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**ASSESSMENT OF ECONOMIC IMPACT OF SUGARCANE  
PRODUCTION ON THE LIVELIHOOD OF SMALL-SCALE FARMERS IN  
MAYUGE DISTRICT.**

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**RESEARCH DISSERTATION SUBMITTED TO THE DEPARTMENT OF  
AGRIBUSINESS AND EXTENSION IN PARTIAL FULFILLMENT OF  
THE REQUIREMENTS FOR THE AWARD OF DEGREE IN BACHELOR  
OF AGRIBUSINESS AT BUSITEMA UNIVERSITY.**

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**DECLARATION**

I, Sserwenga Edmond, hereby declare that this report is my original work, and is neither a duplication of another research study nor has it been submitted to any university or institution for any award of academic qualification or publication

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**APPROVAL**

I hereby certify that this report is original and individual work of Sserwenga Edmond a student at Busitema University.

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DATE: .....

*15<sup>th</sup> Feb 2021*

## **DEDICATION**

I dedicate this report to my beloved mother Mrs. Nakogolo monic and beloved father Mr. Bakirambye David, to all my sisters and brothers for their supportive hearts. I also dedicate the report to all my friends that have encouraged me whenever I thought I could not make it. I lastly dedicate it to my supervisor who endeavored to see me complete my report.

## ACKNOWLEDGEMENT

I am judiciously indebted to the almighty God for His love, care, protection, for bringing me this far in my education and enabling me complete my report successfully.

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On the same note, I am so grateful to the management of Busitema University Arapai campus for their guidance and effort to see us through the research program

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## **LIST OF ABBREVIATIONS**

REC:	Research and Ethics Committee
S/C:	Sub County.
UBOS:	Uganda Bureau of Statistics.
UMA:	Uganda Manufacturers Association.
UNBS:	Uganda national Bureau of Standards.

## **DEFINITIONS.**

ASSESSMENT:	The process of appraisal or evaluation of a parameter.
INTERCROPPING:	The type of crop growing which involves the growing of cover crops in between other crops.
LIVELIHOOD:	A means of providing the necessities of life for oneself.
PLANTATION FARMING:	The type of farming which involves planting of perennial crops for cash.
SMALL-SCALE FARMERS:	Are farmers who grow crops on small piece of land and produce small yields.

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## ABSTRACT

The study investigates the impact of sugar cane plantation agriculture on the livelihood of small scale farmers in Mayuge District. The research was guided by three specific objectives namely: **(i)** To assess the effect of sugarcane plantation farming on livelihoods with special focus on incomes of small-scale sugarcane growers. **(ii)** To evaluate the effect of sugarcane plantation farming on investment among the small-scale sugarcane growers. **(iii)** To investigate the effect of sugarcane plantation farming on food security among the small-scale sugar cane growers. The research design used was a descriptive survey. This design was preferred because the information sought was descriptive in nature and the researcher did not have control of what had happened but could only describe the situation as it was. The research was centered at both qualitative and quantitative approaches to facilitate comprehensive investigation. This research study was conducted in Mayuge district located in the eastern region of Uganda the selected population of study was the small-scale sugarcane growers at the household level in Bunya west bunya east and Bunya south. Here the researcher targeted members in sugarcane grower's association in the selected counties of about 100 registered farmers within the association showed the majority of the participants 31 (44.3%) were aged between 30-39 years and the least between 20-29 years who were only 4 (5.7%). 2 (2.9%) of the participants attained their highest level of education at primary level, 18 (25.7%) at secondary level, 32 (45.7%) at tertiary level and 18(25.7%) never attended school in their life time. Participants were low -income self-employed earners. Most got their incomes and capital from peasant farmer hood, teaching, boda-boda cycling; 8 (11.4%) and the majority; 28 (40%) from other undefined vocational businesses. Up to 87% of the respondents reported having their well-being enhanced through sugarcane farming. 28 (40%) of the participants grow mainly cassava for food because cassava can be processed and stored for a longer period and it is more earning economically. 26 (37.1%) who grew sugarcane invested in land purchase after getting high profits from the plantations, followed by 18 (25.7%) who set up more new businesses, 16 (22.9%) who constructed new commercial houses. Basing on the conclusions above, the following recommendations are made to enable the small-scale sugarcane growers to boost their yields, livelihoods and investments. Ensure intercropping of sugarcane with food crops especially leguminous cover crops like beans, soya beans, peas, sim-sim, and groundnuts since these crops non-perennial and improve on soil fertility. This can promote continuous food production alongside the sugarcane. The government should come in and subsidize capital, seeds and possibly costs of production to boost sugarcane production among small-scale sugarcane growers.



## CHAPTER ONE: INTRODUCTION

### 1.1 Background of study

In the 2019/2020 crop year, global sugar production was approximately 166.18 million metric tons, with 182 million metric tons expected for 2020/2021. (United states department of agriculture., 2020). Approximately 80% of the world's sugar is produced from sugar cane in tropical and subtropical climates. The remaining 20% comes from sugar beets, which are grown mostly in the temperate zones of the Northern Hemisphere. Over 120 countries produce sugar.

The largest sugar-producing countries in 2019–2020 were Brazil, India, the EU, China, and Thailand.

Brazil was the single largest producer, with 29.93 million metric tons of sugar produced in 2019–2020. (United states department of agriculture., 2020)

Uganda is the largest producer of granular brown sugar in the East African Community, accounting for about 500,000 metric tonnes annually as of May 2017. ( (Biryabarema A S & Elias, 2017).

In April 2020, Uganda's annual sugar output was estimated at 510,000 metric tonnes. With Uganda's annual consumption of 360,000 metric tonnes, approximately 150,000 metric tonnes annually are available for export. (Dorothy Nakaweesi, 2020)

As of November 2020, national sugar output was estimated at about 550,000 metric tonnes annually. At the same time, annual national consumption was estimated at 370,000 metric tonnes. This leaves a surplus of approximately 180,000 metric tonnes annually. Due to refusal by three of Uganda's immediate neighbors (Rwanda, Kenya and Tanzania) to allow sugar imports from Uganda, the national sugar stockpile, as of November 2020, was estimated at about 160,000 metric tonnes of crystalline sugar powder, worth about US\$45 million.

Apart from providing sugar, a vital food, the Uganda sugar industry provides employments to over 20,000 and 50,000 especially to sugar cane growers and other stakeholders like sugar producing