Owners regret leasing land for growing cane in Busoga

Sugarcane growing has been a lifeline in terms of livelihoods and jobs for Busoga residents for several years. But some landlords are rethinking their leases to sugarcane growers.

BY TAUSI NAKATO

Individuals who leased out their land for sugarcane cultivation have expressed regret, saying the venture no longer makes business sense.

Although upfront payments per acre may appear attractive, they often do not match the potential earnings from seasonal crops such as rice, maize, tomatoes, pumpkins, and other food crops that can be harvested several times a year.

Currently, land owners lease out their land for between Shs600,000 and Shs1 million per acre for six years.

While this lump-sum payment offers immediate cash, it effectively locks landowners into long-term agreements, limiting their ability to switch to more profitable short-cycle farming activities.

Ms Joy Mukaire, a landlord in Jinja District, said sugarcane leasing agreements often bind landowners to long-term contracts with fixed returns, limiting their ability to respond to changing and more profitable agricultural opportunities.

She added that over time, this arrangement becomes less attractive when compared to crops that allow multiple harvests within shorter cycles and generate quicker returns.



Land owners raise concerns over long and low lease payments from sugarcane farmers in Busoga Sub-region. PHOTO/TAUSI NAKATO

"Sugarcane leases typically run for four to six years at fixed rates, and once you sign, you cannot easily adjust even when better farming opportunities come up," Ms Mukaire said.

She further explained that when land is leased out for extended periods at between Shs600,000 and Shs1 million per acre, the overall returns from sugarcane may end up being lower than those from seasonal crops such as maize, rice, and vegetables, which can be planted and sold several times within the same period.

Shs1m
SOME OWNERS CHARGE PER ACRE

Mr Faizo Mukungo, a land owner in Muwumu A Village, Busakira Sub-county in Mayuge District, said: "We are paid about Shs1.6 million per acre, but it is consumed within just two months because we try to cover school fees. In the end, the farmer benefits more than us."

Ms Margaret Namusoke, a landlord in Luuka District with 10 acres of land, raised similar concerns.

"When we lease land for sugarcane, we give up the opportunity to grow food and earn from short-term crops. The long wait leaves us with very little, while farmers reap the profits," she said.

Short-term crops remain a safer option for families that need consistent cash flow and food throughout the year.

"At first, Shs800,000 per acre sounds like a lot of money, especially when you receive it at once. But when you divide it over six years, it is very little per year. We realised too late that we made a poor decision," Mr Hassan Ssekandi, a land proprietor in Mayuge, said.

However, Mr Rashid Were, a sugarcane farmer in Jinja District, said some land owners benefit by leasing out idle land instead of leaving it unproductive.

"Many people think farmers make easy money, but that is not true. Some of the land we rent is bushy or has big trees and anthills that must be cleared first. By the time we finish land preparation and pay rent, we can spend up to Shs6 million on a single acre before harvesting," he said.

Ms Prossy Namatovu, a sugarcane farmer in Jinja District, emphasised the uncertainty surrounding the business.

"Farmers invest a lot of money long before they see any returns. Apart from rent, we buy cane cuttings, apply fertilisers, control weeds, and pay workers throughout the growing period. Since sugarcane takes years to mature and market prices can change, profits are never guaranteed," she said.

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