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BUSITEMA UNIVERSITY ARAPAI CAMPUS

FACULTY OF AGRICULTURE AND ANIMAL SCIENCES

DEPARTMENT OF AGRIBUSINESS AND EXTENSION

EFFECTS OF GROUNDNUT PRODUCTION ON THE INCOME OF SMALL HOLDER FARMERS IN NAMUTUMBA SUBCOUNTY NAMUTUMBA DISTRICT

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ASPECIAL PROJECT REPORT SUBMITTED TO THE DEPARTMENT OF AGRIBUSINESS AND EXTENSION IN PARTIAL FULLFILLMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF BACHELOR OF AGRIBUSINESS AT BUSITEMA UNIVERSITY

DECLARATION

This study is original andhas not been published or submitted for any other degree award to any other university before

Signature..... Date 04/11/2024.....

KISAKYE FAITH

APPROVAL

This special project has been submitted to the Department of Agibusiness and Extension with approval of the universitysupervisor

Signature ..... Date 6/11/2024

MADAM ILELU SUZAN

DEDICATION

I dedicate this work to Almighty God, my family and friends, the agricultural officer of Namutumba sub-county, and all researchers focused on groundnut production.

ACKNOWLEDGEMENT

I am grateful to Almighty God for the enduring grace and mercy throughout my academic journey. I also want to thank my parents, Mr. and Mrs. Magemeso Goerge, along with my sisters, brothers, and guardians, for their support. I extend my appreciation to my supervisor, Madam Ilelu Suzan, and all the lecturers at Busitema University for their efforts in enhancing my experience on campus. May God bless you all abundantly.

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LIST OF ACRONYMS

FAO	Food And Agricultural Organization
GDP	Gross Domestic Product
Ha	Hectare
(MT|Ha)	Metric Ton per Hectare
HYVs	High YieldingVarieties
IPM	Integrated Pest Management
Kg	Kilogram
MAAIF	Ministry Of Agriculture Animal Industry And Fisheries
NAADS	National Animal Advisory Services
UBOS	Uganda Bureau of Statistics
UGX (Ugshs)	Uganda shillings

ABSTRACT

In Uganda, agriculture is the backbone of the economy and the primary source of income for rural communities. The sector contributes 23% of the country's GDP, employs over 70% of the population, and supports the growing food demand. Namutumba sub-county, located in the Busoga region, relies heavily on agriculture, with farmers depending on it for their livelihoods. However, many of these farmers face poverty, food insecurity, and low status, indicating that their agricultural practices are often unprofitable. This study aimed to assess the impact of groundnut production on the income of smallholder farmers in Namutumba sub-county, as groundnuts are a commonly grown crop with a ready market and higher prices. The researcher, guided by experts, used Easterby-Smith's (2013) formula to determine a sample size of 152 participants, all of whom were groundnut farmers. Data analysis using descriptive statistics revealed that more females participate in groundnut production than males. The research into the socio-economic status and perceived benefits of groundnut farming provided valuable insights into the demographics and challenges faced by these farmers. Notably, 59.2% of groundnut producers were women, with the highest participation rates among middle-aged individuals (36-45 years) at 39.47%. This highlights the significant role of women in agriculture and underscores the need for gender-sensitive agricultural policies. Most groundnut farmers had low educational attainment, primarily holding only primary or secondary education, which likely hinders their ability to adopt advanced farming techniques and enhance productivity. Although groundnut production meets subsistence needs, it may not generate sufficient income to significantly improve living standards. To make groundnut production a profitable venture in Namutumba sub-county, supportive policies should empower female farmers. This includes providing access to credit, offering training on improved farming techniques, and ensuring effective delivery of agricultural extension services tailored for women. Additionally, training programs focusing on enhanced production methods, pest management, and post-harvest handling should be introduced to boost productivity and profitability

CHAPTER ONE

1.1 BACKGROUND

Groundnut is thought to have originated in the southern Bolivia to northern Argentina region of South America (Desmae et al., 2019). While the exact timing of its domestication is unclear, it likely first occurred in the valleys of the Paraná and Paraguay river systems in the Gran Chaco area. Today, groundnut is a significant crop for oil, food, and forage (Gottheil, 2022).

Globally, groundnut ranks as the second most important oilseed crop, primarily cultivated in semi-arid tropical regions (Gottheil, 2022). More than 100 countries grow groundnuts, with over 90% of producers located in developing nations. It is the fourth most important oilseed crop worldwide (Wizard, 2022). Groundnut (Arachis hypogaea), an annual legume from the Fabaceae family, has several varieties, including: Runner Varieties: Spanish Varieties, Valencia Varieties, Tennessee Red Valencia. (Raza, 2017). Groundnut seeds contain 40-50% fat, 20-50% protein, and 10-20% carbohydrates, depending on the variety (Savage, 2022). As the costs of animal protein rise, groundnuts are becoming increasingly important as a protein source. The seeds are also rich in vitamin E, niacin, calcium, phosphorus, magnesium, zinc, iron, riboflavin, thiamine, and potassium (Savage, 2022). Groundnuts can be consumed raw, roasted, or boiled, and the oil extracted from them is used in various culinary applications, including margarine, cookies, candies, and salad oils. Additionally, groundnut plants are utilized for animal feed and as industrial raw materials. They also enhance soil fertility by fixing nitrogen (Konate et al., 2020). These diverse uses make groundnut a valuable cash crop for both domestic and international markets.

Globally, groundnut is grown on approximately 25 million hectares across semi-arid tropical and subtropical regions, with major production occurring in Asia and Africa. As of 2019, it is cultivated in 108 countries on 29.6 million hectares, yielding 48.86 million tons (FAO, 2019). China is the largest producer, with 18.3 million metric tons produced in 2022/23, driven by high domestic demand. China's agriculture is characterized by smallholder farming, with an average farm size of just 0.497 hectares and a yield of about 3.8 metric tons per hectare.

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APPENDICES

APPENDIX 1: RESEARCH QUESIONAIRE

QUESTIONNAIRE TO BE USED TO COLLECT DATA FROM THE RESPONDENT FOR RESEARCH TO ASSESS THE EFFECT OF GROUNDNUT PRODUCTION ON THE INCOME OF SMALLHOLDER FARMERS IN NAMUTUMBA SUB-COUNTY, NAMUTUMBA DISTRICT

My name is Kisakye Faith, and I am a student at Busitema University, Arapai Campus in Soroti City, pursuing a Bachelor's Degree in Agribusiness. I am conducting a study to assess the effect of groundnut production on the income of smallholder farmers in Namutumba Subcounty, Namutumba District, as part of my degree requirements.