NARO

# NARO - RWEBITABA BANANA AGRIBUSINESS FACT SHEETS



# IMPORTANT

## Forward

This fact sheet gives only a general overview of f how banana profitability can be increased. It just looks at a snapshot on how farmers can be assisted to increase profitability of their banana enterprise. It is thehope of every farmer to change their lives. Small holder farmers have particularly faced great challenges, as they are compelled to sell their banana at a low price to local traders. We know the banana can be very profitable, if farmers select the right varieties demanded by the market, adopt and time the application of good agricultural practices, act collectively to avoid middle men and commission agents is key to being able to make the most of forest resources like wild coffee. Banana can assure sustained income to the small holder farmers throughout the year and farmers need good awareness on how to maximize profit. Hopefully this fact sheet is a step forward towards better markets and will change the way farmers. Farmers are particularly advised to seek further technical advice from their extension workers based at sub county level or from NARO- Rwebitaba ZARDI. This fact sheet is meant to be a guide only and targeting farmers, extension workers and private sector especially NGOs in agriculture development.

Dr. Kajobe Robert
Director of Research

## Team

This Fact sheet has been prepared by Suubi Godfrey, Mutebi Douglas Jjemba, Ssenyonga Peter,Ruyondo Anna and Kajobe Robert on the basis of market chain performance studies undertaken in the Rwenzori region between 2012 and 2015 and verified at the date of publication. without any independent verification. The Fact Sheet has been under the overall supervision of Dr. Kajobe Robert. Neither NARO nor any contributor to this publication represents that the contents of this publication are complete; nor does NARO accept any omissions or errors in the contents however they may arise. Readers should use this as a guide and in consideration of local circumstances as prices change from time to time and across the country and can vary significantly.

©copyright NARO RWEBITABA 2017

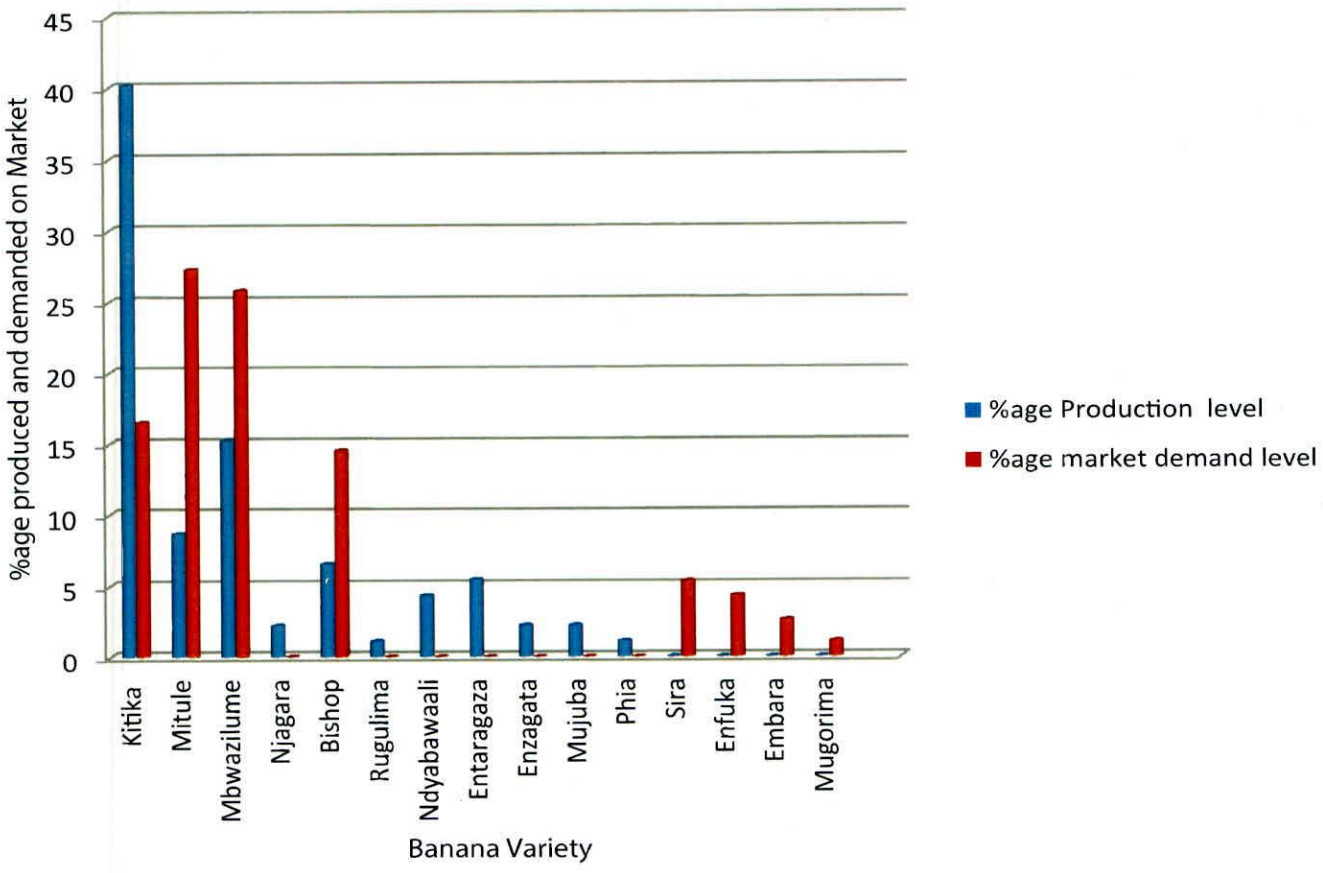
FACT SHEET 1:

# IMPROVING BANANA PROFITABILITY THROUGH BANANA VARIETAL SELECTION

## INTRODUCTION

- Bananas are widely grown across tropical regions as a major household food security and source of income in many parts of East Africa and it is one of the commodity enterprises in the Rwenzori region (Western highlands Agro-ecological zone priority).
- In Uganda the commonest banana type grown is the Musa Sp AAA-EA.
- In in the Rwenzori region, banana production is largely by smallholder farmers with two main objectives: (1) food and (2) cash income.
- Areas of the zone where banana is the main staple hardly experience food insecurity. The crop provides an all-year-round fruiting, thus ensuring continuous supply of food and income
- The Rwebitaba ZARDI research has established that farmers are interested in improving their banana enterprise, but hesitate because they are not sure where to focus their efforts.
- This fact sheet advises smallholder banana farmers and extension agents to focus on varietal selection and improve post-harvest handling in order to improve the profitability of the banana enterprise.
- The research team established a mismatch in the varieties grown by farmers and those mostly demanded on the market.
- Farmers engage in up to 12 banana varieties irrespective of what the market demands.
- The different varieties grown are differently demanded on the market.
- The research established that farmers mostly consider taste, adaptability to harsh environmental conditions, bunch size while selecting the varieties to grow.
- While the market demands storability and bunch size of the variety before deciding the price to give to farmers

**ANALYSIS OF BANANA VARIETIES MOSTLY PRODUCED BY FARMERS AND PREFERRED ON THE MARKET**



# BANANA VARIETIES DEMANDED ON THE MARKET VS VARIETIES COMMONLY GROWN BY FARMERS




Top Five Banana varieties demanded on the market in their order of demand include: Mitule, Mbwazilume, Kitika, Bishop and Sira while top five banana varieties.

Kitika is the most widely grown variety at a proportion of 40.2% and but falls in the third position in terms of market demand while Mitule which is highly demanded on the market, it is grown in the proportion of 8.7%; Mbwazilume demanded in the second position on market has a proportion of 15.2% of the varieties grown. Other varieties relatively grown widely that have less demand on the market include Njagara, Ndyabawali, Entaragaza and Enzangata.




## IMPLICATION OF MISMATCH IN VARIETIES

Some banana varieties are not as highly marketable as others and thus they fetch less money for the farmers.

## HOW SHOULD THE FARMERS POSITION THEMSELVES?

Farmers should focus on top five banana varieties that have higher commercial value. If farmers are to effectively participate in the banana market chain and benefit more they need:

I. To focus on Variety and germplasm selection – use only good quality germplasm of the five banana varieties that have a strong and stead market demand: Mitule, Mbwazilume, Kitika Bishop and Sira.

II. Improve post-harvest handling through:

a) harvesting banana based on maturity and market specifications;

b) harvesting banana immediately before the pre-arranged arrival of collectors/traders;

c) hanging bananas on tripods after harvesting not stored on the ground for several days;

d) sorting and grading bananas by variety and quality.



FACT SHEET 2:

# TO PROFIT FROM BANANA ENTERPRISE, ADOPT AND TIMELY APPLY GOOD AGRICULTURAL PRACTICES

## INTRODUCTION:

- Bananas are one of the most important staple food crops in Uganda and the Rwenzori region in particular. The banana enterprise in particular is a commercially important crop in the region, both by volume and value, as a leading fruit. For most small holder farmers in the region, many, banana is as well one of the most important crops for income generation.

- Research conducted by Rwebitaba ZARDI indicates that farmers are taking a very messy approach to managing their banana plantations.

- Most of the farmers manage the commodity in subsistence way that is management is not intensive, the use of agricultural inputs (fertilizers, pesticides, quality germplasm) are infrequent, farmers do not prune their banana trees, they do not thin.

- Areas of the zone where banana is the main staple hardly experience food insecurity. The crop provides an all-year-round fruiting, thus ensuring continuous supply of food and income

- The Rwebitaba ZARDI research has established that farmers are interested in tapping into such opportunity so as they are able to have an all year round fruiting of the bananas.

- This fact sheet attempts to advise smallholder farmers to focus on key management practices to improve in order to improve the profitability of the enterprise.

## SEASONALITY OF BANANA PRODUCTION

The Rwebitaba ZARDI research team established that farmers have not yet grasped good agricultural practices of transforming their experience in banana production and marketing systems from traditional to commercial orientation.

The research established that there peak and low production periods throughout the year. The peak production as expected peak production periods coincide with low prices.

The Rwebitaba ZARDI research established that farmers rarely apply technologies and if done they are not timely applied to be able to maximally benefit from the peak price periods.



## HOW SHOULD FARMERS POSITION



As already noted infrequent use of inputs and mis-timing of their application as the main bottlenecks for all year round banana production. To mitigate such problems and enable farmers to better utilize their banana production potential, integrated soil and water management and timely application of fertilizers across the Rwenzori region need to be given due attention.

So for a farmer to boost yields around that period and be able to take full advantage of the July- October next year market price hikes, the best timing for application of fertilizers, mulching, thinning and any other good agricultural practices would best be applied July–October of the current year. Since it is a long rain season also, banana plants will be able to utilise fertilizer and any organic manure effectively.

Farmers need to adopt Simple banana management including but not limited to:

- Use appropriate spacing (3 metres by 4 Metres)
- fertilizer application;
- weed control - removing grass and herbaceous weeds growing under and near bananas;
- thinning bananas to retain only 2-3 stems, a leader in fruit, a main follower to replace the leader upon harvest, and a young follower;
- pest and disease control;
- remove all leaves that start weathering away.

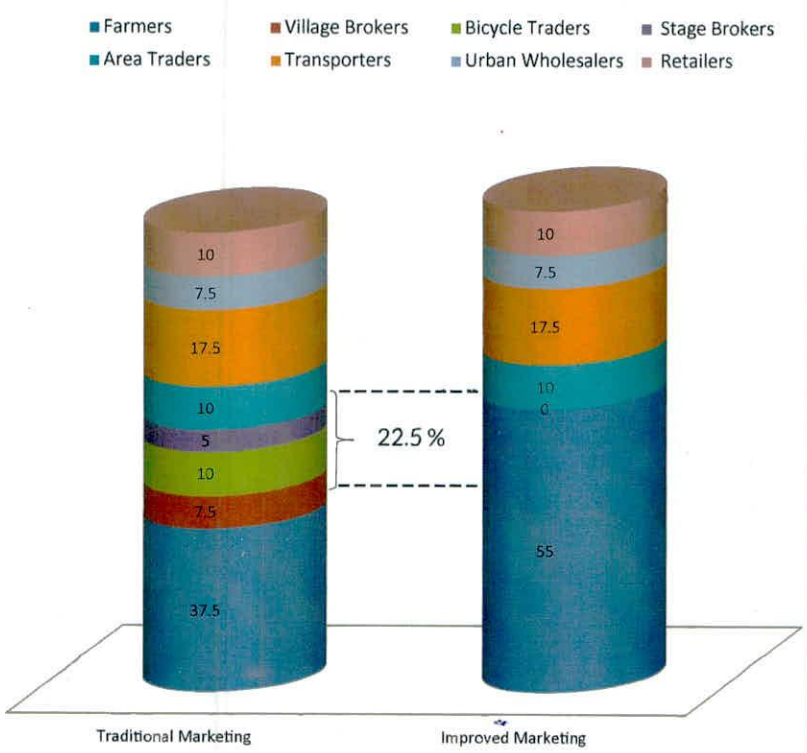


# FACT SHEET 3: ENGAGE IN COLLECTIVE MARKETING TO MAXIMIZE PROFIT INTRODUCTION



Banana is a major crop that is most widely grown and consumed in Uganda. It is cultivated in several parts where the growing conditions are favorable. Especially in the Rwenzori region, it is of great socioeconomic importance contributing significantly to the overall wellbeing of the rural communities including food security, income generation and job creation.

In the Rwenzori, the enterprise is managed by Small holder farmers with plantations averaging 0.5-4 acres (0.2-1.6 hectares) which comes with a key challenge of accessing markets as the capacity to produce bulk volumes is limited by land access.




## MARKETING MARGIN ANALYSIS

The Rwebitaba ZARDI research established that selling of newly harvested bananas at farm gate through farm gate collectors who again through other actors before the banana reaches the final consumer, is the most common marketing practice in the Rwenzori region. It was further established that these actors involved in the banana market chain invariably face some kind of marketing charges and post-harvest loss challenges as the produce moves from one chain actor to the other. The marketing charges being related to transportation, loading, unloading, handling, and ripening, the post-harvest challenges are related to the inherent bulkiness and perishability of the produce, and rudimentary transportation (vehicles and roads), handling (loading and unloading), packaging, storage, and ripening facilities and systems.

The marketing charges were found to significantly increase the difference between producer and consumer prices (marketing margin) of an equivalent quantity and quality of the banana.

## Percent Profit Share Analysis of the different actors along the Banana Market chain

Farmers who sell using the improved marketing where farmers are organized for collective action and sell directly to area and or urban traders their profit share of the marketing margin is increased. This is because the profit share that would otherwise go to the village brokers, bicycle traders and stage brokers equivalent to 22.5% is earned by the farmers themselves.



### HOW SHOULD FARMERS POSITION THEMSELVES

Organise farmers to undertake collective sell of their bananas. The farmers should be organised in groups that should make it easy for them to pre-arrange regular weekly or biweekly sells to traders' large quantities. Both farmers and the trader must maintain a tight schedule



