

PO Box 236, Tororo, Uganda Gen , 1236-454 448842 Dr. +256-454 448864 Fax +256-454 448517 Emni arazincadreg busitema ac i

THE CONTRIBUTION OF SHEA NUT BUSINESS TO THE SMALL
SCALE FARMERS HOUSE HOLD EARNINGS IN ABIA SUB COUNTY,
ALEBTONG DISTRICT

BY

OPIO ERIC JUSTINE

BU/UP/2017/295

A DISSERTATION SUBMITTED TO THE FACULTY OF
AGRICULTURE AND ANIMAL SCIENCES IN PARTIAL
FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF
A BACHELOR DEGREE IN AGRIBUSINESS OF BUSITEMA,
UNIVERSITY

01.5



FEBRUARY, 2021

DECLARATION

I **OPIO ERIC JUSTINE** with registration number BU/UP/2017/295 declares that, this has been compiled by me and it has not yet receives any academic credit from any person or any institution except BUSITEMA UNIVERSITY ARAPAI CAMPUS.

SIGNATURE:

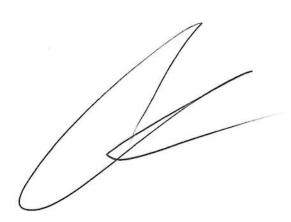
BUSITEMA UNIVERSITY LIBRARY
CLASS No.:
ACCESS NO. FAA 1334

APPROVAL

This research entitled "The Contribution of Shea Nut Business to The Small Scale Farmers House Hold Earnings in Abia Sub County, Alebtong District" was carried out under my supervision and submitted with my approval as a University Supervisor.

EPEL ANTHONY RAYMOND

Date: 15/02/2021



DEDICATION

I would like to congratulate our fathers in heaven for protecting me and giving me strength, wisdom knowledge to come out with this report dissertation. I would like also to dedicate this report to my Mummy Mrs. Semmy APILI and my lovely sister MRS MAURINE ADIT for their tireless supports to me financially and in all other ways during developing of this proposal, not forgetting brothers and sisters who had been in the same struggle i.e. All the agribusiness members as a whole May the almighty God reward them abundantly. I would like to dedicate this to my brother most especially MR. THOMAS ACAI for his support always to me specifically for the help of writing materials ie computer from the onset of proposal to report dissertation.

ACKNOWLEDGEMENT

With a lot of happiness, I appreciate the almighty God for his abundance grace and mercy over my studies and then secondly I acknowledge the support of the staff of Busitema university not forgetting the head of department agribusiness madam Diana Aero for her entire less endeavors towards the approval of this research dissertation how I pray that God continue blessing her work always.

Special appreciation goes to the Community Development Officer (CDO) Mrs Susan Acen who worked me through the data of shea traders as per the sub county and guided me on the way to go by data collection.

Never the less not leaving out my Academic supervisor MR Raymond Anthony Epel who guided me on the onset of developing research topic, research proposal till approval of this special dissertation may the good lord bless his efforts every day forever he lives.

And lastly much appreciation also goes to the faculty dean of Busitema University, Arapai campus Mr. Ekou Justine and the department of Agribusiness and extension, fellow's students for their cooperation and unity toward this achievement. May the one who is above all other god bless you all Amen.

TABLE OF CONTENT

Table of Contents	
DECLARATION	
DEDICATION	
ACKNOWLEDGEMENT	i
List of Tables and Figures.	vi
LIST OF ABBREVIATIONS	vii
CHAPTER ONE	1
INTRODUCTION	1
1.0 Background of the study	1
1.1 Statement of Problem	
1.2.1 Specific Objectives	
1.3 Research Question	
1.5 Significance of the Study/ Importance	E
1.6 Justification of the study	е
1.7 Scope of the study	
1.7 Scope of the study	
LITERATURE REVIEW	
2.0 Shea nut distribution in Uganda	
2.1 The economic importance of shea nut	.,,,
2.2Marketing Challenges facing small scale farmers in Vitellaria paradoxa industry	
2.3Processing Challenges	
2.4Limitation on Product Marketing	
2.5Opportunities in the shea put industry for small scale farmers	
CHAPTER THREE	
METHODOLOGY	
3.0 Study Location	
3.2 Study Population	15
3.3 Sample Size	
3.4 Data Collection Method	
3.5 Data Collection Tools	15
3.60 Data Callaction Procedure	1.0

3.6.1 Identification of Respondents	15
3.6.2 Administering Study Questionnaire	15
3.7.1Validity	16
3.7.2 Reliability	16
3.7.3 Data Analysis and Interpretation	17
RESULTS	19
4.0 Social-demographic characteristics of the respondents	19
4.1Shea production	21
4.2Experience in shea business	21
4.3Earnings from shea business by small scale holder farmers in a year	25
4.4Challenges faced during shea nut business	28
4.5 Opportunities associated with shea nut business	30
CHAPTER FIVE	32
DISCUSSION	32
5.0 Social-demographic characteristics of the respondents	32
5.1Shea production	32
5,2Experience in shea business	32
5.3Earnings from shea business by small scale holder farmers in a year	33.
5.4Challenges faced during shea nut business	
5.5Importance of shea nut business	33
CHAPTER SIX	34
CONCLUSIONS AND RECOMMENDATIONS	34
6.0 CONCLUSIONS	
6.1 RECOMMENDATIONS	35
REFERENCES	36
APPENDICES	38
Appendix 1: Draft Survey Questionnaire	38
Consent	39
Appendix 2	41
BIODATA	43
Appendix 4 work plan	45

List of Tables and Figures

- Table 1a: Social demographic characteristics of the respondent
- Table 2: Experience in shea business

Table 1b parameters on how income is affected by other variables such as age, gender, marital status, education level and head of house hold after linear regression analysis

Table 9 shows parameter of significance of variables which influence income earned in levels

Table 3: Earnings from shea business by small scale holder farmers in a year

Figure 1 showing the average kilograms of shea nut sold per year by farmers

Table 4: showing amount earned by respondents interviewed per year

Table 5: showing services carried out with money received from shea nut business

Figure 2: showing the spending on the services resulting from money got from shea nut business

Table 5: showing challenges faced during shea nut sales

Table 6: showing challenges faced by shea nut sellers

Of the factors below, which one affects your business most?

Table 8: showing challenges of shea nut sales

Figure 3: showing challenges faced by farmers during marketing of shea nut Table 8; showing ways to improve on shea nut business



LIST OF ABBREVIATIONS

MAAIF: Ministry of agriculture animal industry and fisheries.

NARO: Natural agricultural research organization.

NSCS National seed certification services

NAADS: National Agricultural advisory services

NARO: National Agricultural Research Organization

BUAC: Busitema University Arapai Campus

FAO: Food and Agricultural Organization

E.G.: For Example.

FFS: Famers Field School.

SPSS: Statistical Package Of Social Sciences.

WFP: World Foods Programmed.

PMA Plan for Modernization of Agriculture.

SH Shea Nut

VP Vitellaria Paradoxa

USD United States Dollar

HH House Hold

HHE House Hold Earnings

CDO Community Development Officer

GISU Gombola Internal Security Officer

ABSTRACT

The importance of shea nut tree to the people of Uganda has been overlooked considering both the economic and environmental uses of the tree and therefore efforts have to be made to find out or investigate its production by the farmers as the shea nut tree production still remains low. It would be worthwhile to investigate the contribution of viteliaria paradoxa (shea nut) business to the small scale house hold earnings of farmers in Uganda but specifically to Abia sub county Alebtong District. The specific research objectives were 1, to examine the contribution of viteilaria paradoxa (shea nut) to small scale farmers of Abia Sub County, Alebtong district, 2, to determine the annual income earned by small scale holder sliea nut business farmers. 3, to identify the major challenges faced by small scale farmers and associated opportunities in marketing of vitellaria paradoxa. Two parishes that had the highest number of shea nut farmers in Abia sub-county were selected. A list of the households of all shea nut farmers in each of the parishes were obtained and a simple random sampling technique was used to select 30 farmers from each parish. In each household, the household head was interviewed, in his/her absence or upon his/her request, any other member who is knowledgeable about the household was interviewed. Descriptive statistics of means and percentages were used to describe the data while linear regression was used to determine how educational levels, marital status, age, state of heading family and experience influenced the income levels earned by small scale farmers in Abia sub county Results showed that Majority of the respondents (65%) were married while only 25% were single and the rest were either widow/widower or divorced. According to the respondents, all the shea nut tree managed in the area were naturally gifted by nature and not all the respondents had shea trees in their farms but only the few and the rest gets their own through sales from markets and within the households. And therefore the state of being married gave positive correlation towards level of income earned. In conclusion, the contribution of shea nut Vitellaria paradoxa as a business had wide range of benefits; however, challenges are influenced by other factors within the communities and they were "charcoal burning, seasonality of the shea seeds, lack of information or ignorance" seasonality of the shea seeds emerged as the key challenge faced by the shea farmers during sales. As a recommendation, the government should support the Shea butter enterprise through skill enhancement program and formation of associations. KEY WORDS: contribution, shea nut tree, economic tree, small scale farmers, earnings and households.

CHAPTER ONE

INTRODUCTION

16

1.0 Background of the study

Globally, over the past decades, trade in shea butter has been on the rise because of increased demands in the European Union, Japan, India, Canada and the United States. There are two main varieties of shea nut, Vitellaria paradoxa which is produced in West Africa and Vitellaria nilotica which grows in Northern Uganda and Southern Sudan (Hatskevich et al., 2011). (Protection & Paper, n.d.).

Scientifically, the shea tree is known in the past as Butryospermum paradoxum', but is now called 'Vitellaria paradoxa'. It is widely spread across the savannah regions of Nigeria. The shea tree grows very well on a wide range of soils, including highly degraded, arid, and semi-arid and rocky soil. (Protection & Paper, n.d.)Remarked that it is rare to encounter Vitellaria populations composed of trees of very different sizes.

The uniform size of the adult trees in many populations is striking, and suggests similar age. As Vitellaria is exceedingly slow growing, the trees grow in the wild, mature and start fruiting at 15-20 years. They continue fruiting for nearly 400 years (Ecuru & Lating, 2014) The shea tree Vitellaria paradoxa produces fruits whose kernels contain about 40 50 lipids usually referred to as shea butter (Bup et al., 2012). Although the tree is indigenous to Sub Saharan Africa, its oil is highly cherished and used in chocolate formulations as cocoa butter replacers and in cosmetics in Europe, America and some parts of Asia such as Japan, etc.

The market for shea nuls and butter has been on a constant rise with cosmetics taking about 10% of the total production Africa produces about 1,760,000 t of raw shea nuts annually from its wild trees, mainly in the Savannah and Sahel regions, but producers harvest and process only a fraction, about 35% (about 600,000 t), for exportation as butter or nuts(In & Africa, 2004). Vitellaria paradoxa, the Shea butter tree, grows across a wide swathe of Africa, from Senegal to Ethiopia. Throughout the "Shea belt" the trees are highly valued by the local communities, not only for the economic and dietary value