



## AFRICAN GRAIN TRADE SUMMIT 2017

5<sup>TH</sup> - 7<sup>TH</sup> OCTOBER, 2017 | DAR ES SALAAM, TANZANIA



### *Communiqué on the 7<sup>th</sup> African Grain Trade Summit*

*5<sup>th</sup> to 7<sup>th</sup> October 2017, White sands Hotel, Dar es Salaam, Tanzania*

*“Setting New Horizons: Rethinking Grain Trade for Food Security and Prosperity in Africa.”*



*Delegates at the 7<sup>th</sup> African Grain Trade Summit that was held from 5<sup>th</sup> to 7<sup>th</sup> October 2017 in Dar es Salaam, Tanzania*



The Eastern Africa Grain Council (EAGC) in partnership with the USAID-East Africa Trade and Investment Hub and the Government of the United Republic of Tanzania hosted the 7<sup>th</sup> African Grain Trade Summit from 5<sup>th</sup> to 7<sup>th</sup> October 2017 at the White sands Hotel in Dar es Salaam, Tanzania.

Every two years, EAGC hosts its flagship policy conference known as the African Grain Trade Summit (AGTS). The AGTS is a biennial high-level international event dedicated exclusively to the grain sector in Africa. It brings together business influencers, policymakers and other critical stakeholders from the African continent and beyond to provide a unique platform to drive the development agenda of the sector and promote grain sector business networking.

It is in this context that the 7<sup>th</sup> AGTS aimed to facilitate a reflection of the road travelled over the past 10-15 years in grain sector in Africa to create a new vision and strategic thrust for the transformation of the grain sector. At a time when EAGC is commemorating its 10<sup>th</sup> anniversary, the 7<sup>th</sup> AGTS was a landmark Summit that expected to reshape grain trade policy in Africa in the context of Africa's overarching development vision and global food trade dynamics

The theme of the 7<sup>th</sup> AGTS was, *“Setting New Horizons: Rethinking Grain Trade for Food Security and Prosperity in Africa.”* Under this theme, the 7<sup>th</sup> AGTS sought to draw attention to trends and developments in the grain sector and provide strategic guidance to find new solutions to chronic problems of food security and poverty in Sub-Saharan Africa. The Summit brought together over 300 delegates from 16 countries within and outside Africa representing the public sector, the private sector, research institutions, development partners and representatives of foreign missions in Tanzania. In addition, 20 exhibiting companies also showcased their technologies and innovations in the sector.

## A. Welcome Remarks by the Chief Guest and Distinguished Dignitaries



In his remarks to officially open the 7<sup>th</sup> AGTS, the Minister for Agriculture in the United Republic of Tanzania, **Hon Dr. Charles Tizeba**, welcomed delegates to Tanzania and recognised the commitment of EAGC and partnering organizations towards the rethinking grain trade in Africa.

Hon. Dr. Tizeba noted that Tanzanians were privileged to host the historical Summit. While noting the importance



of the grain sector in Tanzania, he underlined investment opportunities in Tanzania in value addition, particularly in processing and milling industries for grains. Hon. Dr Tizeba also outlined Tanzania's plans promote value addition in the agricultural sector and promote food security, and called upon grain stakeholders to support and advise the government as it attempts to take advantage of grain trade opportunities, industrialize the sector whilst simultaneously strengthening food security for its people. He further called upon both local and international investors to consider investing their resources to the agro-processing sector in Tanzania.

Other distinguished dignitaries at the official opening ceremony of the 7<sup>th</sup> AGTS were: Eugene Rwibasira, Chairman of EAGC; Inmi Patterson, Charge d'Affairs at the US Embassy in Tanzania; Hon. Christophe Bazivamo, EAC Deputy Secretary General for Productive and Social Sectors; His Excellency Ambassador Eugene Kayihura, High Commissioner of Rwanda to Tanzania; Her Excellency Ambassador Hawa Ndilowe, High Commissioner of Malawi to Tanzania; Ulf Källstig, representing the Embassy of Sweden in Tanzania; Steve Orr, Team Leader at the DFID FoodTrade ESA project; Ambassador Malcolm Ferguson, Africa and Middle East Representative for the Terra Wealth Trader; Julius Wambura, Chairman of the Host Country Committee that was in charge of delivering the 7<sup>th</sup> AGTS; and Gerald Masila, Executive Director of EAGC.

In their respective remarks, the distinguished dignitaries:

- Highlighted the need for policy forms, particularly at country level, in order to strengthen food security as the population in Africa continues to grow.
- Called upon Governments across Sub-Saharan Africa to cooperate and coordinate the implementation of protocols that support trade within the region
- Reiterated the importance of access to markets in stimulating the development of staple food value chains and called for the removal of non-tariff barriers to promote intra-Africa grain trade subsequently facilitating and attracting foreign direct investment to the grain sector.
- Showcased the positive impact of embracing private sector-led, market-driven policies on agricultural developed, exemplified by the transition made by Mexico over the past 2 to 3 decades to become one of the leading agricultural producers in the world.



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Eugene Rwibasira, Chairman of EAGC



Inmi Patterson, Charge d'Affaires at the US Embassy in Tanzania



H.E. Ambassador Eugene Kayihura, Rwanda High Commissioner to Tanzania



H.E. Ambassador Hawa Ndilowe, Malawi High Commissioner to Tanzania



Hon. Christophe Bazivamo, Deputy Secretary General - Productive and Social Sectors at the East African Community



Malcolm Ferguson, Africa and Middle East Representative of Terra Wealth Trader, an international grain trading enterprise based in Mexico



Steve Orr, Team Leader at the DFID-funded Food Trade East and Southern Africa project



Gerald Masila, Executive Director of EAGC



Ulf Källstig, Head of Development Cooperation of the Embassy of Sweden in Tanzania



Julius Wambura, Co-Chairperson of the 7<sup>th</sup> AGTS Host Country Committee

## B. Key Points from Deliberations at the Summit

The 7<sup>th</sup> AGTS featured two days of intense deliberations on topical issues affecting grain trade and the grain sector in Sub-Saharan Africa, spread across 12 plenary and breakout sessions and side events. During the Summit, grain industry delegates:

- **DECRIED** continued prevalence of food insecurity in Sub-Saharan Africa, citing the persistence of chronic problems such as information asymmetry, price volatility, limited intra-regional trade, and inadequate financial services, to name but a few.
- **POINTED OUT** that Africa is underutilizing its capacity to produce sufficient food for its population all year round due to deficiencies in the policy environment, both in terms of policy formulation and policy implementation
- **HIGHLIGHTED** the ongoing transformation of the agricultural sector in Sub-Saharan Africa, exemplified by the rise of medium size farms, consolidation of milling services from small individual milling firms to large scale milling facilities, rapid urbanization and change of consumption from traditional to high value processed foods and animal foods. Delegates further highlighted that the need for progressive policies to take

advantage of opportunities presented by the ongoing transformation and mitigate its risks

- **NOTED** the inadequacy of political support to effectively implement several noble initiatives that have the potential to transform the grain sector.
- **RECOGNISED** the underutilised opportunity for lending under the Warehouse Receipt System Financing, which is easy to finance grain because of the ease in monitoring stocks.



*The various Panels of Experts and distinguished dignitaries at the Summit*

- **NOTED** that most Strategic Grain Reserves in Sub-Saharan Africa are inadequately managed and tend to disrupt grain markets. As such, they are unable to execute their mandates effectively and efficiently, thus undermining efforts to improve food security and strengthen grain sector value chains.
- **RECOGNIZED** the importance of adopting Climate Smart Agriculture (CSA) technologies for the realization of higher quality yields, which would drive internal trade in Eastern Africa for food security creating an opportunity to produce surplus to supply the entire Africa.

## 7<sup>th</sup> AGTS Side events

### 1. An Idea for an Investor (I-4-I): Breakfast meeting on Opportunities for Trade and Investment in the Grain Sector

The I-4-I Session at the Summit provided an opportunity for grain sector players to meet potential investors and investment advisors in a bid to grow their businesses in the sector. Through this session, new opportunities for investment in the grain sector were identified, particularly in Tanzania. In the ensuing engagements, the summit **REALIZED** 15 matches, which were signed up for further engagement.

## 2. The Gala Dinner and EAGC@10 Awards

Delegates were treated to a special gala dinner on the evening of the 1<sup>st</sup> day of the Summit, which featured African Fashion and Cuisine and Tanzania's cultural heritage. The dinner also featured an awards ceremony commemorating EAGC's 10<sup>th</sup> anniversary, whereby individuals and organisations that have played an instrumental role in supporting EAGC to date were recognised.



## 3. Field visits to The Port of Dar es Salaam and S.S. Bakhresa Milling Company in Dar Es Salaam

To crown the Summit, delegates participated in field visits to the Port of Dar es Salaam and S.S. Bakhresa Milling Company.

Delegates got the exposure the operations of grain handling facilities at the port and the milling facility as well as practical exposure to the grain milling process flow, from intake to distribution of finished products and quality control services.



Delegates at the Port of Dar es Salaam witnessing grain offloading and handling in action.



## C. KEY RECOMMENDATIONS AND WAY FORWARD

The 7<sup>th</sup> AGTS delivered the following **consensus** on the way forward to guide the development of the grain sector in Sub-Saharan Africa in the coming years:

- i. **EAGC COMMITTED** to support Governments within the ESA region through **agricultural trade policy advisory** so as to develop and implement sound and **supportive policies** for grain trade to promote food security and agro-industry development.
- ii. Efforts to strengthen food security should take a **REGIONAL APPROACH**, whereby countries within their Regional Economic Communities consolidate and coordinate their actions, plans and resources to improve food security. In this regional approach, the **free movement of food commodities** across national borders should be considered as a **central pillar in of food security**.
- iii. **PARTNERSHIPS** between the public and private sectors should be strengthened in order to effectively pursue grain sector development. PPPs should place emphasis in **data and information collection and management** to inform domestic and regional policies; **delivery of technical and financial services** to grain sector players; **scaling up of appropriate technologies**; and **operation of strategic food reserves**, to name a few.
- iv. **PACKAGING financial services with appropriate technical assistance** to grain sector players in order to effectively grow grain sector enterprises and mitigate financing risks.
- v. With climate change presenting a clear and present danger to food security in Sub-Saharan Africa, Governments in partnership with the private sector should support the development and roll-out of appropriate **CLIMATE RISK MITIGATION MEASURES**, starting with constituting and implementing supportive policies; for instance, policies to make agribusiness insurance more affordable and streamlining variety release processes of crop varieties that can withstand climate shocks; among others.



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For more information, please feel free to contact the EAGC Secretariat through the addresses below:

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