

## TALKING POINTS BY UBL MD ANDREW KILONZO

THE 10TH AFRICAN GRAIN TRADE SUMMIT, SPEKE HOTEL RESORT, KAMPALA UGANDA

5TH TO 7TH OCTOBER 2023

THEME: DEFINING AFRICA'S PLACE IN GLOBAL GRAIN TRADE FOR SUSTAINABLE FOOD SYSTEMS

**Speech Length: Approx 5 minutes**

- H.E. Yoweri Kaguta Museveni – President of the Republic of Uganda
- Hon. Francis Mwebesa - Ministry of Trade Industry and Cooperatives - Republic of Uganda
- Hon. Frank Tumwebaze - Ministry of Agriculture, Animal Industry and Fisheries - Republic of Uganda
- Distinguished Guests
- Ladies & Gentlemen,

Good morning and thank you for inviting us.

- It is an honour to stand before you, joining diverse stakeholders from diverse backgrounds and sectors to discuss Africa's place in the global grain trade for sustainable food systems in our continent.
- As a leading food and beverage business in Uganda, we are proud of the role we are playing in the agricultural sector – working with over 35,000 farmers by creating agricultural supply chains that are economically, socially and environmentally sustainable.
- Every year we pay approximately UGX 50b to farmers who supply raw materials for brewing purposes, the majority of them being grain farmers.
- We purchase sorghum, barley and maize. And 95% of our agricultural raw materials are sourced locally.
- We decided to be more than an off-taker. Our approach to agriculture is sharing value with our local farmers and the other players in the chain, respecting human rights and helping our suppliers to do so, and minimising environmental impact.

Ladies and Gentlemen,

- This discussion couldn't come at a better time. If I'm to unpack some aspects of the summit's theme, there are two key components: the **food systems** and the **sustainability** components, which both present unique opportunities and challenges.
- On the sustainability front, we are all aware of the numerous climate, geopolitical and social issues that are threatening grain production and food security in our region.
- On the systems side, there are definitely needs for improvement so that we unlock the full potential of our arable land so as to satisfy our fast-growing population, climate change, and economic uncertainties.
- The opportunities are also huge: Africa boasts of enormous arable land, in fact, studies show that we have 60% of the world's uncultivated arable land. We also have a favourable climate and a youthful population, among other advantages. The good

news is that these merits have led to improved agricultural production in past 30 years.

Ladies and Gentlemen

- For us to change this narrative, we have to invest more in the agricultural sector. At Uganda Breweries, our commitment is to promote sustainable sourcing and fostering thriving communities across the value chain.
- By providing a ready market for our smallholder farmers, we are playing a crucial catalytic role in growing the sector. By assuring a market for sorghum, barley and maize, we have injected interest and stimulated capital flows that have led to the development of the value chain; ultimately strengthening the food systems and structures.
- To enhance productivity, investment in modern agricultural practices is paramount. Precision farming, IoT (Internet of Things) applications, and sustainable water management can significantly increase yields while minimising environmental impact. Moreover, we empower our farmers with knowledge and resources. Training programs, access to credit, and extension services can elevate smallholder farmers, transforming them into engines of sustainable agricultural growth.
- As a responsible business, we contribute innovations and experimentation with improved seeds, then avail them to farmers.
- Further, we have an ongoing partnership with the National Agricultural Research Organization (NARO), and they have supported our farmers in coming up with drought-resistant sorghum species. This has ensured sorghum production throughout the year.

As I conclude,

- Lastly, partnerships are at the heart of sustainable food systems. Collaboration between governments, private sector entities, and research institutions can foster innovation and knowledge exchange. By working together, we can create an enabling environment for farmers, traders, and consumers alike, ensuring that the benefits of a thriving grain trade are shared equitably.
- In addition, we will all agree that all countries in East Africa have different strengths in agricultural potential. There is an opportunity to collaborate more as one market so that we strengthen each other as envisaged in the EAC common market protocol.
- Better flow of grain production best practices, technologies and products will contribute to more agricultural success, agro-processing and more income to farmers to everyone in the East African region.

Thank you all!