

Oilseeds boom: A game changer for edible oil production

Northern Uganda is rapidly becoming the oilseed powerhouse, with sunflower and soybean farmers responding to strong processor demand and a 350,000-metric-tonne national edible oil deficit that government hopes to close through targeted investment and organised production.

BY GEORGE KATONGOLE

Northern Uganda's economic recovery is increasingly being written in sunflower yellow and soybean green. Across the Acholi, Lango and Teso sub-regions, oilseed crops are transforming agriculture.

What were once subsistence plots are steadily turning into commercial enterprises, powered by structured markets, organised cooperatives, and deliberate State and private sector investment.

Oilseeds are no longer peripheral crops; they are central to Uganda's strategy to cut its edible oil import bill and lift smallholder incomes.

A long history

Oilseed crops; groundnuts, soya, simsim and sunflower, have been grown in northern and eastern Uganda for more than eight decades, both as food and cash crops. The sector initially revolved around cotton, groundnuts and simsim, flourishing in the 1950s and 1960s when sunflower and soybean were introduced.

However, the industry declined sharply in the 1970s and 1980s as imported palm oil captured much of the domestic market. Political instability and rebel activity during the 1980s and 1990s further disrupted production systems, weakened cooperatives, and shrank investment.

Since the early 2000s, relative political stability and renewed public and private sector investment have triggered a revival. Service provision to farmers has expanded, delivered through government programmes, NGOs and private processors. What is unfolding today is not a new sector, but the modernisation of an old one.

Uganda consumes an estimated 450,000 to 480,000 metric tonnes of vegetable oil annually, yet domestic production meets only about 100,000 tonnes, leaving a deficit of more than 350,000 tonnes. That gap, largely filled through imports,

represents both a drain on foreign exchange and a powerful opportunity for import substitution.

The NOSP push

Through the National Oil Seeds Project (NOSP), implemented by the Ministry of Agriculture, Animal Industry and Fisheries with support from the International Fund for Agricultural Development (IFAD) and the OPEC Fund for International Development, government is investing over \$150m to accelerate production. The project targets 960,000 acres under oilseed cultivation, aims to raise output by 156,000 tonnes annually and directly engage 120,000 smallholder households.

Solomon Okino, Mid-Northern Coordinator of NOSP, explains that the initiative began with understanding the historical and social context of northern Uganda.

"Many farmers had returned after years of displacement. Infrastructure was weak, markets uncertain, and trust strained. Improving production alone was not enough, so we prioritised forming and strengthening cooperatives to build confidence and organisation," says Okino.

Under NOSP, farmer groups receive structured training in agronomy, post-harvest handling, and

Opok Cooperative members weigh a farmer's harvest before storage, highlighting the role of cooperatives in boosting production. PHOTO/GEORGE KATONGOLE

business management. They are supported with improved seed varieties and guided on land preparation, timely planting, pest management, and harvesting techniques.

"Oilseed crops mature within a reasonable time frame, offer reliable market demand and contribute to soil fertility when properly managed. For farmers who previously depended on low-return crops, oilseeds represent diversification and stability," Okino adds.

Oilseed production is concentrated particularly in Acholi, Lango and Teso. About 80 per cent of Uganda's sunflower production comes from five districts around Lira — Apac, Lira, Oyam, Dokolo and Soroti.

Sunflower takes centre stage

While simsim and groundnuts remain important food-security crops, sunflower has increasingly become a purely commercial crop. Around 2001, only an estimated 10 per cent of farmers in Lira were growing sunflower. Varieties such as Sunfola, distributed by the Uganda Oilseed Producers and Processors Association (UOSPA), and recycled local varieties dominated the fields. Research into higher-yielding varieties was limited, processors were few, and buying was mainly conducted through middlemen.

The turning point came in the early 2000s. In 2001, Mukwano

Group began sourcing sunflower locally to substitute palm oil imports. In 2003, it introduced the high-oil-content hybrid PAN 7531 variety from South Africa and, in 2007, relocated its processing plant from Kampala to Lira.

Since then, the value chain has become more vertically integrated. Processors and millers increasingly work directly with farmers through contracts, although traders still play a role. Local research institutions have intensified development of improved varieties, with foundation seed multiplied by private seed companies in collaboration with farmers.

Today, an estimated 60 per cent of farmers in Lira grow sunflower. About half are organised in small groups of 20–30 members, often supported by NGOs or millers. A smaller proportion operate within larger cooperatives, while others remain unorganised.

Alex Mukuluma, Monitoring and Evaluation Officer at NOSP, says that group cohesion is vital.

"The more united and committed farmers are, the more benefits they will realise. Cooperation ensures collective bargaining, consistent production standards, and shared learning. When farmers work together, risks are reduced and opportunities increase," he says.

Sunflower oil production nationally rose from 29,200 tonnes in 2000 to 76,900 tonnes in 2012.



Improved seeds mean bigger harvests. Sunflower leads the oilseed boom in northern Uganda.

