Executive Director’s Summary:

Dear Member,

Welcome to the Member updates for Quarter 1, 2020.

EAGC continues to pursue its vision of being “the leading voice for the grain industry in Africa” through its four key functions; Structuring grain Trade Systems, provision of market information, trade policy and advocacy on behalf of members as well as training and capacity building through the Grain Business Institute with the aim of delivering grain trade.

EAGC’s strategic focus for the next five years is on delivering “More Trade” and “Better Trade” for its members in region. These goals are expected to be achieved by improving efforts to promote structured trade, an enabling environment for grain trade and institutional strengthening for institutional sustainability.

As part of enhancing value to Members through Trade Facilitation, EAGC is preparing the 3rd Edition of the Grain Trade Business Directory for 2020/2021. The Directory is inspired by the development and launch of the EAGC – G-Soko Grain Trading System and significantly informed by need for business contacts in the grain value chain by Members and other interested stakeholders. The Directory features Members’ company profiles to enhance awareness of their products and services among grain value chain actors and stakeholders in the Eastern Africa region and at a global level. I therefore urge you, dear Member, to collaborate with us by listing your Company profile in the 3rd EAGC Grain Trade Business Directory 2020/2021.

EAGC’s strides towards the adoption and implementation of the Warehouse Receipt System (WRS) Bill in Kenya has seen the Kenya National Commodity Exchange (KOMEX) extend a special invitation to you, our Member, to subscribe to the equity shareholding of the Commodity Exchange. Members have been invited to subscribe to the Exchange either as individual members or collectively as EAGC members. The Council has and will continue enlightening the Members on issues pertaining the commodity exchange to influence decision making from an informed point of view.

The First Quarter of 2020 has realized grain aggregation of over 4700MT of grain through the Grain Trade Business Hubs, through which farmers have been linked to markets. The hubs have further facilitated the consolidation of farmers’ input orders that has had a hand in reducing the cost of inputs leading to increased profits for the farmers.

The ongoing global outbreak of the Covid-19 has already caused significant economic disruption around the world, and is likely to continue to do so for an unprecedented period of time. The pandemic which has now spread in all the ten EAGC Mandate countries in Eastern Africa, has brought the grain sector into sharp focus as regional governments enforce safety measures which have jeopardized food supply chains and the purchasing power of low-income households. EAGC is encouraged to note that Governments are keen to ensure business continuity for essential services and goods such as grain trade given grains are a major staple food in the region.

EAGC has re-arranged some of its services and interventions and postponed some of its key events till further notice, to comply with government directives. Consequently, the Council has put measures in place to ensure it fulfils its trade facilitation mandate while complying with the current health and safety measures. We urge you all to take precautionary measures as advised by the various Governments to remain safe as you continually conduct business.

More updates on EAGC interventions throughout the first quarter are shared in detail in this edition.

Happy Reading!
East African Community Common Position of COVID-19 Response

EAC Partner States made a Joint Statement dated 24th March 2020, in which the EAC Partner States’ Health Ministers provided the following directives. All Partner States to:

a) Continue implementing 14 days mandatory quarantine for all travelers to the region;

b) Implement 100% exit and entry screenings through a multilayer mechanism in all border points;

c) Establish a surveillance system to monitor crew health and enable contact tracing;

d) Facilitate free movements of goods and services in the region;

e) Support local companies, to produce key consumables used in COVID-19 response including hand sanitizers, medical products, soap, etc.

f) Ensure that trucks / vehicles carrying goods:

i. Have 2-3 crew members per vehicle and in good health. If crew is at high risk, the truck will be decontaminated before its proceeds, crew quarantined and truck operators made to arrange for backup

ii. Truck drivers to declare their final destinations and are urged to stop only at designated points

iii. Crew for cargo planes and vessels be determined by the aircraft or ship guidelines.

Changes to EAGC services and interventions

EAGC continues to closely monitor developments in the pandemic and has re-arranged some of its services and interventions to comply with government directives. These changes include:

i. Postponement of some training courses under the Grain Business Institute to minimize gathering

ii. Efforts being directed towards trade facilitation for our Members while minimizing physical contact

iii. Continued support to suppliers on grain transportation and logistics; EAGC is working with:

a) Reliable Shipping and Logistics Companies to provide grain transportation and border clearance

b) Financial institutions to avail trade finance solutions;

c) Offering members an inventory financing product under G-Soko collateral management.

iv. EAGC is closely engaging with government bodies. In Kenya, EAGC has been appointed to the COVID-19 Coordination and Food Supply Working Group to help ensure continued grain trade and food supplies.

v. Regular communication to Members on the pandemic developments to inform business decisions.

vi. EAGC is monitoring the border situation with other member organizations to coordinate responses to any cross-border grain trade challenges.

With these measures, EAGC has successfully facilitated maize deliveries from Tanzania to Kenya, and local green gram deliveries. We thus urge our Members to continually make use of our trade facilitation services through our G-Soko and G-Hub systems for grains and inputs respectively to support their business operations. We also encourage our Members to bring to our attention any disruptions they experience in either local or cross-border trade.

Kenya/Tanzania borders

Namanga border - There are long queues of trucks. All trucks crossing into Kenya are held at the border to reach a critical number for police escort. There are reports of fumigation of truck cabins at the border.

Tarakea-Oloitoktok - No such measures have been observed at this border.

Tanzania/Rwanda borders

Rusumo border - There are currently no restrictions for goods/trucks crossing between Tanzania and Rwanda. However, grain trade between the two countries is relatively low because Rwanda has ample grain stocks from Season A harvest (Jan-Feb). Stocks are currently relatively low in Tanzania.

Updates on cross-border trade situation

East African countries remain open to cross-border trade, though there is reduced speed at which such trade takes place due to instituted disease control measures at the borders:

Uganda/Kenya borders

Malaba border – There are long queues caused by the screening process instituted. Night time curfew in Kenya from 1900hrs to 0500hrs has reduced border operating times to 14 hours from 24hrs. An average of 23 trucks are cleared per hour, an equivalent of 322 trucks cleared per day. The delay in clearing goods is affecting grain miller operations in Kenya whose operations rely on imported commodities.

Flow of trucks into Uganda from Kenya is smoother with shorter queues due to less screening of truck crews by Ugandan authorities.
EAGC lobbies for implementation of Structured Trading Systems in regional bloc

EAGC has explored opportunities for bilateral and multilateral collaboration to develop the grain sector in the South African Development Community (SADC) region.

Led by the Executive Director, Mr Masila, EAGC met the Heads of Diplomatic Missions of SADC Countries, several of which are within the Mandate of EAGC. The meeting discussed the opportunities and challenges inherent in intra-regional grain trade in Eastern and Southern Africa and how EAGC’s current services and interventions can facilitate efficient, structured, inclusive and profitable grain trade. Opportunities for collaboration in trade facilitation and capacity building for grain industry players, market information sharing and policy advisory to improve trade environment for grain trade were identified.

EAGC will continue working closely with the SADC Group in Kenya and SADC Member States in general, towards effective promotion and implementation of the Structured Grain Trading Systems.

EAGC supports the promotion of rice competitiveness in the East Africa Community

Rice trade in the East Africa Community (EAC) is set to adopt a value chain approach that will foster an all-inclusive intra-regional trade in rice, and scale up advocacy for removal of Non Tariff Barriers.

This follows the launch of the EAC Regional Rice Platform (ERRP), formed by the East Africa Community Secretariat in collaboration with Kilimo Trust, under the Competitive African Rice Initiative (CARI) East Africa Project. ERRP was established through a regional rice forum that brought on board regional public and private rice stakeholders who identified inadequate regional coordination in the rice sub-sector as a key challenge affecting rice competitiveness. The forum recommended the establishment of a regional Rice Platform to enhance coordination.

The launch, which took place in Nairobi, was attended by partner states delegates and members of the platform as well as the East African Business Council (EABC), EAGC, Eastern Africa Farmers Federation (EAFF), Agriculture Marketing Trust (AGMARK), Coalition of Africa Rice Development (CARD), Africa Rice Advocacy Platform (ARAP), Kilimo Trust and the EAC Secretariat.

Boosting cross border trade for economic development

The Council facilitated regional market linkages through the G-Soko trade desk for various members in the region in an effort to integrate markets. In addition, the Council facilitated trade where trade negotiations were successful.

One such member whose trade negotiations were successful is Mema Holdings, a maize trader in Tanzania who was linked to several Kenyan millers. The miller and EAGC trade desk secretariat paid a courtesy call to Her Excellency Dr. Pindi Chana, High Commissioner Republic of Tanzania to Kenya during the market linkage exercise where they deliberated on stimulating grain investment in Tanzania through resolving existing trade challenges, and building synergy in seizing opportunities available in the value chain. EAGC facilitated trade between the parties.
Improving the grain trade business environment through Policy Advocacy Agenda

EAGC is developing the 2020 Policy Advocacy Agenda. The Council has been collecting various policy issues from Members in the region to identify priority action areas for policy advocacy. The Council seeks to find out among others regulatory, tax, procedural and administrative related challenges facing Members in their business and how these challenges impact their business operations, and their proposed solutions.

The Council has collected information from farmers, traders, processors; both food and animal feed and service providers such as banks, equipment suppliers, input suppliers among others.

The Council will then address Regional and National Level Policy Advocacy Priorities and other ongoing regional policy developments and the overall recommendations to improve the Business Environment in Eastern Africa.

Advocating for removal of trade barriers

EAGC has advocated for the removal of stringent trade measures for Kenyan pulses traders imposed by the government of Pakistan after it denied import licenses to Kenyan exporters.

Pakistan is the second-largest export market for Kenyan green grams after India, which has banned global green gram imports due to a bumper harvest, leaving Kenya with Pakistan as the only outlet.

Kenyan traders have been required to have an import license from the Pakistan Plant Health department besides the one issued by the Kenya Plant Health Inspectorate Service. This has denied Kenyan exporters import licenses at the expense of their counterparts in Ethiopia and Tanzania, despite Kenya being the largest importer of Pakistan rice.

Traders in Kenya are also required to fumigate their consignment using methyl bromide while Ethiopian and Tanzanian traders have been exempted despite sharing the same geographical region. The move is also questionable given that these conditions given to the Kenyan exporters are not new having been previously applicable in India.

EAGC has engaged the relevant authorities through the Pakistan High Commission and the government of Kenya and is following for any new developments.

Promoting sound policies for the transformation of the grain value chain

The 6th Annual Agricultural Policy Conference took place in Tanzania, featuring the theme “Public and Private Sector Investment for Agricultural Transformation in Tanzania: Tackling Agribusiness Drivers and Enablers in Crops, Livestock, Fisheries and Agro-processing”.

The theme took into account the 5th phase Government agenda for economic transformation and industrialization in which agriculture provides multiple linkages including raw materials. In addition, the theme tapped onto existing government of Tanzania efforts including the recently launched the Agricultural Sector Development Programme (ASDP-2) and inception of the reforms under the Blueprint.

The conference tackled value chain specific policies to deepen the impact on food security and nutrition looking into the drivers of growth such as macro and micro economic policies and enablers of sector growth.

The conference revolved around seven policy thematic areas, trade policy among them.

AAPP is organized by the Policy Analysis Group (PAG) in collaboration with the Agricultural Sector Lead Ministries (ASLMs) in Tanzania. EAGC is a co-convener of this conference as a founding Member of the Policy Analysis Group.

Promoting the uptake of Hermetic Storage bags

A report on the review of the Hermetic Storage Technologies for grain commodities has revealed that HSTs are necessary in preservation of grains, contributing to food security and safety, which has led to an increase in national and regional demand.

However, there is need to regulate the market by developing the necessary quality standards to guide manufacturers and protect consumers from sub-standard materials that may be passed on as HSTs.

Additionally, the uptake of HST devices is constrained, among other factors, by high cost hence a need for an agricultural policy that guarantees the availability of HSTs through government subsidy to enhance adoption of the technologies.

EAGC is in the process of publishing the report.
KENYA COUNTRY PROGRAM UPDATES

EAGC supports sustainable agricultural reforms

EAGC participated in the Kenya National Agriculture Summit dubbed ‘Kilimo summit’ in support of revamping the agricultural sector.

The summit brought together stakeholders in the agricultural industry from the government, the private sector and innovators who not only held deliberations on ways to revamp the sector but also committed to improving and making the sector proactive through sustainable innovations.

The deliberations were focused on identifying existing and potential challenges, building synergy to deal with the challenges, creating and seizing opportunities, availing agricultural financial assistance as well as weighed in on the impact of devolution on agriculture.

The summit also witnessed the launch of the Agriculture Sector Network (ASNET) and the Sustainable

Enhancing grain production and productivity through capacity building

The Grain Business Institute has built the capacity of farmers on various issues affecting the production and productivity of grains as well as access to output markets.

A total of 600 farmers have been sensitized and trained on Post Harvest Management through the KCEP-CRAL program. The farmers have been equipped with a variety of skills ranging from collective farming to grain aggregation, grain storage and post harvest handling such as use of technologies to minimize post-harvest losses. Farmers have also been equipped with skills and capacities that have facilitated access to suitable and sustainable markets as EAGC has been implementing the Market Linkages sub-component if the KCEP Program.

Additionally, farmers from Kitui and Nakuru are set to change their farming strategies to mitigate the effects of climate change following a sensitization on the impact of climate change and mitigation measures. Farmers are expected to adopt climate smart practices such as conservation agriculture among other mitigating strategies.

31 Small and Medium Enterprises have been equipped with business planning and financial management skills through the MEDA supported M-SAWA project. The project is utilizing a lead firm approach where the SMEs will in turn impact a large number of small holder farmers to strengthened their profitability and competitiveness.
KENYA PROGRAM UPDATES

Warehouse Receipt System implementation gains traction at county level

Small Holder grain Farmers in Tharaka Nithi County are set to access wider and structured markets after EAGC and the County Government partnered to support structured trading systems.

EAGC and the County Government, held a grain off takers meeting that linked the off takers to grain farmers particularly green grams which is the county’s main cash crop. The County’s green gram quantity expected for 2019/2020 crop season is estimated at 25,000MT.

The county government will facilitate the buyers’ investment in the county through provision available grain data stock; provision of infrastructure ideal for investment; building the capacity of farmers on proper farming practices and facilitating access to inputs from accredited suppliers to maximize production in the county.

On the other hand, EAGC will support structured trade through warehouse inspection and certification, building the capacity of the farmers and the provision of the G-Soko platform to facilitate payments.

EAGC will also sensitize farmers and stakeholders on the Warehouse Receipt System (WRS) and the regulations governing the system, which will be piloted in the county once the off-taking and market structuring begins.

Leveraging on strategic partnerships to structure grain trade

EAGC held a partnership discussion meeting with CIMMYT to leverage on partnership in the production, post harvest management and marketing of grains.

The partnership will focus on increasing the availability of yellow maize for animal feed in the market and developing new seed technologies. Further, the partnership will address the low adoption of the already available seed technologies through a collaborative market research that will identify market needs and thereafter market the technologies accordingly.

In addition, the partnership will also consider fighting aflatoxin through nixtamalization and machine learning to establish a new guide in reducing the contamination.

The Council will also collaborate with the Kenya Agricultural Livestock and Research Organization (KALRO) to sensitize farmers and traders on the latest seed technologies, their benefits and methods of differentiating them to avoid product mixing especially during trade and consumption.

Similarly, EAGC also explored partnership opportunities with the United States Grain Council (USGC) in facilitating trade, conducting research and in capacity building for both food and feed millers in support of structured grain trade.

The partnerships will leverage on the EAGC Grain Trade Business Hubs to reach out farmers and traders.
KENYA PROGRAM UPDATES

EAGC Members to partake in the Kenya Commodity Exchange (KOMEX) as shareholders

The Kenya Commodity Exchange (KOMEX) has called upon EAGC members to subscribe to the equity shareholding of the Commodity Exchange, the invite having been informed by EAGC's spearheading of the Warehouse Receipt System (WRS) which will be the basis of operation of the Commodity Exchange. The members have been invited to either subscribe as individual member entities or collectively as EAGC members.

Upon the invitation EAGC hosted a members’ brief meeting to enlighten them on the Exchange and discuss member opportunities present in the Exchange. The feedback from the members will inform the investment agreement between the KOMEX Board and EAGC.

The exchange is expected to address constraints faced by both smallholder farmers and consumers by providing an organized market through a single platform where buyers and sellers meet.

It will further ensure better farm gate prices for farmers. Other benefits include providing access to proper storage and warehousing especially for primary producers and farmers during bumper harvests. The exchange will also facilitate local, regional and international trade, enable price discovery, and offer risk management system.

Members expressed interest in the Commodity Exchange but requested for more capacity building to allow decision making from

Engaging farmers on cost effective acquisition of farm inputs

Farmers have positively responded to the continuous sensitization and mobilization to purchase farm inputs collectively to enjoy the benefits of scale.

Through the Grain Trade Business Hub (G-Hubs) farmers have made a total of input orders of 16,000 bags of fertilizer, 1000 pieces of jute bags, 7000kgs of maize seeds and over 2000kgs of various planting seeds in preparation for the planting season.

EAGC has been linking farmers to the service providers of these products where farmers purchase the inputs at reasonable prices through the G-Soko trading platform.

EAGC also partners with the service providers to build the capacity of farmers in utilizing and application of the inputs to achieve best results and consequently achieve maximum yields.

Farmers from Green Planet Cooperative Society follow keenly during a sensitization exercise held on the 18th of February on the importance of consolidating farm inputs and the benefits of acquiring them through EAGC Grain Trade Business Hubs
Facilitating access to structured trade financing for more trade, better trade

EAGC in support of the financing, will facilitate a proper functioning Collateral Management system for the applicant trader and further recruit a security management company for the warehouse premises where collateral is held. The intake and dispatch of grain from the warehouse shall be tracked and the stored grain verified on a regular basis to ascertain the quality and quantity.

The Council will further support the structured trade financing through inspection and certification for the warehouses covered under the Collateral Management Agreement, as well as provide market intelligence including prevailing market prices, trend analysis and future market behavior to the Sacco for decision making to make the product viable in the market.

Unaitas on the other hand will sensitize stakeholders on other financial products and how best stakeholders can optimize the available financial products for maximum gain.

Engaging farmers in grain aggregation for improved sales

Farmer sensitization on grain aggregation in various Farmer Based Organizations (FBOs) took place as grain harvesting kicked off in various parts in the country. The FBOS were sensitized on grain aggregation, post-harvest management and collective marketing.

The FBOs aggregated over 4,700MT of grain during the first quarter as follows: 4,000 MT of maize, 40MT of sorghum, 450MT of millet 12MT of wheat, 90 MT of green grams and 24MT of cowpeas, even as aggregation continues. Farmers have since attracted large off takers due to the large volumes aggregated and this has increased their turn over sales and reduced storage costs.

The country team also trained SMEs on grain trade and linked them up to established traders for mentorship. Additionally, the team linked traders to financial institutions for trade financing to capacitate them to carry more trade.

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This further led EAGC to negotiate with the National Cereals and Produce Board on behalf of traders for warehouse leasing owing to the increased trade volumes.
Promoting rice competitiveness in Uganda

Stakeholders in the rice value chain in Uganda are set to access improved financial services after Kilimo Trust, an EAGC partner, launched the Competitive African Rice Initiative in East Africa (CARI-EA) in the country.

The three-year project will also seek to improve the policy framework for the rice value chain for an improved business environment. The various project activities will increase the sourcing and marketing of locally produced rice by Small Holder Farmers, focus on rice millers as the key drivers of competitiveness as well as increase manufacturing of tertiary products from rice to expand markets.

The project will build on the identification, optimization and expansion of sustainable business models that integrate small-scale rice producers.

Enhancing grain market integration by empowering women to trade grain across borders

The Grain Business Institute has enhanced women’s access and participation in cross border grain trade particularly between Kenya and Uganda, in recognition of the role the women play in improving intra-regional trade and strengthening market integration in East Africa.

Supported by GIZ Uganda, the Institute has built the capacity of women led Farmer Based Organizations and women led Small and Medium Enterprises to meet cross border trade requisites by equipping them with knowledge to help them meet EAC staple foods Standards, and to identify trade opportunities and trade financing options.

Further, the Institute has trained women, among other stakeholders in International Trade Procedures and Processes Training (ITPP), equipping them with knowledge on the procedures and processes involved in international trade, sharing existing opportunities and risks involved in the trade system as well their mitigation measures, for easy and efficient clearance of imports and exports.

In Eastern Uganda, women agents were trained on Grain Grades and Standards, post-harvest handling, and quality assurance for maize, sorghum, millet, and beans to strengthen their capacities in Post-Harvest Handling, Storage, and harmonized East African Standards for the selected grains.

Elsewhere in Western Uganda, farmers were trained on Good Agricultural Practices by various service providers ranging from seed, fertilizer, storage and soil testing companies to support them in increasing production and productivity of grains per hectare.
EAGC supports financing of agricultural value chains

EAGC participated in the Agricultural Business Initiative Development Limited (aBi) stakeholder forum, which brought together all the aBi development partners who were awarded with certificates in recognition of the support and partnership towards building a competitive and sustainable agribusiness sector.

The initiative unveiled a new business plan that will apply more innovative financing models to strengthen the agribusiness capacity of farmer organizations (FOs) to transform into competitive players in market systems. The Development will introduce new Fin-Tech enabled methods to broaden and deepen financial services in rural areas to drive financial inclusion and therefore meet the needs of agricultural businesses.

Creating synergy to boost structured trading systems

The Council explored a partnership opportunity with the Agriculture Cluster Development Project (ACDP) in the boosting of on-farm productivity, production and volumes of marketable grains in the country. ACDP works in various geographical clusters in the country and runs under the Ministry of Agriculture, Animal Industry and Fisheries with support from World Bank.

The partnership will leverage on the G-hub model whose interventions also address grain production and productivity by profiling farmers’ needs and working towards enhancing access to these needs. The partnership will strengthen the production and productivity of grains in Uganda as well as facilitate the increased participation of farmer based organizations (FBOs) in structured grain trade.

Additionally, EAGC also explored partnership opportunities with the International Institute of Rural Reconstruction (IIRR), Green Fingers Mobile and m-Omulimisa that empowers rural communities towards self-sufficiency through provision of Business Development Services and financial inclusion in Northern Uganda. The main areas of partnership established are facilitating trade especially in export markets, linkage to suitable storage facilities and offering advisory services in form of training on quality related issues.

Additionally, EAGC held a meeting with Manufacturing Africa, a UK funded initiative to unlock manufacturing investment by providing technical assistance and transactional support.

The program will rely on strategic partners to help unlock investments in the country through technical, commercial and financial strategic initiatives. EAGC will capitalize on the aid to boost the grain processing sector in the country to achieve food security.

EAGC Secretariat and the team from the International Institute of Rural Reconstruction (IIRR), Green Fingers Mobile and m-Omulimisa after a partnership discussion meeting held on the 17th March at the EAGC Offices in Kampala Uganda
EAGC joins the fight against counterfeit goods for consumer protection

EAGC represented members in the Anti Counterfeit Network high level dialogue on digital tracking solutions, a dialogue on the dynamics and implementation of the digital tax stamp solution, rolled out by the Uganda Revenue Authority (URA).

The digital tax stamps were introduced to allow track and trace capability for select products, in a bid to combat the production and distribution of illicit products. The new technology is also aimed at preventing tax leakages in the market.

The digital stamp bears covert and overt security features that allows the consumer to verify whether a particular product is genuine or substandard, through a Mobile App or SMS. Trader, manufacturer and consumer associations expressed concern over the introduction of the digital tax system arguing a sharp increment in the respective associated costs.

EAGC has since advocated for the cost-effectiveness or implementation at zero-cost to the manufacturer and consumer.

Capitalizing on structured trading systems to promote local investment

Farmers in the Rwenzori region are set to engage in structured trade following a sensitization and mobilization exercise conducted during the Rwenzori Investment Expo (RIEX), which is the third in a series of symposia.

The Expo, themed "Investments for Local Economic Development" was organized by Operation Wealth Creation (OWC), an EAGC member, under the Office of the President in partnership with the Uganda Investment Authority (UIA), who are working together to unveil unique investment opportunities in Uganda to local and international investors. Farmers in this region practice subsistence agriculture trading in food crops, maize among them. OWC, supported by EAGC has embarked on efforts to utilize this agricultural production capacity for Agro-Industrialization for Local Economic Development.

Grain aggregation gains traction in Uganda

Grain aggregation is gaining momentum as farmers in the region realize the benefits of collectively selling grain. A total of 1,050MT of grains have been aggregated through the Village Aggregation Centers. Grains aggregated were 660MT of maize, 20MT of groundnuts, 300MT of wheat and 70MT of soya beans. EAGC has also provided market linkages across the border through G-Soko trade desk where trade contracts of 227MT of Finger Millet and 100MT of Soya Beans valued at USD 127,927.00 have been signed. The Council will further facilitate trade between women led SME’s and FBOs between Kenya and Uganda for grain valued at USD 300,000.
Enhancing access to trade finance

The country team hosted a financial consultative meeting which attracted representatives from 6 financial institutions including development banks, commercial banks, and microfinance support institutions.

The meeting also attracted representation from EAGC members ranging from traders, processors and Seed Companies. The objective of the meeting was to unveil the available financing options for grain trade as well as identify measures to mitigate some of the existing challenges in accessing trade finance.

EAGC made a presentation on various digital market platforms and highlighted the entry points for the financial institutions.

EAGC will support the financial institutions in extending their services to members and facilitate more in-depth discussions in support and promotion of structured trade in Uganda.

Engaging members for improved service delivery

The country team has welcomed two new members in the quarter; Innovations Limited and Centenary Rural Development Bank.

The team has also actively engaged members through member visits in which the team has identified and resolved challenges experienced by the members in their operations. Monitoring and evaluation of ongoing member project was also carried out to facilitate the strengthening of the projects.

Among the issues resolved on behalf of the members include facilitating access to lease and capital financing, capacity building, policy advocacy on behalf of the members, warehouse inspection, facilitating access to market information for market projections, market linkages as well as supporting members to put appropriate infrastructure.

In addition, the country team, together with representative members, held Country Program Committee meeting to brainstorm on increasing the effectiveness of the country interventions locally and improving membership services.
TANZANIA COUNTRY PROGRAM UPDATES

EAGC advocates for an improved business environment

The Policy Analysis Group is set to amend the Tanzania Investment Act and the Business Facilitation Act to stimulate the implementation of the country’s blueprint. The Analysis Group held a stakeholders meeting to facilitate discussions on the proposed amendment as well as consolidate views from stakeholders. The meeting also sought to review the Acts.

The amendment of the Acts will see regulatory issues in the agriculture and agro processing sectors reformed to facilitate a more enabling business and friendly environment that will improve the business climate in Tanzania.

EAGC participated in the group as a member of the Policy Analysis Group and convener of the meeting.

Building on technological innovations to improve the grain value chain

EAGC will be hosting Agribusiness Forums to facilitate the integration of partnerships and the advancement of knowledge for the digitization of the AgriFood value chain in the region.

Preparations for the annual upcoming agribusiness forums have been ongoing, where stakeholders meeting have been held to deliberate on the impact of the previous forums as well as to consolidate and integrate feedback in the preparations to achieve maximum impact.

The TARI-Uyole Agribusiness Forum and the TARI-Selian Agribusiness Forum are among the scheduled agribusiness forums. The two forums are instrumental in producing high yielding seed varieties.

Enhancing quality of data for effective project implementation

EAGC took part in the Joint Result Review Committee meeting held in Tanzania to review joint committee program activities. Project implementation reports for the last quarter of 2019 were submitted for review, deliberation and approval.

Key focus was on an efficient data management approach to facilitate the program’s data management geared towards improving the project’s performance.
EAGC sought to strengthen the Ihemi – Ludewa consortium led project through the review of the implementation progress of the project in a partners meeting held at Songea. The meeting deliberated on the way forward to improve the outcome if the project, discussing methods of enhancing the impact of the program.

The review meeting also validated the farmers that were reached during the implementation of the project which will close out later in the year.

The project is implemented in partnership with AGRA in Iringa and Njombe regions of Tanzania whose goal is to increase incomes and improve market access of smallholder farmers. The project has addressed challenges related to productivity, post harvest management and access to inputs and output markets.

Strengthening Membership engagement through service delivery

The EAGC Secretariat paid membership and assessment visits to various members in the country among them Super Seki Investment Ltd. The member supported by EAGC is constructing a 10,000MT capacity warehouse through grants from the Alliance for a Green Revolution in Africa (AGRA). EAGC assessed the progress of the construction and gave appropriate recommendations according to the EAGC Warehouse Standards.

The team also paid a similar visit to G2L, another EAGC member constructing a 3,000MT warehouse through AGRA’s support. In addition the inspecting the construction, the EAGC country team linked G2L to BCA Company Limited for the procurement of LAB equipment.

Other warehouses assessments were done in Njombe, Ruvuma and Iringa regions in which a total of 8 warehouses were identified as being in need of refurbishment, in which EAGC will support the process.

The team also participated in a pre-field visit to assess the preparation for the Program Development and Innovation (PDI) team in Ihemi-Ludewa consortium. An assessment of the demos which will serve as learning centers was carried out and the Village Based Agricultural Advisors (VBAA) from various villages verified. The advisors will play a critical role in supporting the small holder farmers to maximize their output.
MALAWI COUNTRY PROGRAM UPDATES

Promoting structured grain trade in Malawi through capacity building

The country is continually building the capacity of farmers through their Farmer Based Organizations to implement Structured Commodity Trading Systems. The sensitization and mobilization has mainly focused on grain aggregation, grain quality management and grain standards.

The farmers are expected to adopt structured trade practices such as aggregating their produce and selling collectively as well as utilizing available warehouses upon conducting basic assessment to ascertain their suitability. Efforts to support structured trading systems are mainly targeting soybeans and groundnuts in the country.

The training is conducted in partnership with GIZ Malawi and Agro Input Supplies Limited, through the Green Innovation Centre for Agriculture and Food Sector (GIAE). More farmers are expected to be trained.

Engaging farmers in grain aggregation for improved sales

Following the capacity building of farmers in the country to implement structured trading systems, and specific training on grain aggregation, there is much expectation placed on the farmers to aggregate their grains in the next harvesting season.

The country team is continually sensitizing farmers as soya bean, which is the main crop expected to be aggregated upon harvest, is at its vegetative stage. The crop is expected to be harvested between April and May.

The main aggregation center set apart for this is the Agro Input Supplies Limited (AISL) warehouse.

RWANDA COUNTRY PROGRAM UPDATES

EAGC supports the implementation of the Warehouse Receipt System in Rwanda

EAGC presented the findings of a feasibility study conducted on the Warehouse Receipt System (WRS) in Rwanda.

Supported by the USAID-funded Hinga Weze project, the study assessed the state of WRS in Rwanda, identified opportunities and uncovered the existing challenges in the system. The study also looked into models that can successfully support growth of WRS in the country for grain trade.

The study was carried through key informant interviews and field data collection after a successful assessment interview to ascertain the feasibility of the program.

EAGC secretariat projects the findings of a feasibility study conducted on the implementation of the WRS in Rwanda, on January 29.
# EAGC Calendar of Key Events

**April – December 2020**
*(Dates will be communicated in due course)*

<table>
<thead>
<tr>
<th>DATE</th>
<th>EVENT</th>
<th>LOCATION</th>
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<tbody>
<tr>
<td></td>
<td>Legume Development Trust and Program for Rural Irrigation Development Business to Business (B2B)</td>
<td>Blantyre, Malawi</td>
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<td></td>
<td>Farmer Based Organization training on Grain Standards and Commodity Care</td>
<td>Malawi</td>
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<td></td>
<td>EAGC Annual general Meeting</td>
<td>Nairobi, Kenya</td>
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<td></td>
<td>TARI-Uyole Agribusiness Forum</td>
<td>Mbeya, Tanzania</td>
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<td></td>
<td>Grain Sector Experiential and Trade Mission to South Africa</td>
<td>Bothaville, South Africa</td>
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<td>Kilifi Pulses Conclave</td>
<td>Kilifi, Kenya</td>
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<td></td>
<td>Agribusiness Symposium</td>
<td>Rwanda</td>
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<tr>
<td></td>
<td>TARI-Selian Agribusiness Forum</td>
<td>Arusha, Tanzania</td>
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<td></td>
<td>Budget Synopsis</td>
<td>Nairobi, Kenya</td>
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<td></td>
<td>Africa Food Show</td>
<td>Nairobi, Kenya</td>
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<td></td>
<td>Makueni Pulses Conclave</td>
<td>Makueni, Kenya</td>
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<td></td>
<td>Kitale Agribusiness Expo</td>
<td>Kitale, Kenya</td>
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<tr>
<td></td>
<td>East Africa Pulses Expo</td>
<td>Nairobi, Kenya</td>
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**Grain Business Institute Training Calendar**

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<tr>
<th>DATE</th>
<th>EVENT</th>
<th>LOCATION</th>
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<tr>
<td></td>
<td>International Trade Procedures and Processes Training</td>
<td>Dar es Salaam, Tanzania</td>
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<td></td>
<td>Aflatoxin Detection, Testing and Control Training</td>
<td>Dar es Salaam, Tanzania</td>
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<tr>
<td></td>
<td>Training and Certification on Grain Sampling and Grading</td>
<td>Kampala, Uganda</td>
</tr>
<tr>
<td></td>
<td>International Trade Procedures and Processes Training</td>
<td>Kigali, Rwanda</td>
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</tbody>
</table>
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), evidence-based Policy Advocacy and Training and Capacity Building through the Grain Business Institute (GBI).

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