BUSITEMA UNIVERSITY
Pursuing Excellence

P.O. Box 236, Tororo, Uganda
Gen: +256 - 45 444 8838
Fax: +256 - 45 4436517
Email: info@adm.busitema.ac.ug
www.busitema.ac.ug

BUSITEMA UNIVERSITY ARAPAI CAMPUS

FACULTY OF AGRICULTURE AND ANIMAL SCIENCES

DEPARTMENT OF AGRIBUSINESS AND EXTENSION

VARIATIONS IN MAIZE PRICES ACROSS MARKETS CASE STUDY OF EASTERN UGANDA.

BY

MANGENI JOHN DABA.

REG. NO: BU/UP/2020/1340.

EMAIL:mjohndaba@gmail.com.

SUPERVISOR: DR: MAGUMBA DAVID.

A SPECIAL PROJECT REPORT SUBMITTED TO THE DEPARTMENT OF AGRIBUSINESS AND EXTENSION IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF BACHELOR OF AGRIBUSINESS OF BUSITEMA UNIVERSITY.

MARCH 2024

DECLARATION

I declare that this research is my original work and has never been submitted to any university or institution of higher learning for an academic award.

Signature ..... Date 15th/3/2024

Mangeni John Daba

BU/UP/2018/1340

APPROVAL

This is to certify that this study is submitted for examination with my approval as a supervisor.

Signature ..... Date 15th/3/2024

Dr: David Magumba.

Academic Supervisor

DEDICATION

I dedicate this project report to my beloved parents for their authoritative parenting and for laying a strong Cornerstone of my intellectual abilities.

ACKNOWLEDGMENT

First and foremost , all thanks and praise goes to Almighty God who enabled me with life and knowledge of doing this work, secondly, I would like to express my special thanks to my parents Mr Mayende Clement Daba and miss Nakasolo Minisa for their guardianship in my life and my beloved sister Mugeni Eveline for her support towards my study.

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LIST OF ACRONYMS

BUAC	Busitema University, Arapai Campus
D F	Degree of Freedom
FAO	Food and Agriculture Organization of the United Nations
H A	highest number of land acreages
K I	Key Informants
N	Number
SPSS	Statistical Package for Social Science
UBOS	Uganda Bureau of statistics

ABSTRACT

The maize crop, (zea mays ssp) belongs to the tribe maydae, family poaceae and was originated in Mexico and Central America around 1000 years ago. This crop was introduced in Uganda in 1861 and has since become a major part of the farming system, ranking third in importance among the main cereal crops (finger millet, sorghum and maize) grown in the country. The increasing variations in prices of maize can lead to inefficient agricultural production and definitely have detrimental effects on the economic, social, and political growth of any country. Most studies on maize in Uganda are focused on the increasing maize yields or production, very few addresses the determinants of maize price change as a panacea for the increase of productivity. Filling this gap requires a study on the various factors that contribute to the variations in the price of maize. In this study, primary data were used and this was gathered from the districts of Busia, Namayingo, Bugiri, Mayuge and Iganga in eastern Uganda from 253 maize traders. Primary data was collected through a structured questionnaire. Data analysis was done in SPSS version 20. The study used descriptive statistics tools to analyze the causes of price variations in Uganda. In addition, various factors affecting price variation of maize were examined. The results were presented in tables. The correlation tests showed that maize quality and maize brokers had a positive and significant correlation with maize prices. The mean price of maize for the year 2023 was 1161.5198, which was a minimal variation on prices across markets. It was recommended that the positive and significant relationship of brokers to maize price change should serve as an impulse to encourage traders across the country to stop using maize brokers as they have a fluctuating influence on the maize pricing. In addition, the maize traders should also improve on the quality of the maize they sale as this can help in increasing on the prices to foster the competitiveness of their crop both locally and internationally.

CHAPTER ONE

1.0. INTRODUCTION

This chapter comprised of a brief preview of the research factors that was seen. It contains the study background, the problem statement, the research objectives and questions, scope and concludes with the significance of the study to the concerned people.

Background to the Study

The maize crop, (zea mays ssp) belongs to the tribe maydae, family poaceae and was originated in Mexico and Central America around 1000 years ago and more than 32,000 genes (Thomas et al., 2016) of maize are grows well in various areas and its unparalleled to any other crop due to its ability to adapt in diverse environment.

This crop was introduced in Uganda in 1861 and has since become a major part of the farming system, ranking third in importance among the main cereal crops (finger millet, sorghum and maize) grown in the country (Arulandoo et al., 2019). Maize crop is of economic importance to Uganda and other tropical countries. Much of maize production in Uganda aims at supply export markets in the area such as Kenya and recently South Sudan, who are in much need and here maize specifications are used to regulate the quality of maize on the international market (Houeninvo et al., 2020). The maize sector is said to provide a livelihood for about 3 million Ugandan households (Sayed & Auret, 2023) , close to 1000 traders and over 20 exports (Arulandoo et al., 2019). That is to say, maize is a growing source of income to households and foreign earner through the export of maize

In fact, maize price is becoming a major issue all over the world in countries growing maize, most especially in developing countries and a number of studies are being concentrated on the causes and solutions to these reported skyrocketing maize and other food prices (Ayinade et al., 2019). In both developing and developed-countries, governments are playing important roles in bringing prices under control and in helping poor people cope up with increasing food prices fluctuations. The combination of new and ongoing forces is driving the world food situation and, in turn, the prices of maize and other food staffs. Some of the emerging factors behind the rise and fall of maize prices is the high price of fuel, intermediaries (FAO, 2014). The growing world population

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