

**The Elegu Climate Resilient and Gender Responsive Cross-Border Market Project**

**Hosting Authority:** Government of Uganda represented by Amuru District Local Government

**Location:** The market will be constructed on a designated market area measuring 11.45 acres located in Elegu Town Council, Amuru District, adjacent to the Gulu–Nimule highway.

**Funding:** The project is backed by joint funding of USD$ 11.5 million (over Ug. Shs. 41 billion) from the Royal Danish Embassy Kampala (DANIDA)[[1]](#footnote-1) and the European Union delegation in Uganda (EU)[[2]](#footnote-2) under the Team Europe collaboration.

**Implementing Partner:** TradeMark Africa (TMA)

**Background and Objective:**

Elegu, Uganda’s key crossing into South Sudan, has become one of the country’s leading exit point for informal exports, with trade growing from USD 50.38 million[[3]](#footnote-3) in 2018 to USD 111.3 million in 2022. In 2022 alone, 1.35 million metric tons of goods valued at USD 220 million passed through Elegu, driven by agricultural produce, livestock, and manufactured goods. Informal exports to South Sudan more than doubled over five years, making it Uganda’s third-largest informal trade partner, highlighting the strategic importance and resilience of the Elegu–Nimule trade corridor.

However, the area is hit by floods during the two rainy seasons each year, delaying the movement of goods, including humanitarian cargo, sweeping away stalls and submerging goods in the market, thereby causing immeasurable losses to small scale cross border traders, as reported in this [Global Report Journal](https://globalpressjournal.com/republish/?republish_post_title=%26%238216%3BWhen+It+Rains+%E2%80%A6+We+Cry%E2%80%99%3A+River+Submerges+Livelihoodse). The current market infrastructure is poorly equipped to cope with such extreme weather events, and traders have repeatedly protested over inadequate sanitation and water facilities, which have led to disease outbreaks. Standards of traded produce is compromised in the market which also has no waste management system.

Women constitute 63% of informal traders at the Elegu border market, engaging in the trade of agricultural products, meats, vegetables, and other goods. The project aims to address the unique challenges faced by women, including childcare responsibilities, lack of proper market infrastructure, and vulnerability to climate related disruptions. 40% of Persons with disabilities in Elegu also struggle because infrastructure is not accessible which prevents them from fully engaging in trade activities.

The Elegu Climate Resilient Cross-Border Market Project is designed to address the critical challenges posed by climate change, while empowering vulnerable groups, particularly women, youth and people with disabilities (PWDs), in the informal Cross-Border trade sector. The first of its kind for Uganda, this climate-resilient market at Elegu represents a transformative initiative aimed at enhancing trade, fostering economic growth, and promoting gender and climate resilience in Uganda. These changes support household incomes, attract investment in services, and reinforce Uganda’s regional trade routes and corridors.

**Funded activities:**

* **Flood mitigation**; raising the entire site (11.45 acres) by 2-2.5m to above the flood level (top of Gulu-Nimule Road ground and integrating reinforced drainage channels, to ensure that seasonal flooding of the Unyama River cannot disrupt trading. During the rainy season, rainwater retention swales, permeable paving beneath parking areas, and stormwater settling basins will capture and safely divert runoff, keeping the market dry, operational, and resilient year after year.
* **Establishment of market infrastructure**; market shades for 1,500 vendors, a restaurant, day care, banking hall and essential facilities such as toilet blocks and a gatehouse.
* **Climate resilience & green energy;** Cyclone ventilation, open sided structures for air circulation, roof insulation, installation of solar panels, and fire protection systems, water supply and rainwater harvesting systems, a borehole for alternative water supply) and improved waste management
* **Establishment of a grain handling facility**; to improve post-harvest handling, storage, and quality control of grain, reducing losses and enhancing market competitiveness for smallholder farmers and traders.
* **Construction of a 450-meter access road** (slip lane); linking the Elegu market to the Gulu-Atiak-Nimule Road. combined with covered loading bays and clearly marked parking for fifty vehicles, will halve the time vendors spend on unloading and loading goods. Internally, separate inbound and outbound lanes with raised pedestrian crossings will streamline movement, reduce congestion, and minimize post-harvest losses, translating directly into higher daily turnover for traders.
* **A gender analysis study** and **capacity building of the Elegu Trade Associations.** A Market Management Committee composed of traders’ representatives and local government officials, will be established. This committee will oversee operations, set and enforce market rules, and manage upkeep. Additionally, vendors will receive hands-on training in financial record-keeping, hygiene standards, and conflict resolution, fostering a culture of transparency, accountability, and shared responsibility that will sustain the market’s success over the long term

**Impact on Trade, Investment, and Livelihoods of Informal Traders**

**Enabling trade in Elegu all year round:** The market will be climate resilient and therefore bring an end to the cycle of flood-related market closures during the rainy season. All year market operations will increase trade by atleast USD 22 million per annum. Faster loading and unloading will support vendors to handle **25–30%** more goods daily, while transporters will also benefit from the faster turn around time reducing the cost per trip. The market will encourage increase in local production and catalyse local entrepreneurs to invest in storage, transport, and processing, creating more jobs.

**Supporting Women and Persons with Disabilities (PWDs):** Currently, women and PWDs struggle to fully participate in market activities due to poor infrastructure and caregiving duties. By adding ramps, lowered counters, tactile signs, and a daycare, we expect at least 30% more active participation by women and PWDs. With the children’s daycare within the market, women will be able to trade longer hours and increase their daily income by atleast **15–25%**, while PWDs can participate in trade and strengthen household incomes.

**Inclusive market management:** Transparent market management will ensure full vendor occupancy due to agreed market fees, and inclusion of all vendors through the market management committee in the daily market operations. Clear oversight of fees and maintenance will build trust and ensure the market remains clean and operational without relying on external support.

**Improving Access to Affordable Finance:** With no banking facility in Elegu, traders only have the option of borrowing funds for their businesses from money lenders at a high cost of 30%. The banking facility in the market will make it easier for vendors to get affordable loans, reducing dependence on moneylenders charging **30% interest**. A financial facility in the market will enable the traders access more affordable financing, grow their businesses and increasing their income.

**Reducing Poverty and Supporting Livelihoods:** When the market floods, traders lose income, affecting food and school expenses. Keeping the market open year-round will reduce income losses by **10–20%** and help families save and diversify incomes. The overall improvements in trade and participation will benefit **about 5,000 households in Amuru**, supporting Uganda’s Vision 2040 goal to reduce poverty and formalise the informal sector.

These outcomes will reduce poverty, increase incomes, and strengthen the local economy while ensuring the market operates effectively and inclusively throughout the year. These projections rely on the Uganda Trade Support (TUTS) Project baseline data, conservative national estimates. Ongoing monitoring will refine estimates and guide adaptive management.

**Additional matters that need attention:**

**Waste management;** the project has provided for on-site solid waste collection before being transported to the designated six-acre dump site provided by Elegu Town Council (T/C). However, a waste management system is required to facilitate the efficient movement of collected waste to the dump site.  In addition, management of this waste at the dump site is required.

**Dispute Settlement**; Elegu, a key trade hub with a fragile context and diverse communities, often faces disputes over trade issues such as taxes, quality standards, currency fluctuations, and market space. To address this, it is important to strengthen border alternative dispute resolution (ADR) platforms, train local and district leaders on handling trade disputes, establish clear, corruption-free reporting channels for traders, and build the capacity of women traders to access and use dispute resolution mechanisms.

1. Under The Uganda Trade Support (TUTS) Project (DKK 70 million) [↑](#footnote-ref-1)
2. Under the Small-scale Cross-border Trade Enhancement Programme along Corridor 11 (Euro 10,100,000) [↑](#footnote-ref-2)
3. Uganda Bureau of Statistics. 2023 Statistical Abstract. [↑](#footnote-ref-3)