Dear esteemed members and partners,

EAGC is pleased to share with you our monthly Member’s Update for July 2016. In this issue, you will find articles on the different and interesting ways the council is furthering its mandate of facilitating efficient, structured, inclusive and profitable grain trade in the region.

We hope this Members Update will serve as one of the ways to help you keep connected with EAGC and to find the many opportunities in which we can continue ensuring better services for your business.

EAGC has continued to partner with several grain stakeholders in the region and Africa at large. These partnerships are anticipated to benefit EAGC members grow their trading networks.

For instance, this month, EAGC was recognized as a key player in African sorghum and millet 4P platform in Addis Ababa. And through this platform, EAGC will drive interests of its members.

We also signed a partnership MoU with Soy Afric and SGC which will see EAGC members benefit from affordable and efficient grain testing and grading services.

Notably, EAGC launched its inaugural edition of the Grain Trade Business Directory, primarily for members, and other interested stakeholders which was significantly informed by dire need for business contacts. This is a comprehensive and relevant Trade information which we believe will in one way or another contribute to the growth of your business.

Moreover, in this issue, you will read more of the activities and interventions of EAGC in policy advocacy, market information systems, business to business forums as well as capacity and trainings across the region.

We look forward to your feedback. Please feel free to contact us for more information on any of our ongoing and upcoming interventions.

Enjoy the reading.
INSTITUTIONAL PARTNERSHIPS

EAGC recognized as a key player in African sorghum and millet 4P platform in Addis Ababa

The EAGC Executive Director, Gerald Masila represented the council at the platform for African Sorghum and Millet meeting held in Addis Ababa from 4th to 7th July 2016. EAGC was honoured to be part of the Core Group constituted to develop a Public-Private Partnership Platform (4P) to promote African sorghum and millet.

The event was organized by Agropolis Foundation in partnership with DuPont Pioneer and was hosted by the Ethiopian Institute of Agricultural Research. This meeting was informed by deliberations of another meeting convened in Montpellier, France in October 2015.

In order to move the process forward, it was decided that this follow-up meeting designed to take the discussion a step further by defining the platform's objectives, focus, activities and deliverables; modus operandi and coordination/governance.

Experts recognized key role of Eastern Africa Grain Council and its presence was considered paramount to scale up the success of the 4P on African sorghum and millet in Africa. The working group revisited the 2015 deliberations and affirmed the four key areas for the 4P: seed systems, seed product development, farmer production systems, market & value chains.

The group discussed and formulated platform’s vision, mission, objectives and guiding principles building on the reactions of the October 2015 participants as well as platform’s modus operandi, including the organizational set-up, cost and programmatic implications.

This platform will offer an opportunity for EAG to drive interests of its members particularly those who deal with millet and sorghum.

EAGC, Soy Afric and SGC signs a partnership MOU to offer grain testing and grading services

The Eastern Africa Grain Council (EAGC) in partnership with Soy Afric Limited signed a Memorandum of Understanding with SGS Kenya Limited for a partnership on management and operation of outsourced customer food laboratory services to the grain and pulses handlers.

Through the MoU, EAGC and Soy Afric established a partnership to undertake laboratory testing and grading of all grains, pulses, oil seeds and their by-products where SGS Kenya Limited will provide outsourced testing and independent onsite laboratory management services to the wide range of grain handlers.

The MoU will facilitate EAGC members and all grain stakeholders access affordable and quality testing services in order to meet industry specifications and facilitate grain trade seeking to improve food security along the supply chain. EAGC is in the forefront of seeking alternative solutions to the challenges faced by the grain stakeholders especially in accessing affordable grain grading and testing laboratory services.

The partnership will lead to establishment of the testing and quality grading services through the state of the art laboratory, which will offer a reliable and convenient choice of grain testing, and grading improving business and increase profitability.
G-Soko Grain Trade Business Directory is finally out! On 20th July EAGC launched its first Edition of the Grain Directory, as a tool to facilitate the tripartite trade and food security in the region. The Directory unveiling was officiated by Mr Peter Kiguta, EAC Deputy Secretary General – Trade and Customs during a regional dialogue on the Proposed Tripartite Free Trade Agreement (TFTA) between the EAC, SADC and COMESA trading blocs, hosted by the Eastern Africa Grain Council (EAGC) in partnership with the Food and Agriculture Organization (FAO).

For long, grain stakeholders have struggled to network with their partners across the region, the hustle is now settled. Thanks to the EAGC members and partners for making this dream a reality. The G-Soko Grain Trade Business Directory features detailed listings of EAGC members by sector, country and job title, whilst also providing an overview of business activities with regards to grains handled in the value chain.

The G-Soko Grain Trade Business Directory is of a benefit to EAGC members as to showcases our decade strong desire in advocating for and facilitating an efficient, structured, inclusive and profitable grain trade in the Eastern Africa region. Through this latest service, users of our G-Soko Grain Trading System will have a new level of transparency and information in order to better leverage the plethora of available opportunities, service and products for grain trade business in the region and across the value chain.”

The Directory has been designed to address key issues flagged by sector players – spanning farmers, traders, processors, millers and financial institutions -, which has included the need for easier and comprehensive access to relevant trade information within the grain industry.

The G-Soko platform is key to consolidating the outputs of our grantees that have targeted interventions along various points of the staple food value chains. Grantees will link their beneficiaries to the G-Soko system, integrating smallholder farmers into structured trade systems, enabling them to trade their produce seamlessly across the region.

The directory is targeted to benefit members and all other stakeholders in the grain sector.

To get your copy, Please contact us on:
Tel: +254 20 3745840 / +254 733 444 035, Fax: +254 203745841
Email us at grains@eagc.org
The Board of Directors of the Eastern Africa Grain Council (EAGC), representing the private sector actors in the grain industry, met in Nairobi to deliberate among other issues, the challenges hampering cross border trade in staple foods within the Eastern Africa Region.

The Directors underscored the critical role that trade plays in facilitating movement of food commodities from surplus production areas to deficit areas that offer markets for the producers.

The Council noted with appreciation the efforts and investments made by the private sector, in the production, handling, storage, trade and distribution of grains and cereals commodities in the region.

Speaking at the meeting Directors called on the governments within the Eastern Africa region to commit to supporting regional integration and facilitating trade among the members states observing that trade was the only sure way for the people to transact and exchange value and thereby raise the standards of living of the citizens.

The Directors pointed out the challenges faced by their members in conducting cross border trade, particularly within the EAC region where some of the Governments have been taking short-term measures to block trade and thereby undoing all the efforts made towards long-term solutions. They gave an example of what this could mean for their membership within region when export permits were cancelled without notice. Some of the resultant effects of include trucks being impounded and stopped at the border points resulting to very heavy financial losses in transport waiting charges, loss of time, inability to meet contractual obligations and high expenses.

They also acknowledged that each of the countries within the Eastern Africa region had different agro-ecological zones and that at any one time within the year, crops were being harvested in one country and when one country was harvesting the other was not and therefore there is reason and basis for continuous trade in Grains throughout the year. Given this scenario it is noted that the Eastern Africa region, as a region, is food secure and if free trade is facilitated by the various national governments, then the entire region will always have sufficient food to feeds the citizens of Eastern Africa region.

Among other recommendations, the grain stakeholders called on EAC to embrace the spirit of integration and free movement of Goods in the region, promote and demonstrate commitment to Structured Trading Systems, Institute a consultative process with private Sector on Policy decision and encourage use of Non Tariff Measures as Non Tariff barriers.
The EAC and EAGC convened Regional Harmonisation Meeting on draft East African Staple Foods Standards for Cereals and Pulses

The Eastern Africa Grain Council (EAGC) and the East African Community Secretariat (EAC) hosted the Regional Harmonisation Meeting for discuss draft East African Standards under Cereals and Pulses 25th to 29th July 2016 at Mount Meru Hotel in Arusha, Tanzania.

The meeting, supported by the USAID East Africa Trade and Investment Hub (EATIH), brought together technical experts on Quality Assurance and Standards representing both the public and private sectors from all East African Community Partner States to address the gaps and other areas of concern on the harmonised Staple Foods Standards, and to receive and harmonise recommendations for revision of the Standards.

Among public and private sector delegates from Burundi, Kenya, Rwanda, Tanzania and Uganda, the meeting was also attended by the USAID/EATIH, the USAID/Feed the Future Enabling Environment for Agriculture Activity (EEA) and the African Organisation for Standardisation (ARSO).

The experts agreed on key national positions underscoring the importance of harmonisation of standards for promoting cross-border trade in food staples. They noted that the EAC is negotiating a mutual recognition agreement with COMESA with respect to staple foods standards in order to promote food trade between the two blocs. The Eastern Africa Grain Council has been and will continue to be on the forefront in supporting harmonisation of cereals and pulses in order to assure ease of grade trading in the region.

Facilitating grain business linkages

The Eastern Africa Grain Council continues to facilitate grain trade through business to business forums. On 19th July, EAGC regional team, hosted a local B2B forum in Machakos.

The meeting, officiated by EAGC Executive Director, Mr Gerald Masila targeted local farmers from lower eastern region and buyers from across the country.

A total number of fifty five (55) grain stakeholders attended the forum. Most of the participants were farmer groups from Makueni, Kitui and Machakos counties who deal in green grams, cow peas, chick peas, maize, sorghum and pigeon peas.

Successfully, the B2B culminated in to signing of contracts between traders and farmers amounting to 30,492 MT valued at USD 20,534,497. Currently the farmers are harvesting and aggregating their produce in readiness for sale to the buyers they signed deals with.

During this meeting, EAGC called on farmers to form more farmer groups, encouraging them to aggregate their produce as they await the right time to sell their produce for maximum profits. EAGC assured farmers of continued support to ensure they get maximum income from their produce.

A new member joined EAGC during the meeting in Machakos. AGROSAVE Limited deals with green grams, Soya, Pigion peas, Sunflower and all pulses, joined EAGC as a new member.
EAGC hosts a successful national B2B in Dodoma

The EAGC Tanzania country team hosted a B2B event for national traders at Morena Hotel, Dodoma. The meeting attracted 41 participants both farmers and traders. Some of the farmer groups in attendance were Uwasa, Umweta F.G, Uviwadi F.G, Muungano and Kikundi cha Mwanzoni.

Mr Sebastien Msola of Kibaigwa Flour Supply, who is a member of EAGC officiated the event and shared his personal experience and benefits of being a member of EAGC. He mentioned that from such meetings, he made business from trade contract. For instance, Kibaigwa Flour Supply signed contract with IMARA (Indian Pulses Company) that he met at the Arusha B2B.

Among the grains that were traded were sorghum, maize, sesame and sunflower oils seeds. Contracts amounting to 580 MT of grains was signed. One of the farmer had an opportunity of introducing his rice that is marketed as suitable for people living with diabetes.

EAGC has taken keen interest on market linkaging for the grain stakeholders to promote profitable grain trade in the country as well as encourage intra regional trade.

Market price and border price mapping in Tanzania

The EAGC MIS program undertook market price and border profiling exercise in Tanzania this month. The main objective of the exercise was to identify the key price changing points in grain trade, and to understand the drivers of the price differentials at each stage of the grain value chain.

Based on the premise that grain marketing and trade moves from the farm level and village level, with each farmers settling on a price based on various parameters and negotiation capabilities.

The team mapped and profiled 9 markets and 1 border. The markets targeted are located in the Southern Highlands, central region and around the lake zone of Tanzania.

The markets profiled were Morogoro, Iringa, Makambako, Mbeya, Tunduma, Dodoma, Kibaigwa, Moshi and Shinyanga. The border that was visited was the Holili-Taveta border.

The outcome of these activities is that EAGC members will be able to access Market information from more markets in Tanzania and hence will be able to make more informed decisions on trade.
SME Identification process in Malawi

EAGC through the AIMS program will facilitate the profiling of Small and Medium Enterprises (SMEs) in the grain sector and also conducting a training capacity needs assessment. In preparation for the profiling exercise, EAGC Malawi team identified potential SMEs in Malawi which will form part of the respondents for the profiling exercise.

Malawi country program is in the process of expanding reach of EAGC activities and this process is among other strategic approaches employed.

New Member

The Agricultural Commodity Exchange (ACE) of Malawi is now a full member of EAGC in Malawi.

This is a great achievement to have ACE as one of the EAGC member and the team will leverage on the network of ACE to reach more grain stakeholders.

Linking EAGC RATIN and ACE market information

The Agricultural Commodity Exchange (ACE) has a market information system that operates across the country. To ensure synergy and collaboration in work and to promote ACE as a member, the EAGC team got the API from ACE to feed the RATIN with market information. Here is the link http://demo.avenir-technology.com/api/markets/?apikey=3scOPJbWXIb4Tz10NWHm1T0n

B2B trade contract follow-ups

Following the 16th June, 2016 B2B between Malawi and Tanzania, a number of non-binding trade contracts were signed. The EAGC team made follow up meetings with the parties that signed contracts to be transacted in the months of July and August.

During the follow-up the team met Mr. Mwiza Nthegeha of Bulls Eye who signed contract of 1,000 MT of maize from Tanzania counterparts and Mr. Clement Stambuli of Nkhotakota Milling Company who also signed about 10,000 MT of maize from Tanzania.

The two companies complained that the government is blocking entry of maize from Tanzania because of the prevailing disease in Tanzania called Maize Lethal Necrosis Disease (MLND).

This calls for intervention from EAGC on how the two countries can effect trade in the presence of the disease claim.

Meeting with Ministry of Industry, Trade and Tourism for partnership

The Malawi team represented by Babettie Juwayeyi and Taziona Mchira had a meeting with Dr. Amon Kabuli, Coordinator for Competitiveness and Job Creation Support Project (CJCSP), a project aiming at infrastructure development to enhance structured grain trade under the Ministry of Industry, Trade and Tourism.

The discussion centered around a possibility of partnering with the Ministry to build capacity of warehouse users and operators within the designated areas where the warehouses are being constructed.

The team will organize for a follow up meeting in the next few weeks.
The EAGC Country program team participated in the USAID Commodity Production and Marketing Activity stakeholders’ joint field trip between 25th and 29th July 2016. The trip organized by USAID CPMA was meant to share and showcase to CPM partners how the middle value chain relationship approach /Village Agent model works for strengthening collaboration opportunities.

During the trip, the team visited six FBOs in Eastern and Central Uganda. They shared their experiences shared with the stakeholders who included EAGC, NARO, UNFFE, AKORION, NAADS and OWC. The FBOs visited include Bukusu ACE in Mbale district, TAABU ACE in Sironko, Baida in Bugiri district, NALG in Iganga District, KKAMIKYA Youths group and Kiteredde Investment Ltd in Mubende district.

During the discussions, all the groups were profiled and it was evident that the two groups (BAIDA and NALG) already working with EAGC were the model groups.

**Increasing inspected warehouses in Uganda**

The regional and country team led by program officers; Benjamin Aijuka and Fred Simon Otieno carried out a preliminary inspection of warehouses operated by the Grain Bulk Handlers (U) Ltd in Kampala and Jinja and Katine Joint Farmers cooperative Society Ltd in Soroti.

The Grain Bulk Handlers (U) Ltd is one of the large grain handlers in Uganda and has estimated storage capacity of about 28,000 MT both in silos and flatbed warehouses located in Jinja and Kampala central business district.

It was noted that all their warehouses have access to Railway network for easy access to export market. From this inspection, it is anticipated that the warehouses will be certified and installed with the GSoko system.

EAGC is in the process of increasing the number of inspected and certified warehouse in Uganda. The certified warehouses will be linked to GSoko system.

**Strengthening institutional partnerships**

The Uganda team represented by Benjamin Aijuka held a meeting with Trade Research analysts from Economic Policy Research Centre (EPRC) at the EAGC Uganda Board room.

The meeting was meant to understand the role of EAGC in promoting WRS in Uganda and the benefits of EAGC warehouse certification program.

The meeting sought to establish the role and position of WRS in EAGC activities, Uganda’s performance in relation to EAC standards.

The came at a time when the “Improving Market Performance and Service Delivery-2016” Program under the Uganda Warehouse Receipt Systems Authority (UWRSA) is at an advanced stage.
PICTORIAL

SOY AFRIC, SGS, EAGC MoU Signing Ceremony

FAO –EAGC Dialogue on Tripartite Free Trade Agreement (TFTA) in Nairobi, Kenya

1st Edition of GSOKO Trade Business Directory Launch
Success Story: Gains of Maize shellers to farmers

The Suwerwa Huruma VAC members have a reason to smile from the gains realised through the maize sheller issued by EAGC in November last year.

The group was issued with Maize Shellers in November 2015 among other groups that received support from EAGC. In the start the group used the maize sheller to shell maize for their members and non-members within the region.

To ensure sustainability of the association, the group shell maize for non members at a small fee. The group has earned total of Ksh109,400 from maize shelling and used the fortune to purchase a chaff cutter for making animal feeds.

This has increased earnings of the group. ‘Thanks to the Eastern Africa Grain Council for promoting progress of smallholder farmer groups such like Suwewa Huruma VAC’.

Training of farmers on post harvest handling

The EAGC country program conducted a successful farmer training in Burnt Forest and Entebes areas, North Rift region, Kenya. The training at Burnt forest attracted 26 farmers while training at Entebes attracted 17 farmers.

The farmers learnt of the proper handling of beans which include: Timely harvesting, Drying of beans, Threshing of beans, Sorting of rotten, diseased beans, Determination of moisture content and proper moisture content of beans which is 14-15% as well as proper storage of beans in stores.

Currently, the farmers within north rift region are harvesting beans. However, since there is little focus on beans, many farmers have not embraced beans farming. This year, several farmer groups are accessing available market. For instance, Kuona Mbele FBO sold 28MT of beans to WFP and this has attracted interest on farming of beans and proper postharvest handling of beans trainings.

The farmers also learnt how to use RATIN to query for market prices for beans thereby reducing reliance on traders to give them market prices. This will also enable them to know the best markets to sell their produce. EAGC has continued to impact farmers by capacity building them towards realisation of profitable cereal and pulse farming.
Growing membership

The country representative held a meeting with the General Manager of to discuss among other issues, prevailing import tax that have hindered cross border trade. Current members in Burundi seeks intervention of EAGC to support them make reliable and cost effective cross border trade with their counter part members from Tanzania and Rwanda.

The General Manager, 01–Biotec offered to support EAGC recruit more members in the country which will ensure establishment of the country programme committees like other countries. To understand issues around grain sector in the country, the country program is planning an interview with the Minister, Ministry of Agriculture and Livestock in Burundi.

EAGC has contracted Impact Africa consultants to work with selected journalists to carry out interviews with the Minister of Agriculture and Livestock in Burundi on key prevailing issues in Agriculture sector. The result of the interview will form bases in inform focus of EAGC in the country towards policy advocacy in the country.
### EAGC KEY UPCOMING ACTIVITIES

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<td>2nd to 4th August</td>
<td>Mombasa, Kenya</td>
<td>GSoko Sensitization and Regional B2B meeting</td>
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<td>3rd to 11th August</td>
<td>Rwanda</td>
<td>Market Profiling and Monitors Recruitment</td>
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<td>12th to 13th</td>
<td>Nakuru, Kenya</td>
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<td>15th to 17th August, 2016</td>
<td>Dar es Salaam, Tanzania</td>
<td>Structured Commodity Trade Finance Training</td>
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<td>24th to 28th August</td>
<td>Kigali, Rwanda</td>
<td>Pulses B2B Event – ITC</td>
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<tr>
<td>August 2016</td>
<td>Kenya, Uganda, Tanzania, Burundi</td>
<td>National consultative workshops for grain sector rules of origin under the Tripartite Free Trade Area process.</td>
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<td>August 2016</td>
<td>Tanzania</td>
<td>Regional meeting of rice value chain stakeholders</td>
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<td>August 2016</td>
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<td>Internal Audits Exercise</td>
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<td>August 2016</td>
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<td>Meeting with Senate Standing Committee on Agriculture, Livestock and Fisheries for the WRS in Kenya</td>
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<tr>
<td>August/Sept 2016</td>
<td>Kenya</td>
<td>Stakeholders workshop for the Senate Standing Committee on Agriculture, Livestock and Fisheries for the WRS</td>
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CONTACT US

EAGC SECRETARIAT
Janet Ngombalu
Regional Manager, MIS & Communication
Email: jngombalu@eagc.org or grains@eagc.org
Tel: +254203745840/+254733444035

EAGC KENYA COUNTRY OFFICE
Davine Minayo
Country Program Manager
Email: dminayo@eagc.org
Tel: +254 720 318 373

EAGC UGANDA COUNTRY OFFICE
Lillian Bazaale
Country Program Manager
Email: lbazaale@eagc.org
Tel: +256 0393 112854 / +256 414 501 903

EAGC TANZANIA COUNTRY OFFICE
Terry Ikunda
Country Program Manager
Email: iterry@eagc.org
Tel: +255 754 354 852/ +255 784 366 669

EAGC RWANDA COUNTRY OFFICE
Seth Kwizera
Country Program Manager
E-mail: skwizera@eagc.org
Tel: +250 788 750 766

EAGC BURUNDI COUNTRY OFFICE
Yves Batungwanayo
Country Representative
Email: yves@eagc.org
Tel: +257 71 48 09 83 or + 257 75 48 09 83

EAGC SOUTH SUDAN COUNTRY OFFICE
Taban Emmanuel Joseph A.
Country Representative
Email: tabina@eagc.org
Tel: +211 955 048 125 or +211 925 179 680

EAGC MALAWI COUNTRY OFFICE
Babettie Juwayeyi
Country Manager
Email: bjuwayeyi@eagc.org
Tel: +265 888 60 03 53

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