

**ANALYSIS OF THE GREEN GRAM VALUE CHAIN IN
UGANDA**

BY

**APIO SHARON IBEDO
M. AGRIBUSINESS MANAGEMENT (MUK)
STUDENT NO: 206005704
REG NO: 2010/HD02/182U**

**SUPERVISORS:
DR. GABRIEL ELEPU
DR. HERBERT TALWANA**

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ABSTRACT

This study was conducted to analyse the green gram value chain in order to identify the constraints as well as opportunities existing in production, marketing and utilization of the crop in northern and north eastern regions of Uganda. The focus of the study was, to characterize the production and market systems of green gram, to estimate the profitability of green gram production, to evaluate Structure-Conduct-Performance of green gram markets and to analyze the determinants of green gram profitability in the study area. The data were generated from 168 farmers and 98 traders, by individual interview and group discussions using pre-tested semi structured questionnaires and checklists.

The SCP approach was used to identify the gaps in the value chain that affect efficient utilization and profitability of green gram. Robust OLS regression econometric models were used to predict the determinants of green gram profitability for both the farmers and traders. The results obtained from this study revealed three types of green gram grown, mainly the small green seeded type among the large green seeded and yellow seeded types. The main market participants for green gram were rural collectors, retailers and wholesalers. The study did not find any significant processors along the market chain. Low supply of green gram was cited as the biggest barrier to green gram trade thereby revealing challenges in the production chain.

Green gram trade was characterized by use of un-standardized weights and measures. Only 76.5% of the participants had access to market information with the majority 66.3% relying on other traders for this information. Green gram production was profitable with farmers having obtained a profit margin of 63, 166 UGX per acre while the traders attained a margin

of 777 UGX per kilogram. Besides, analysis indicates that predicted variables like credit extension, seed variety grown could not be rejected as they were found to have a positive significant influence on the profitability of green gram production. Other variables like age of the farmers, was rejected as they could not be accepted. On the other hand, product variety and period of time spent in green gram trade were accepted as found to have a significant and positive influence on the marketing margins earned by the green gram traders. On the contrary, sales volume could not be rejected as it had a significant but negative impact on the margins earned by the traders. Based on the study results, policy interventions necessary to raise marketable supply of green gram produced are recommended.