee Secretariat for the initiative which supported this policy brief.



## Background

As Uganda went through various waves of pandemic challenges, BIOVISION African Trust (BvAT), together with the selected organizations continued to inject new energies to mainstream EOA-I into Uganda's national food production systems. The organization made efforts to develop ways of mitigating the impact of the pandemic among organic farmers. They were inspired to sustainably improve their lives while conserving the environment as the basis of all life. The Trust's mission is to alleviate poverty and improve the livelihood of rural communities in Africa through disseminating relevant agricultural information to smallholder farmers and supporting like-minded organizations and institutions through appropriate technology to improve human, animal, plant and environmental health.

The Ecological Organic Agriculture Initiative (EOA-I) is a continental initiative that holds promise for increasing the productivity of Africa's smallholder farms, with consequent positive impacts on food security. The initiative emerged after the African Union Commission (AUC) supported work held in Kenya in 2011. This resulted in the development of the concept note, proposal and later formation of a Central Steering Committee (CSC) on organic agriculture.

EOA-I has been implemented in Africa since 2012, first on a pilot basis in six countries namely: Kenya, Tanzania, Ethiopia, Uganda, Nigeria and Zambia. The rollout rose to eight countries, four in Eastern Africa (Ethiopia, Kenya, Uganda and Tanzania) and four in West Africa (Mali, Benin, Nigeria and Senegal). The overall goal is to mainstream ecological agriculture into national agricultural production systems, plans and policies. This is to support organic farmers and exporters, and to support the establishment of organic agriculture platforms among the member states of the African Union to access markets, certification and sustainable development in Africa.

Although organic production has the potential in Africa, the key question raised repeatedly by the stakeholders is its ability to withstand a storm, particularly, with the advent of COVID-19 and its disruption of the food system. The BvAT institution initiated a study to establish the impact of the COVID 19 pandemic on agriculture and food systems in Africa: to assess how farmers practising organic agriculture and conventional agriculture have been affected by the pandemic, and how they are responding to it (adaptation).

## Impact of COVID-19 of agriculture systems

In Uganda, 94% of the households heard about COVID-19 pandemic in the first quarter of 2020 (January to March). Uganda reported its first case of COVID-19 on March 21, 2020. Of the households that experienced difficulties, 48% observed January to March 2020 as the months they experienced many difficulties as a result of the pandemic. These were the early households to be impacted by the pandemic within the first 90 days of announcing the outbreak. The impact of the pandemic reduced as households built their resilience over time. This could be associated with the various measures the government had put in place to mitigate the economic impacts of COVID-19. The study observed that 100% of households interviewed depended on agriculture as their main source of livelihood. All these households reported losses of their livelihood, particularly women due to disruption of the supply chain between Jan 2020 - August 2021. The most (70%) affected value chain was fruits (Banana, Mango, Pineapple, Avocado). Any disturbance such as lack of farm input and services or limited access to the market in this value chain therefore negatively affected the households.

Farmers reported a loss of income from both agricultural and non-agricultural activities. The study observed that 94% of the households' farming activities were affected by government restrictions to mitigate the spread of the virus this meant that, 94% lost their main source of income. The study observed that 71% of conventional farmers and 62% of organic farmers were affected by government restrictions and public health measures negatively affecting their sources of income. This indicates that organic producing households had built their resilience over time and were better equipped to handle the disturbances at the farm level caused by COVID-19 pandemic. This is associated with the capacity strengthening provided to organic farmers by organic-promoting organizations.

The poultry value chain among livestock and its products sector was the most highly utilized source of income at 52% between January 2020 and August 2021. This was followed by small ruminants – goat and sheep at 22%. For crops, maize was highly utilized source of income at 56%. Fruits such as bananas, mangos, pineapples, and avocados were the most affected agricultural sector in terms of production as well as marketing. Prices of fruits across Uganda went up as more consumers bought them for use in boosting their immunity against COVID-19. Although the government of Uganda had declared agricultural products as essential to ensure movements given the COVID-19 containment measures, the stay-at-home advisories and travel restrictions meant that traders faced logistic difficulties. This caused scarcity of the fruits in the market and traders increased their prices. There was a lot of media campaign on the need to boost immunity to assist the body fight the virus and this included Vitamin B6 found in bananas and vitamin C found in fruits like oranges, lemon, and tangerines.

The second lockdown in June 2021, however, saw prices of pineapples drop and this affected the producing farmers. This was attributed to the fact that traders in the capital city, Kampala did not go to the farm to get the fruits as they equally blamed the closed hotels and closed borders. "A total market letdown" as one farmer said. The outbreak of the pandemic led to travel restrictions and reduced access to extension services such as farmer-extension worker physical interaction and farmer training, which had the potential to reduce production and productivity at the farm level. This mainly affected crop production extension-related services as was reported by 65% of the households.

## The mitigation measures

The top five most adopted organic agriculture production systems used by the organic farmer's respondents in Uganda included crop rotation (83%), intercropping (78%), use of cover crops (52%), nitrogen-fixing legumes (48%), compost and green manure (39%). The adoption of agroecological practices was able to build the resilience of the organic producers. Due to the fact that organic production is based on ecological principles, which positively affects the environment by strengthening adaptation strategies. Organically produced products have therefore the capacity to stay fresh longer, protecting them against post-harvest loss and delayed market experienced during the COVID-19 pandemic. FGDs revealed that to put in place mitigation measures, farmers resulted using roadside stalls to store and market their produce. The study observed that access to extension and advisory services faced severe disruptions due to government movement restrictions being imposed. In Uganda, most of the households (38%) relied on their neighbors for information as a coping strategy for the difficulties in accessing the face-to-face extension services affected by the pandemic.

## Impacts of the Ukraine and Global Crises on Poverty and Food Security

New global shocks and the impacts of the Russia-Ukraine war has dampened Uganda's economic growth prospects amidst the waning coronavirus pandemic and full re-opening of the economy. While the global crises had less impact on Uganda's overall economy, its adverse impacts on poverty and food insecurity are likely to be more pronounced, especially in rural areas. The magnitude of the impact has been cushioned by food sufficiency among the local population due to capacity to produce the food crops and non dependence on food items such as maize. However, poor households are still vulnerable to such global shocks. IFPRI analysis indicates that Uganda's GDP and employment are not greatly affected by global price crises, mainly because Uganda exports maize and oilseeds and produces a small amount of crude oil and oil products<sup>1</sup>. The effects of the world price and fertilizer demand shocks on Uganda GDP and employment, as a result of the war are modest. Fertilizer adoption in Uganda is extremely low for starchy staples, such as plantains and cassava. Only 8 percent of maize land is cultivated using fertilizers, but the fertilizer adoption rate is higher for cash crops such as tobacco and tea. Most of the GDP losses are driven by rising fuel and fertilizer prices, rather than higher food prices<sup>2</sup>. Real GDP falls slightly, by 0.2 percent, and the decline in total employment is also small, at 0.3 percent. Economic growth is now projected to grow at 4.5-5.0 percent in 2022, which is lower than the previous projection of 5.5-6.0 percent as of April 2022<sup>3</sup>.

<sup>1</sup> <https://www.ifpri.org/publication/uganda-impacts-ukraine-and-global-crises-poverty-and-food-security>

<sup>2</sup> <https://ebrary.ifpri.org/utils/getfile/collection/p15738coll2/id/135952/filename/136164.pdf>

<sup>3</sup> <https://newsaf.cgtn.com/news/2022-06-04/Ukraine-crisis-dampens-Uganda-s-economic-recovery-central-bank-tazzibjllm/index.html>

*The rising commodity prices and the overall increase in cost of living pose new risks to livelihoods that had just begun recovering from the effects of COVID-19<sup>4</sup>.*

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The real cost of a healthy diet increased significantly for Ugandan households, and there is a widening gap between households' consumption levels and what is required to achieve a healthy diet, caused mainly by higher food prices. A comparison of estimated import costs with prices in Uganda's capital city, Kampala, suggests that world price changes may have been transmitted to some extent to local markets. For example, the wholesale price of maize in Kampala rose 41 percent and rice prices rose 33 percent between February and May 2022, while over the same period, the estimated cost of imported maize rose by 20 percent and the price of imported wheat rose by 31 percent. The increasing bread and fuel prices, following the Ukraine war and the sanctions, hit Ugandans hard and could have a devastating impact on the country's economy.

The two countries at war produce almost half of the world's wheat, and the war will affect the production and supply, from both countries, and their neighbors. As other African countries, Uganda strongly depends on wheat and oil imports. In 2020, Russia supplied 33 percent of Uganda's wheat and meslin imports worth US\$ 50 million, followed by Argentina with 28 percent or US\$ 43 million. Ukraine sent to Uganda wheat worth US\$ 17.7 million or 17 percent. Other European countries include Germany, Latvia, Estonia, Lithuania, Poland and the Czech Republic<sup>5</sup>. Ukraine's main export to Uganda in 2020 was wheat worth US\$ 141million<sup>6</sup>. Uganda exported to the country leaf tobacco and coffee worth US\$13 million and US\$ 4.3 million respectively. On the other hand, Uganda shipped to Russia stripped tobacco (leaf) and coffee worth US\$ 53 million and US\$ 44 million respectively, among other exports. While the supply from the two countries at war will be directly affected, the other European countries could find it hard to access the global market, especially with a blockading of the Russian Airspace by the West<sup>7</sup>.

<sup>4</sup><https://www.independent.co.ug/world-bank-russia-ukraine-war-dampens-ugandas-economic-growth/>

<sup>5</sup><https://comtrade.un.org/>: UN trade data collection agency

<sup>6</sup><https://oec.world/>: According to the Observatory of Economic Complexity, a global private trade data bank,

<sup>7</sup><https://businessfocus.co.ug/how-russia-ukraine-war-will-affect-ugandas-economy-africa/>

# Policy recommendations

01

**Fruit processing:** The Uganda supply chain for perishable products is undeveloped. There is a need to look for solutions that favour small-scale farmers. For example, the Government need to consider the construction of a pineapple fruit processing factory in the famous area of pineapple growing like Nyamukana Hills as well as infrastructure like roads around these regions.

02

**Strengthening farmers' organizations:** In Uganda, there is a need to establish and strengthen farmers' organizations, especially in production and marketing which are poorly and technically supported, to increase production as well as marketing strategies that can improve prices and eventually farmers' income.

03

**Agricultural extension delivery system:** There is a need to build mobile technologies to support extension services and to better inform the farmers on various issues inclusive climate risk to better build their resilience and support disaster preparedness.

04

**Women traders empowerment:** In Uganda's agricultural systems, women play a significant role, and any shock affecting the system would heavily and negatively impact many households who depend on these women. There is a need to support women in the production and marketing of agricultural goods and services.

05

There is need for increased adoption of organic production systems that does not depend on organic input have the potential in reducing the impact of such disruptions in the supply chain. Diversification of wheat sources has been recommended to wheat importers in Uganda to meet domestic demand.

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