



*Communique on EAGC Regional Members and Stakeholders Consultative Meeting on the ban of Maize Importation to Kenya from Uganda and Tanzania, held virtually on 9<sup>th</sup> March 2021, on Microsoft Teams*

---

Over 90 delegates representing grain producers, traders, processors, service providers, research organizations, civil society organizations and development partners attended a virtual *Regional Members and Stakeholders Consultative Meeting on the ban of Maize Importation to Kenya from Uganda and Tanzania* that was hosted by the Eastern Africa Grain Council (EAGC) on 9<sup>th</sup> March 2021. EAGC being the Voice of the Grain Sector in Eastern Africa convened the meeting to facilitate a frank conversation among maize trade stakeholders regarding the ban on maize imports into Kenya from its biggest regional maize trading partners, Tanzania and Uganda and devise an appropriate advocacy approach to engage the government of Kenya to resolve the ban and find lasting solutions to aflatoxin contamination in maize.

#### **PREAMBLE**

On 5<sup>th</sup> March 2021, the Government of Kenya through the Agriculture and Food Authority (AFA) banned the importation of maize from Uganda and Tanzania with immediate effect. According to AFA, the ban was introduced based on the findings of a survey conducted by AFA which showed that maize from the two countries is unfit for human consumption due to levels of mycotoxins that were consistently beyond safety limits. The ban poses severe implications for cross-border maize trade, food security business operations and livelihoods for maize value chain players in all three countries considering Kenya's structural maize deficit and reliance on imports from the region, and the importance of the Kenyan market for Tanzanian and Ugandan maize producers and traders (in this case exporters).

Pursuant to EAC's Mandate and Mission to facilitate an efficient, structured, inclusive and profitable grain trade, and recognizing the severity of this matter, the Eastern Africa Grain Council (EAGC) convened Members and Stakeholders to a Virtual EAGC Regional Members and Stakeholders Consultative Meeting on the Ban on Maize Importation into Kenya from Tanzania and Uganda. The purpose of the meeting was to discuss the maize import ban, its implications, and subsequently reach consensus on an appropriate industry advocacy strategy towards lifting of the ban and ensuring trade in safe and standards-compliant maize in East Africa.

The meeting drew participation from EAGC Members ranging from farmers, traders, processors as well as service providers allied to the grain value chain; private sector associations, civil society and development partners.

## KEY HIGHLIGHTS FROM THE MEETING

### Welcome Remarks by the Executive Director, EAGC, Mr. Gerald Masila

EAGC Executive Director, Mr. Gerald Masila, in his welcoming remarks, noted that upon receiving the notice from AFA on the immediate maize import ban into the country, EAGC held



internal consultations that led to the regional consultative meeting to address the crisis. Mr. Masila:

**INFORMED** the purpose of the consultative meeting was for Members and stakeholders to understand the status quo of the maize ban, deliberate over the ban and agree on the advice on way forward as an industry.

**APPRECIATED** the participants for positively responding to the short notice invite and acknowledged the presence of development partners in the meeting among them the USAID, United States Department of Agriculture (USDA), the UK Government Foreign and Commonwealth Development Office (FCDO) and the Alliance for a Green Revolution in Africa (AGRA).

**REITERATED** that EAGC is a member-based institution spanning 15 years of existence, with a membership base of over 450 organizations aligned to the grain value chain. EAGC is mandated to facilitate efficient, structured, inclusive and profitable grain trade by offering Member-based solutions through the provision of Market Information Services; Training and Capacity building through the Grain Business Institute; Structured Trading Systems as well as Policy Advocacy which anchors the consultative meeting given the trade ban is policy based.

**EMPHASIZED** that the meeting will develop recommendations and an action plan through which EAGC will engage the government and policy makers to provide sustainable solutions to all the actors in the value chain.

### Remarks by the Chairman, EAGC Board of Directors, Professor Samuel Wangwe



In his statement opening remarks, the **Chairman of EAGC, Board of Directors, Professor Samuel Wangwe:**

**NOTED** that EAGC is mandated to structure grain trade in the region, and that grain sector players are upholding structured trade. However, Prof. Wangwe **NOTED** that traders had already committed in trade contracts and the trade ban was damaging businesses in the whole value chain from farmers, traders and processors.

**RECAPPED** the prevalence of mycotoxins in the traded grain commodities as the reason behind the trade ban, **ACKNOWLEDGING** that the mycotoxins pose a health risk in the region whether trade is domestic or regional.

**INFORMED** that EAGC is working with the relevant authorities to provide sustainable solutions for aflatoxin in addition to stabilize trade policies and promote transparency in grain trade to make trade efficient and profitable at all the stages of the value chain. He **CALLED FOR** trade discussions at the EAC level to promote structured trade and consistent movement towards a single regional market consistent with the Common Market Protocol.

### Presentation on the overview of maize trade in East Africa

The EAGC Trade Policy and Advocacy Manager Mr. Kim Mhando presented the overview of maize trade in East Africa. In his presentation, he:



**HIGHLIGHTED** the interdependence of the maize markets between Kenya, Uganda and Tanzania, whereby Tanzania and Uganda typically account for two-thirds of maize production in the EAC while Kenya accounts for approximately 88 percent of maize imports in the region. In addition, Tanzania and Uganda being the two leading maize exporters in the EAC account for almost 80 percent of maize imports into Kenya.

**STATED** that regional maize trade is mainly unstructured and informal trade, characterized by inadequate aggregation and post-harvest handling of commodities, an opaque market and inefficient linkage between farmers and downstream off-takers.

**RECAPPED** on the menace of aflatoxin contamination in East Africa and its economic and social impact, **NOTING** that the problem is perpetuated by unstructured grain market systems that currently prevail in the region.

**POINTED OUT** that the Government of Kenya through the Agriculture & Food Authority imposed an indefinite blanket ban on all maize imports from Tanzania and Uganda on 5<sup>th</sup> March 2021, due to alleged high levels of aflatoxin found in maize consignments originating from Uganda and Tanzania

**PRESENTED** a chronology of previous trade restrictions and export/import bans imposed by East African Community Partner States, which have had significant adverse implications on intra-regional grain trade, food security and business operations in the sector. Previous trade restrictions include maize export bans by Tanzania in 2011 and 2016/17, a long-standing maize import ban by Kenya which remains in place, and import restrictions in the form of import duties and VAT by Uganda and Rwanda for rice being imported from Tanzania in the mid-2010s.

**EMPHASISED** that the import ban imposed by the Government of Kenya on maize originating from Tanzania and Uganda was sudden, unexpected by the industry as there were no prior notifications or consultations and likely to trigger retaliatory measures by affected countries due to its blanket ban on all maize imports from the two countries rather than specific consignments

that through sampling and testing have been deemed unsafe for human consumption. Nonetheless, he **REITERATED** the need for the private sector to offer advice on solutions to all governments in the region to address the aflatoxin problem during advocacy efforts to lift the import ban.

### Presentation on the overview of maize trade in East Africa

The EAGC Trade Facilitation Program Officer in Uganda, Mr. Clessy Nuwagaba, presented on a research undertaken by EAGC on the compliance of EAC standards during a trade facilitation exercise between in Uganda and Kenya. In his presentation, Mr Nuwagaba:



**NOTED** that the exercise entailed stock inspection, ranging from sampling to grading and took place across the country, taking into consideration a minimum of Grade 2 maize standard.

**INFORMED** that out of 67 samples only 7 samples qualified for the set standards, with some of the failed samples recording as high as 100 parts per billion (ppb) compared to the maximum allowable limit of 10 ppb.

**DECRIED** that even highly mechanized stakeholders still experience aflatoxin challenges due to improper drying of maize.

**ENLIGHTENED** that maize should be dried within 8hrs while at its milky stage, failure to which it becomes contaminated and becomes mouldy.

### Comments and Feedback from the plenary

The EAGC Executive Director led a plenary session where Members and stakeholders:

- **DECRIED** the inappropriateness of the trade blanket ban which affects traders who have complied with the EAC standard by meeting the recommended aflatoxin levels and **CALLED UPON** trade bans targeting consignments that do not meet the EAC standards rather than impose blanket bans on countries.
- **URGED** the government to consider authorizing the EAC country bureau of standards to undertake the testing of aflatoxin, or alternatively authorize traders and millers with laboratories to take up the role in support of structured trade.
- **RECOMMENDED** the EAC to consider adjustment of the recommended aflatoxin levels from 10ppb to 20ppb.

- **CALLED FOR** an appropriate policy communication strategy that takes into consideration how trade bans are communicated without disrupting trade, stating the reasons behind the ban and communicating resolutions put in place and their impact.
- **CALLED FOR** a regional approach to solve the trade ban through predictable policies that positively impact trade, while monitoring trade to enforce structured trade
- **PROBED** the timing of the trade ban, just after the recently concluded Heads of State Summit and the massive import of maize by Kenyans prior to the ban.

**NOTED** that too much effort has been emphasized at the grain handling level at the expense of the production level where farmers produce and consume contaminated maize.

- **NOTED** the partial application of standards where farmers and some markets do not recognize the set standards, **CALLING UPON** the government to standardize the application of standards.
- **RECOMMENDED** the engagement of EAGC Members with cleaning units, to support the cleaning of maize before export.

**The EAC Director General for Customs and Trade, Mr. Kenneth Bagamuhunda:**



**ECHOED** the sentiments voiced by stakeholders in calling for an immediate lifting of the import ban in the spirit of EAC integration and existing mechanisms to resolve trade disputes.

**RAISED CONCERN** about the risk of retaliatory actions by the affected Partner States if the Government of Kenya does not immediately lift the import ban, which would further undermine EAC integration efforts.

**RALLIED** the private sector and other partners to devise and support lasting solutions to the valid concerns of food safety and aflatoxin contamination in maize and other commodities in order to prevent future trade disruptions and ensure consumers in the EAC have consistent access to safe and high quality food.

## Summary of Key take-aways from the meeting

Stakeholders at the meeting:

**ACCEPTED** that aflatoxin contamination is a genuine problem across East Africa that must be confronted resolutely.

**EMPHASISED** that the import ban on maize from Tanzania and Uganda by the Government of Kenya was not the appropriate solution to the aflatoxin problem. The blanket ban is counterproductive and has instead created a crisis in the region.

**REITERATED** their call to have the ban lifted immediately. **NOTING** that aflatoxin is a regional issue, affecting domestic and regional markets, that knows no political boundaries. The problem should be dealt with from a **REGIONAL PERSPECTIVE**.

**ACCEPTED** that grain sector value chain players have a **MORAL RESPONSIBILITY** to consumers to produce, store, trade and process good quality grains and ensure food safety for consumers. As such, there is need for **INDUSTRY SELF-REGULATION** whereby grain sector players hold themselves and each other accountable for the grains they produce, trade and process, and establishing **CO-REGULATION** in close collaboration with bureaus of standards and other relevant bodies responsible for food safety.

**ACKNOWLEDGED** that all grain trade in the region is predominantly **UNSTRUCTURED** with minimal compliance to regulations and opaque trading practices, all of which contribute to the food safety concerns that have purportedly precipitated this maize import ban by Kenya.

**DECRIED** that compliance with food standards is a major problem in grain trade and **REMINDED** the need to address the root cause of aflatoxin contamination at farm level.

**NOTED** the need for a **HOLISTIC ADVOCACY STRATEGY** that addresses not just the immediate concern of lifting the export ban, but also facilitates appropriate measures to reduce aflatoxin contamination and institutes a process that ensures maize deemed unfit for human consumption does not find its way back into the food chain.

## The Way Forward

The meeting proposed the following next steps:

1. EAGC to meet the AFA Director General, Mr. Kello Harsama on 10<sup>th</sup> March 2021 to discuss on the trade ban and discuss appropriate immediate and medium-term solutions to the crisis created by the maize import ban.
2. EAGC to keep Members and Stakeholders updated on developments in its engagements with AFA and other government bodies.

EAGC appreciates the AGRA Regional Food Trade and Resilience Program with funding from USAID and FCDO for a recently launched program that seeks to facilitate structured trade in grain commodities that comply with standards. The program will strengthen EAGC to deliver its Mandate and Mission of *creating an enabling environment for structured grain trade for optimal stakeholder benefits*. Through this program, EAGC in partnership with The Grain Council of Uganda (TGCU) will pursue a series of structured trading interventions to unlock intra-regional maize trade and institute industry self-regulation and co-regulation processes that will prevent similar trade disruptions occurring in the future.



### About the Eastern Africa Grain Council

The Eastern Africa Grain Council (EAGC) is a membership-based organization representing the grain sector in Eastern and Southern Africa. The Council exists to facilitate efficient, structured, profitable and inclusive grain trade in its 10 mandate countries, namely Kenya (Regional Headquarters), Uganda, Tanzania, South Sudan, Ethiopia, Burundi, Rwanda, Zambia, Malawi and the Democratic Republic of Congo. EAGC draws its membership from grain sector value chain actors in its Member States, which include farmers, traders and processors. Support service providers and complimentary sectors such as agro-input suppliers, financial services and animal feed manufacturers also form part of the Membership.

In facilitating structured grain trade in the Eastern Africa region, EAGC provides trade facilitation services through the EAGC G-Soko Grain Trading System; market and cross-border trade information through the Regional Agricultural Trade Intelligence Network (RATIN – [www.ratin.net](http://www.ratin.net)); pursuing appropriate policy reforms to support growth of structured grain trade through the Agricultural Trade Policy Advisory Forum for Eastern and Southern Africa (ATPAF-ESA); and capacity building of grain industry stakeholders through the Grain Business Institute (GBI). For more information, please feel free to contact the EAGC Secretariat through the addresses below:

#### EASTERN AFRICA GRAIN COUNCIL

#### REGIONAL OFFICE

Mbaazi Avenue, off Kingara Road, Lavington, P.O. Box 218-00606, **NAIROBI, KENYA**

Tel: +254 20 374 5840/733 444 035/710 607 313

Email: [grains@eagc.org](mailto:grains@eagc.org) Web: [www.eagc.org](http://www.eagc.org)/[www.ratin.net](http://www.ratin.net)

