

<b>ACTIVITY TITLE:</b>	Harnessing inclusive rural transformation from Sugarcane growing in Uganda
<b>PRINCIPAL CENTRE:</b>	Economic Policy Research Centre (EPRC)
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<b>GEOGRAPHIC FOCUS:</b>	Uganda

**Activity Description:** Different outgrower schemes have developed in Uganda’s sugar cane industry, which have different implications for food security, gender relations, and livelihood security. This proposed study has two broad objectives; the first is to analyze how existing sugarcane institutional arrangements contribute (or not) to sustainable and inclusive rural transformation. Secondly, the study will analyze how existing institutional arrangements coordinating cane production and processing enhance or hinder smallholder cane growers’ productivity and profitability and in turn, their food security. Empirical evidence needs to be generated, and lessons drawn to guide policy on which institutional arrangement will lead to inclusive rural transformation while fostering food security and good nutrition. The study will also explore the specific strategies that need to be put in place to ensure that women play a visible role in the building of a strong production base for sugarcane which in turn will lead to sustainable livelihoods for their households.

**Research Questions:** In a bid to foster a strong production base for a sustainable sugar agro-industry, this study seeks to answer two broad research questions:

1. To what extent do the existing sugarcane institutional arrangements<sup>1</sup> contribute to sustainable and inclusive rural transformation?
  - a) Are the existing and proposed institutional arrangements promoting inclusivity along the entire sugarcane value chain? E.g. do they offer new employment opportunities for women?
  - b) What is the most appropriate institutional arrangement with respect to gender responsiveness and rural transformation?
  - c) Can the proposed policy on zoning lead to rural transformation and better livelihoods for sugar-growing households?
  - d) What roles do women play in the sugarcane value chain? What constraints do they face and what opportunities are available for women along the sugarcane value chain? Do women have control over the income from sugarcane?
  - e) What are the likely effects of COVID-19 on demand, processing, pricing and employment in the sugarcane industry? In addition, how has COVID-19 affected regional market trade commitments such as one between Tanzania and Uganda on sugarcane supply?
  
2. Do existing institutional arrangements coordinating cane production and processing enhance or hinder small and medium holder cane growers’ productivity and profitability and in turn, their food security?
  - a) What are the characteristics of households who decide to grow sugarcane?

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<sup>1</sup>We define institutional arrangements as policy, processes, programs [specifically teasing out coordination, cooperation, communication, leadership, land tenure systems, possibility of farmers forming a strong “production organization etc], social norms/cultural beliefs.

- b) What are the determinants of smallholder sugarcane productivity and profitability?
- c) What drives self-selection in each type of outgrower arrangement and how does gendered access to and rights over resources, gender relations, and decision-making power influence the choice of a outgrower arrangement?
- d) How can joining an outgrower scheme be gender responsive and address the potential negative consequences alongside promoting productivity, profitability, and food and nutrition security?

**Methods:** The paper will use descriptive, qualitative, and empirical assessment of smallholder farmer outgrower models in Uganda in the major three sugarcane productions regions (eastern, Northern and Western) to assess the above research questions. The research will use secondary data, including policy documents and relevant literature, the 2014 Uganda Population and Housing Census (UPHC), and the nationally-representative household survey collected by the Uganda Bureau of Statistics (UBoS). In addition, primary data will be collected, through key informant interviews (KIIs), Focus Group Discussions (FGDs) and a household survey of sugarcane growers, to evaluate different institutional arrangements for sugarcane and the implications for food security, livelihood security and women's empowerment.

**Gender Integration:** To be able to capture these gendered impacts for sugarcane growing, processing and marketing in Uganda, the proposed study will collect and analyze sex disaggregated data at both the community and household levels. Key gender variables included in the quantitative analysis will include women's autonomy in decision making, access to information and finance, land ownership rights, and land use rights. FGDs with men and women farmers will also elicit information on their roles in decision making around the sugarcane production and marketing activities, and access to and control over productive resources, among other topics.