

BUSITEMA UNIVERSITY NAMASAGALI CAMPUS
FACULTY OF NATURAL RESOURCES AND ENVIRONMENTAL SCIENCES

ECONOMIC BENEFITS OF SUGARCANE AND RICE GROWING IN
WETLANDS

A CASE STUDY OF NALWEKOMBA WETLAND IN NAMASAGALI SUB-
COUNTY, KAMULI DISTRICT

BY

AKETCH IRENE OKOTH

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DECLARATION

I the undersigned do hereby declare to the best of my knowledge this research report is my original work. It has never been submitted to any University or Higher institution of learning for a degree award or any academic award.

Signature: 

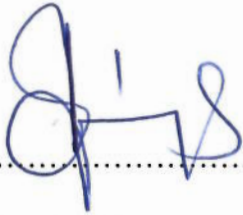
Name: AKETCH IRENE OKOTH

Date: 07/07/2019

APPROVAL

This is to acknowledge that the work titled “Economic Benefits of Sugarcane and Rice growing on Lowlands, a case study of Nalwekomba wetland in Namasagali sub county Kamuli District” has been done under my supervision and is now ready for submission to the Faculty of Natural Resources and Environmental Sciences of Busitema University under the Department of Natural Resource Economics.

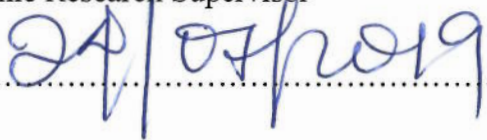
Signature



.....
Assoc. Prof, Moses Isabirye

Academic Research Supervisor

Date.....



DEDICATION

I dedicate this piece of work to my beloved dad Mr. Okoth Fredrick, Mrs. Akello Beatrice, Mr. Ochieng Ronald (BU), my dear brothers and sisters, Lecturers of BU, Namasagali campus and all my friends at large, may the Almighty God bless you all.

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LIST OF ACRONYMS/ABBREVIATIONS

AA	African Agriculture
ANR	Average Net Return
BU	Busitema University
Cm	Centimeter
FAO	Food and Agricultural Organization
GNR	Gross Net Return
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
LLL	Laser Land Leveling
LP	Linear Programming
NAADS	National Agricultural Advisory Services
NEMA	National Environmental Management Authority
NGOs	Non Government Organizations
NPV	Net Present Value
NR	Net Return
NYFE	New York Future Exchange
PC	Planning Commission
PVs	Present Values
SAIL	Sugar and Allied Industries Limited
Sp	Species
SPSS	Statistical Package for Social Scientists
TGR	Total Gross Return
UBS	Uganda Bureau of Statistics
WB	World Bank
WWFN	World Wide Fund for Nature

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ABSTRACT

The study assessed the economic benefits of sugarcane and rice growing in Namasagali Sub County, Kamuli district. The study was cross sectional where both qualitative and quantitative approaches were used to collect data following a multistage sampling technique using questionnaire based interviews.

The research findings indicate that the majority of the respondents are involved in farming in both rice and sugarcane growing respectively because the wetland is government owned and sometimes crop seedlings are free of charge. Findings also indicate that farmers have started growing sugarcane other than other foods because they have seen that is a viable business. Findings also indicate that most of the respondents benefited from sugarcane growing such as building of houses, educating of their children, buying of bicycles, motorcycles and cars among others. Findings indicate that shs. 309,873.66 was the average gross income earned per farmer in the study area and it implies that the enterprises were viable. Furthermore, findings showed that the most difficult challenges were capital whereby it was limited and thus they couldn't fulfill their needs like buying of more land, lack of collateral security to get loans to expand their production among others.

Conclusions were made that 48% of the respondents have never been supported and 32% needed seeds in order to improve your farm output. Recommendations were made that the government should sensitize the farmers on the best farming practices in order to produce maximum output for more sustainability and adequate food security and also should ensure that the services offered by the agricultural associations reach the people in the remote rural areas of Namasagali Sub County by having representatives from such areas.

CHAPTER ONE: INTRODUCTION

1.1 Background to the Study

About 80% of Uganda's population live in the countryside and derive their livelihood from farming. Agriculture plays a pivotal role in the development of Uganda both economically and socially. The sector contributes about 60% to the country's economic development. As the backbone of Uganda's economy, agriculture has the potential to create lucrative livelihoods and lift thousands of Ugandans out of poverty especially with the adoption of modern techniques and better quality inputs. Extreme poverty in Uganda fell from 53.2% in 2006 to 34.6% in 2013. A significant increase in Agricultural income, in addition to good rainfall, favorable prices and political stability have contributed to this reduction in poverty (reliefweb, 2019)

Uganda's agriculture employs about 73 percent of all workers in the country while only generating less than 15 percent of the economic output of the country. Those engaged in agriculture are primarily rural based having a lower standard of living than those working in other sectors of the economy (IFPRI, 2013)

The introduction of new rain-fed (upland) rice varieties in Uganda, to supplement the swampy paddies (that dominate world production today), offers prospects for doubling rice production in the country (MAAIF, 2009). This underscores the importance of better seed varieties in increasing crop production. It also provides an opportunity to analyze the extent to which farmers are using improved seed in rice production as well as gaps in the supply of improved rice seed; and provides insights on the kind of action or investment required to address such gaps at sub-regional level.

The agricultural system in Busoga is adopting majorly the sugar cane farming system which is practiced in most of the districts. Use of most land for sugarcane farming is emerging as a key driver of the low food crop productivity. Commercial sugarcane farming though popular has had little or no significant positive impact on the livelihoods of farmers (Waswa, 2009).

The rising number of sugar factories in the region has seen more farmers in Busoga hire out their land for sugarcane growing thus threatening food security. This is because it's becoming one of the desired cash crops in developing countries such as Uganda (Mwavu, 2013).

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