EAGC signs MoU with Rwanda Standard Bureau (RSB) to enforce grain standards

The Eastern Africa Grain Council (EAGC) finally signed MoU with the Rwanda Standards Bureau (RSB) to accelerate enforcement of grain standards in Rwanda. EAGC Executive Director, Gerald Masila accompanied by Regional Manager MIS, Janet Ngombalu and Acting Country Manager, Rwanda Epiphanie Karekezi, held meeting with Rwanda Standards Board on 11th May 2011 to discuss parameters towards grain standardization in the country. The meeting saw the two institutions sign Memorandum of Understanding.

The MoU seeks to promote strong grain standards and trade in Rwanda. Speaking during the signing, Dr. Marc Bagabe, RSB Director General, said reinforcing grain standards will improve commodity value chain and promote interlinkages between grain stakeholders and EAC.

In his remarks, Mr Masila said that the MoU will help foster linkages between players in the grain sector within EAGC partner states, to improve value chain. Successful Implementation of the MoU was a great milestone in Rwanda in the near future.

Rwanda joins other Eastern Africa countries to have signed this unique yet important agreement towards grain standardization in the region. Kenya, Uganda and Tanzania have already signed the MoU with the Eastern Africa Grain Council. EAGC anticipates to foster institutional strengthening for efficient facilitation of profitable grain trade.
Recently, EAGC opened Malawi country program and recruited staff to support activities in the country. In a spirited move to position itself in the centre of grain trade, to start with, EAGC conducted training on Warehouse Receipt System in Malawi.

This was informed by prevailing poor standards of handling grains as well as leveraging on the ongoing WRS advocacy. The Executive Director, Gerald Masilsa and the Regional Manager-Structured Trade System, Samwel Rutto on 3rd May, 2016 facilitated the training which focused on Structured Trade Systems at the Sogecoa Golden Peacock Hotel in Lilongwe Malawi.

The training was facilitated in collaboration with the Ministry of Industry, Trade and Tourism and supported by International Finance Corporation (IFC). The training was aimed at training Senior Government Officials from the ministries of Trade (MoITT), Ministry of Agriculture, Irrigation and Water Development (MoAIWD) and the National Food Reserve Agency (NFRA). Over twenty trainees attended the training.

The objective of the training was to equip the senior governmental officials with knowledge on the status of the grain sector in Malawi and Southern Africa, the structured trade systems and the trade policy environment and their impact on the grain trade. With the clear understanding of these elements, the staff will be essential in the EAGC’s drive in the grain advocacy within the country.

During the training, the legal expert from the MoITT Mr. Cyprain Kambili presented the draft of Warehouse Receipt Systems Bill. The government is in the process of introducing WRS law to structure WRS operations in the country. It was clear from the bill that its effective implementation depends on a number of factors which include removal of exports bans, investment in appropriate storage facilities and harmonization of standards.
Getting regional markets for staple food going, EAGC speaks at Grow Africa Media Breakfast

EAGC in partnership with DFID, and Food-Trade-ESA hosted Media breakfast at the precinct of World Economic Forum on 11th May, 2016, at Lemigo Hotel, Kigali Rwanda. The breakfast was held under theme: Getting regional markets for staple food going: opportunities and challenges.

Target invitees included agriculture sector players from the private and public sectors.

The aim of the meeting was to get private and public sector actors to discuss the opportunities and challenges of getting regional markets for staple food going.

Panelists gave key highlights about relevant initiatives they were managing and supporting, as well as the opportunities and challenges they have experienced in promoting and enhancing the growth of regional staple food markets.

EAGC Executive Director, Gerald Masila who was among key panelists, presented on Supporting structured trade across the region through innovation - G-Soko. Mr Masila said that Eastern Africa Grain Council believes that the region produces enough food that can sustain itself. He argued that the problem has been artificial shortage of food in the markets created by cartels. He quipped that it is this reason that EAGC’s innovation in the grain trade will be ideal in structuring trade especially grain trade which will ultimately be a win-win to both traders and farmers.

Other panelists were; Marc Van Uytvanck; DAI FoodTrade East & Southern Africa - Team Leader and Mack Ramachandran; UN World Food Programme (WFP) - Deputy Director, Procurement (Supply Chain Division). FoodTrade-ESA and World Food Programme are key development partners running major initiatives in the region towards promoting food security.

Country Program Committees Inducted

EAGC Board of Directors and Senior Management Team led by Executive Director held GSoko conducted induction session for the country program committees (CPCs) in Arusha, Tanzania from 25th to 27th May 2016.

Early April, EAGC members elected Country Program Committee in Kenya, Tanzania, Uganda and Rwanda. The committees were selected under the direction of the Board to support in the implementation of the country programs in each country.

The CPC members were taken through the overview of EAGC programs and activities within each country. Roles of the CPC within each country were spelt out. The induction process was aimed at acquainting CPC members with the general activities of EAGC as well as their roles to help them execute their support to the EAGC board effectively.
EAGC G-Soko, an electronic grain trading system which facilitates both domestic and regional trade was developed by EAGC in partnership with Virtual City Ltd and supported by FoodTrade-ESA. The EAGC G-Soko System is built on an industry self-regulatory mechanism and warehouse certification system where farmers through aggregation centres and off-takers (buyers), banks among other service providers are parties to the trading system backed by the law of contract.

One key ingredient for the success of G-Soko is the Trade Portal which enables commodity owners to sell their electronic grain certificates on the platform where they can set the reserve price for the certificate. The system allows only buyers who have opened a Trade Account on the Trade Portal with EAGC as eligible to place bids on electronic certificates. The system also has a Clearing & Settlement tool that manages the trade account and facilitates transfer of funds and ownership of commodity.

To validate this system, The Eastern Africa Grain Council organized GSoko validation workshop in Arusha Tanzania from 25th to 27th May 2016 at The Meru Hotel. Several representatives from across the grain value chain stakeholders including FoodTrade- ESA team participated in the validation process.

The Regional Manager, Structured Trading Systems, Mr Samwel Rutto kicked off validation process by presenting an overview of the journey that led to the creation of the EAGC GSoko system. Managing Director, Virtual City Ltd briefed stakeholders on the processes that GSoko development underwent and a brief overview of how the various features and how they work.

Participants reviewed the grain trading system and made several recommendations which will be factored in the deployment of various GSoko modules before it goes live with the trade portal.
EAGC Malawi program team, Country Program Manager, Babette Juwayeyi and Program Officer, Taziona Mchira facilitated the farmers’ training on structured trade Systems (STS) at Sunbird Lilongwe Hotel in Lilongwe. The training which was the first to be conducted in Malawi to farmers, attracted a total of 32 grain farmers.

The training was conducted in collaboration with the Ministry of Industry, Trade and Tourism and supported by International Finance Corporation (IFC). Training sessions were organized to build the capacity of the farmers in areas of post-harvest handling, aggregation storage, warehouse receipt systems, quality assurance, leadership and governance and trade financing.

During the training, farmers visited the warehouses of the Agricultural Development and Marketing Corporation (ADMARC) to learn the warehouse operations, identify the gaps and areas of improvement. It was observed that the ADMARC does not have enough capacity to handle the grains, there were no drying equipment such that the grains were dried on the floor inside the warehouse.

EAGC takes this opportunity to undertake formidable measures towards structuring grain trade in the country through its interventions.

In May, the team conducted another training collaboration with the Ministry of Industry, Trade and Tourism (MoITT) and with support from the World Bank through the International Finance Cooperation (IFC). There were 30 extension workers ranging from Agricultural Extension Development Officers (AEDOs) to Extension Methodology Officers.

The training was aimed at building the capacity of Extension providers on extents of Structured Trade Systems, Post-harvest management of grains, Aggregation, storage practices and pest control, grain quality as well as group leadership and governance skills.

Further to that, Extension workers had a chance to visit the Action Holdings Commodity Exchange (AHCX) to appreciate the processes of warehouse receipts where among others, had a practical session on both manual and mechanized grading and warehousing.
More certified warehouses accept GSoko installation

Kenya country program has intensified process of installing GSoko to the newly certified warehouses. A total of six (6) new warehouses were successfully installed to GSoko system in North Rift Region of Kenya. In addition, four (4) aggregation centres were also installed. organized installation of GSoko to the certified warehouses in the region.

During the installation, which is done by EAGC in partnership with Virtual City Ltd, the team identified challenges encountered during the implementation process. It was noted that poor internet network affected installation and unstable mobile phone software were major concerns. Other issue was the request for selection of grain, grade and weighing container at every weighing stage.

Market linkages inevitable in promoting grain trade in the country

Farmers in the Eastern Region of Kenya participated in market linkage meetings with Buda Cakes and Feeds Company organized by EAGC discuss possible trade linkages. Over 16 famers from Kiuuku FBO participated in the meeting. The participants discussed issues of quantity, quality, price, mode of payment on pigeon peas supply to the traders as fundamental for better trading. The farmers agreed to start delivering their produce to the traders. Since rains are ongoing, quantities will depend on the harvests.

It was agreed that the traders will visit the group again at mid June with contracts for the farmers on pigeon peas. The farmers were encouraged to start aggregation as early as possible and in large quantities since the market for their produce will be readily available.

Another trade linkage meeting was held at Mbuvo Commercial Village. The management committee discussed possible supply of grains. Apart from the aggregated volumes from the members, the FBO agreed to source grains from non members for the trader. They also had chance to talk about possible market for their cassava products like flour and chips. The trader offered a price of Ksh 50per kg while the FBO proposed Kshs 80 per kg of pigeon peas. At Muungano CBO, it was noted that the CBO could not give assurance of quantities which can be supplied. However, both parties agreed to work together in the following season on white cowpeas and supply to the trader. The FBO requested the trader to source for seeds for that specific variety of cowpeas which the trader is interested in. It was agreed that the next visit will be the first week of July to agree on the final price for the cowpeas and get feedback on the availability of the cowpeas seeds.

Most farmers in Eastern region yearn for grain traders who would offer available markets at best prices.
EAGC Members continue to benefit from ongoing Business Development Service initiative

Consultants engage with operators on BDS exercise in one of the warehouses in Uganda

Eastern Africa Grain Council has been conducting business development services in the region. The service which targets Warehouse operators is aimed at equipping members with financial skills to manage their warehouses profitably.

EAGC Program Officers, this month accompanied and Agile, and Keystone consultants to conduct Business Development Services at KACOFA, Soroti Grain Millers, Farmers Centre (U) Ltd, Joseph Initiative (U) Ltd, Masindi Seed and Grain Growers Ltd, Nyakatonzi Growers Cooperative Union, Savannah Commodities Company Ltd, and REWA Grains Ltd. The Agile consultants concentrated on financial reporting, record keeping and Stock management at the warehouses.

The warehouse operators benefited from detailed training which enables them to undertake warehouse operators effectively and at a profit. The visited organisations received financial management template for adoption.

The organisations, who are members of EAGC appreciated the initiative which is purposed to benefit members directly. The exercise will go on all selected member organisations.

Pre-testing of warehouse standards.

Eastern Africa Grain Council represented by Program Officer, Benjamin Aijuka attended a Pre-test of warehouse standards meeting at Rider Hotel in Mukono. The meeting was organized by Uganda National Bureau Standards with Support from USAID-EEA. EAGC was greatly appreciated during the meeting for coordinating practical pre-testing of the standards and aiding in warehouse certification. The process has been beneficial to the farmers and traders in the region towards promoting standardization of trading grains.

Installation of G-Soko Continues in Uganda

The team coordinated installation of G-Soko at Soroti Grain Millers, Nyakatonzi Growers Cooperative union, Kapchorwa Commercial Farmers Association warehouses. There was also installation of the updated version of Agri-manager in all the certified warehouses. This activity was spearheaded by Virtual City under the coordination of EAGC.

Agribusiness Expo Uganda is happening on 24-25TH JUNE, 2016 at MASINDI
EAGC represented by Tanzania Country program, Terry Ikunda participated in the Launch of SITA Value Chain and Road map for pulses, Sunflower, Cotton and Leather. The launch was held on 2nd May 2016 at Julius Nyerere Conference Centre.

The launch which attracted participants from major value chain stakeholders, was officiated by the Permanent Secretary, Ministry of Industry, Trade and Investment. The Road map strategy for cotton & textile, leather, sunflower and pulse roll out was released.

On other activities, EAGC participated in Pulse Round Table meeting at New Africa Hotel on 2nd May 2016. The EAGC was chosen to take lead in coordination of all pulse activities in the country.

Membership Visits

The Tanzania team conducted membership visits and meetings with several groups. A meeting with RUDI agreed on warehouse inspection exercise of their Warehouses by EAGC.

Rudi team provided a list of 40 warehouses and proposed EAGC to conduct a preliminary inspection as soon as possible so as they can work on the report recommendation and enroll their warehouse in the G-Soko platform.

In a meeting with Bakhresa, and agreement purchase 1000 MT of wheat from Young Masitus Company was reached. The Marketing Manager of Bakhresa advised Managing Director of Young Masitus, Mr. Hamisi to liaise with Tanzania Zambia Railway through EAGC to ensure cost effective on transport through the railway for the consignment to be traded.

NEW EAGC MEMBERS IN MAY 2016

1. KAIDU COOPERTIVE – RWANDA
2. SOJAVI FARMS – MALAWI
3. NATIONAL MICROFINANCE BANK – TANZANIA
4. KAMILI PACKERS - KENYA
5. RURAL WOMEN IN AGRICULTURE - KENYA
Preparations for the first ever Agribusiness Fair were in top gear as EAGC South Sudan program anticipates to host the event. Country program representative, Taban Emmanuel participated in Agribusiness Fair (ABF) meeting mid May to forge ahead theme for this years Fair.

The ABF planning team conducted visits to various stakeholders and discussed partnership and sponsorship for the event. In a meeting with Cooperative Bank of South Sudan and Seed Grow Ltd, discussion was around demo site establishment and ABF media launch.

The team came up with a theme “Promoting agribusiness through Innovation for food security and development in South Sudan”. Seed Grow Ltd confirmed to establish demo plot (s) in time. Towards creating awareness, the team discussed that media breakfast will be crucial and will be actualized in due time. Most of the organisations in South Sudan are have expressed immense interest to participate in the Fair. Among them, Cooperative Bank of South Sudan has also shown interest to participate and support this event in any form.

Among other interested stakeholders are; Mr. Kenneth of Pulse Agro Business, Chris Maleka of Equatorial Seeds, Innocent B. of Aim Global (Agro dealer), Mr. Brett Scott -Lon, Managing Director of Agro South Sudan (JOHN DEERE- Machineries), Mr. Selvarajah- Ryce of South Sudan LTD (Machineries) and Francis Bile of Seed Grow Ltd.

Eastern Africa Grain Council is keen to transform grain trade in South Sudan. As EAGC firms up operation in the country, Agribusiness Fair is one of the major initiative to leverage on in supporting farmers.

### Linkage of farmers to various services providers;

EAGC and South Sudan Producers Union (SSAPU) held linkage discussions with farmers in Juba. The meeting with Seed Grow Ltd an input supplier local company was identified as a possible supplier of viable and quality seeds of ground nuts, maize and sorghum.

This was an initiative to have locally improved quality seeds for farmers in the country which will address poor quality seed issue towards increased yields. The company also intend to buy part of the harvest from the farmers by way of entering into contract. More than five (5) farmers were met in South Sudan.
Lobbying for New EAGC members in Burundi

EAGC Burundi country program advanced awareness of EAGC activities to Women Association of Burundi in a bid to seek areas of partnership with the association as well as lobby for membership. The participants appreciated EAGC programs and the opportunities offered. They also sought to know how they can work with EAGC particularly on structured trade system and market linkages.

Data collection for FBS and FBS committee validation

Burundi Country Representative, Yves Batungwanayo followed up on the Food Balance Sheet data collection. So far, there are 26 contributors.

### EAGC KEY UPCOMING ACTIVITIES

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<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Event Description</th>
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<td>3rd June 2016</td>
<td>Lilongwe, Malawi</td>
<td>Official Launch of EAGC in Malawi</td>
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<tr>
<td>7th to 10th June</td>
<td>Eldoret, Kenya</td>
<td>Graders Training</td>
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<tr>
<td>12th to 20th June</td>
<td>Kigali, Rwanda</td>
<td>Warehouse Operators Training</td>
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<td>14th June</td>
<td>London</td>
<td>IGC Grains Conference 2016</td>
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<td>14th to 16th June 2016</td>
<td>Malawi</td>
<td>Structured Commodity Trade Finance (SCTF) Training</td>
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<td>16th June</td>
<td>Malawi</td>
<td>Business To Business meeting (B2B)</td>
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<tr>
<td>14th – 16th June</td>
<td>Nairobi, Kenya</td>
<td>Graders Training</td>
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<td>14th, June – Uganda</td>
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<td>Budget Synopsis Forums</td>
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<td>15th, June – Kenya</td>
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<td>20th, June – Tanzania</td>
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<td>22nd June – Rwanda</td>
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<td>24th – 25th June</td>
<td>Entebbe, Uganda and Arusha, Tanzania</td>
<td>Agribusiness Expo 2016</td>
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<tr>
<td>22nd July</td>
<td>Nairobi, Kenya</td>
<td>Grain Trade Open Platform</td>
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<tr>
<td>12th – 13th August</td>
<td>Nakuru</td>
<td>Agribusiness Expo 2016</td>
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