PRESS RELEASE

7th African Grain Trade Summit opens in Dar es Salaam, Tanzania as grain stakeholders set new horizons for the sector

[Dar es Salaam, Tanzania, 5th, September 2017]. Today marked the official opening of the 7th Africa Grain Trade Summit (AGTS) the platform for grain policy advocacy and lobbying for the Eastern Africa Grain Council members and stakeholders.

The Minister for Agriculture, Fisheries & Livestock of the United Republic of Tanzania, Hon Dr. Charles Tizeba graced the ceremony marking the opening of the 7th African Grain Trade Summit, Africa’s most important Grain sector event. Among key dignitaries in attendance was H.E, High Commissioner of the Republic of Rwanda to Tanzania, Ambassador Eugene Kayihura, H.E Inmi Patterson, Charge D'affaires US Embassy in Tanzania, H.E High Commissioner of the Republic of Malawi in Tanzania, Hawa Olga Ndilowe, The Deputy Secretary General of the East African Community in charge of Productive and Social Sectors, Hon. Christophe Bazivamo, among others.

The 7th AGTS aimed at Setting New Horizons to rethink Grain Trade for Food Security and Prosperity in Africa. The Summit brought together over 300 key players in the Grain Industry for deliberations to reshape the agenda for the sector.

In his speech, Hon.Charles Tizeba noted that Tanzanians are privileged to host the historical summit and look forward to reaping the most benefits as a result. While noting the importance of the grain sector in Tanzania, he recognized the President’s appreciation for the country’s agricultural sector which contributes approximately 65% of inputs to the industrial sector, making up 23% of the country’s GDP, and employing approximately two-thirds (67%) of Tanzania’s workforce.

The Honerable Minister further reiterated that value addition is key in the President’s development plan. “We have great investment opportunities in Tanzania in value addition, particularly in processing and milling industries for grains.” Said Hon Chizeba. “In line with the 2025 Vision the Ministry of Agriculture is keen to promote food security within the country and the region at large. “We plan to export value added grains, for instance rice and not paddy” He added while inviting both local and international investors to consider investing their resources to the agro processing sector in Tanzania.

Hon Christophe Bazivamo highly commended EAGC on the flagship programmes and projects that the Council has implemented within the past decade to reduce farmer’s vulnerability to market dynamics
and at the same time enhancing their access to reliable and real time market information for informed decision-making. “Well done EAGC on the development of the Warehouse Receipts System, G-soko online trading platform and the Regional Agricultural Trade and Intelligence Network (RATIN)” stated the Deputy Secretary General.

Grain stakeholders at the summit called upon Governments to enact policies with the necessary incentives required to attract investments in grain value chains especially in value addition and market linkages to improve implementation of supportive policies, which are already in place. “Reflecting on the already implemented interventions and ongoing initiatives, we can easily refocus the next strategic direction of the grain sector in Africa,” said the EAGC Chairman, Mr Eugene Rwibasira giving a reflection of the achievements of the previous Grain Trade Summits.

Mr Rwibasira shared the AGTS journey right from the first summit held in 2005 which led to the establishment of EAGC as the body to provide a voice for the entire grain sector in Eastern and Southern Africa. EAGC has continued to promote structured grain trade and trading systems particularly through the Warehouse Receipts Systems in East Africa where countries such as Kenya’s WRS initiative can be traced back to 2008, immediately after the 2nd AGTS. “To date, the EAC in collaboration with EAGC the grain sector boasts of 22 harmonised standards for staple foods, which have contributed to reducing technical barriers to food trade amongst EAC countries, thanks to the 3rd AGTS” outlined Mr Rwibasira.

EAGC through the African Grain Trade Summit held in 2011 pushed the trade facilitation agenda further by catalysing development of trade platforms and commodity exchanges. The regional policy environment for food safety and quality has also been constantly improving thereby creating significant opportunities for intra-regional grain trade. In 2015, the 6th Grain Trade summit laid the foundations for greater coordination amongst representatives of the grain sector from Eastern, Western and Southern Africa region.

The 7th African Grain Trade Summit further hosted a session on doing business in Africa where participants noted that grain markets are still not properly integrated due to Tariff and Non-Tariff Barriers. The policy environment is still unpredictable with Ad Hoc directives such as export bans on grains which are still prevalent in the region. Speaking during the session Prof.David Nyange, the Chief Party at the USAID ASPIRES indicated that the farming industry in Africa is still under unprecedented pressure. “Crop prices fluctuate in an unpredictable way and every season farmers wonder what seeds they should choose to enable them to adjust to the cost of inputs and labor. “ sited Prof.Nyange

The infrastructure remains a top issue in the region with some agricultural areas with high potential of agricultural production still inaccessible. “In the Great Horn of Africa, some states are still volatile and this has hampered development and social well-being of the grain sector in the region “expressed Yohannes Assefa, the Director of Agriculture and Agribusiness at the USAID East Africa Trade and Investment Hub

Over the past decades, significant focus and resources have been allocated to increase food production. For example, 95% of the research investments during the past 30 years were reported to have focused on increasing productivity and only 5% directed towards reducing losses. While productivity may be increasing in some cases, the gains made are being undermined by high rates of post harvest losses accounting for 35-40% of the production. Aflatoxin contamination by many of the staple food including
grains such as maize, groundnuts, rice and other contamination by insects like weevils that destroy agriculture produce are on the rise, hence, increasing post-harvest losses. The solution to this challenge partly lies directly in the introduction of alternative and innovative measures to address contamination sources such as aflasafe against aflatoxin, promoting agro-processing and agri-business, etc. Efforts to increase productivity should be matched in equal measure with interventions around turning post harvest losses into investment opportunities through value addition and agro-processing at all levels of the value chain.

The changing climatic condition and the prevalence of episodes of extreme weather events in Africa were also a key concern by the grain stakeholders at the summit. The Eastern and Southern region has been faced by a drought that ravaged Small Holder Farmers’ livelihood. To manage risk for stakeholders involved in food trade and production, there is need for development of weather index based insurance products to cushion stakeholders against weather perils. There is need for a shift of focus from traditional cash crops such as maize. “While Maize is the focus of research, Government policy and trade; Per capita consumption of maize is decreasing while rice is increasing. Disease is reducing maize yields, and the fall army worm is decimating fields of maize all over Eastern Africa” highlighted Mr John Mann the Managing Director of Afritec Seeds Ltd. Mr Golden Mahove, the Team Leader at VUNA emphasised on the need for strengthening Investment in research for development of more resilient crop varieties and embracing Climate Smart Agriculture.

Stakeholders were exposed to Africa’s food security situation which currently matches the situation experienced in Mexico in 1980’s. Africa is faced by unpredictable Trade Policy which is linked to Government commitment to protectionist trade barriers. During his presentation, Ambassador Malcom from Terra Wealth Trader Company indicated that lack of supportive trade policies within the sector causes extreme price shifts for staple foods.” Protectionist Policies in Mexico were abandoned through negotiations, despite some domestic fears leading to a complete reversal of previous policies under the North American Free Trade Agreement (NAFTA). “Mexico has become a net exporter of food since 1994” Lauded Mr Alehandro Terminel, the Chairman of the TERRA wealth trader board.

In his closing remarks, Mr Gerald Masila, the Executive Director the Eastern Africa Grain Council concluded by underlining that the African Grain Trade Summit is the outcome of joint efforts by the private sector, along with Central, Regional and Local Governments. The event organized by the Eastern African Grain Council in partnership with the United Republic of Tanzania and the USAID-East Africa Trade and Investment Hub will run through October 6th at the White sands Hotel in Dar es Salaam and will be crowned by field visits to S.S Bakhresa Milling Co ltd and the Port of Dar es Salaam on 7th October.

Several organisations have sponsored the 7th AGTS conference. These include; SIDA, CTA, Terra Wealth Trader, UKaid -Food trade East and Southern Africa, VUNA, JICA, Litenga Holdings, Belayne Kindie Import Export & associates, Scales and Software (K) Ltd, USAID ASPIRES, Save grain bags, Liaison Group, Sorela Supplies and BRITEN.

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For more Information please Contact the EAGC Secretariat:
Regional MIS and Communications Manager – Jacinta Mwau

Contacts: E-mail: jmwau@eagc.org, or grains@eagc.org
Mobile: +254 712 651 430;
About Eastern Africa Grain Council (EAGC)

The Eastern Africa Grain Council is a regional organization with membership drawn from across the Eastern and Southern Africa. Membership is drawn from grain value chain stakeholders currently with presence in 10 countries across Africa including Burundi, Kenya, Uganda, Rwanda, Tanzania, Zambia, Malawi, South Sudan, DRC Congo and Ethiopia.

EAGC’s key products and services include promotion of structured trading system (STS) through the warehouse receipting systems (WRS), and Regional Grain Trading platform (G-Soko), Market Information Systems (MIS) offered through the Regional Agricultural Trade Intelligence Network (RATIN- [www.ratin.net]) and evidence-based Policy Advocacy and Training and Capacity Building through the Eastern Africa Grain Institute (EAGI).

About the East Africa Trade and Investment Hub (the Hub)

The USAID East Africa Trade and Investment Hub (The Hub) works to boost trade and investment with and within East Africa.

The goal of The Hub is to deepen regional integration, increase the competitiveness of select regional agriculture value chains, promote two-way trade with the U.S. under the African Growth and Opportunity Act and facilitate investment and technology that drives trade growth intra-regionally and to global markets

About Food Trade East & Southern Africa.

FoodTrade East and Southern Africa ([www.foodtradeesa.com](http://www.foodtradeesa.com)) is a five-year trade enhancement and promotion programme focusing on staple food crops. Funded by the UK Government and managed by Development Alternatives Inc. (DAI), FoodTrade ESA operates in nine East and Southern African countries of Kenya, Uganda, Tanzania, Rwanda, Burundi, Zimbabwe, Zambia, Mozambique and Malawi. The programme works with private sector and relevant institutions to improve storage, inputs and service markets, information and coordination Mechanisms as well as policy and regulation with the aim to get more people trading in regional staple food markets.

About the 7th African Grain Trade Summit (7th AGTS)

The 7th African Grain Trade Summit has been designed to bring together the grain industry stakeholders, policy makers, service providers and entrepreneurial talent across Africa and beyond, in focused discussions on key topics relevant to addressing the biggest challenges facing private sector development in Africa. To ensure that the summit engages participants fully in discussions, with all involved being well informed to promote a more practical and realistic approach to current issues, the four days of the summit are hosting Plenary Sessions on general issues in the grain industry. These Plenary Sessions are private sector led by key grain stakeholders, featuring handpicked panelists that are experts in a wide distribution of fields, tasked with ensuring a high-quality discourse, with the aim of clarifying all the different economic actors’ positions and helping to develop concrete recommendations that are both motivated, realistic that will help all parties play a part in taking the grain sector in Africa to the next level.

The Summit Session topics cover main areas of concern in grain trade – including: Rethinking Grain Trade for Food Security and Prosperity in Africa, Doing Business in the African Grain Sector-Towards a
New Policy for Agro-Industry and Grain Trade, Money Matters- Reshaping Financial Services for Grain Trade in Africa, Climate change and Grain Trade-Examining the Nexus and exploring options for Climate-Friendly grain trade, Agribusiness Risk Analysis and Decision Making, Innovations and Technology for increased Grain Trade and Farm to Fork: Building Sustainable Grain Value Chains to Meet Consumer Needs. These sessions have been well thought through to ensure that all participants come out better informed of the new and innovative opportunities available for fostering inclusive and sustainable growth, both social and economic, in the African Grain sector.

7th African Grain Trade Summit Partners

7th African Grain Trade Summit sponsors