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SYNTHESIS REPORT OF PROCEEDINGS

Defining Africa's place in global grain trade for sustainable food systems

10TH AFRICAN GRAIN TRADE SUMMIT



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10TH AGTS 2023

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A group photo of the delegates during the Summit

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Executive Summary

The Eastern Africa Grain Council in partnership with the Government of the Republic of Uganda hosted the 10th edition of the African Grain Trade Summit (10th AGTS) from 5th to 7th October 2023 at the Speke Resort in Munyonyo, Uganda. Mr. Joshua Mutambi, the Commissioner of MSMEs in the Ministry of Industry, Trade and Cooperatives (MITC) presided over the official opening ceremony of the summit which carried the theme “Defining Africa’s Place in Global Grain Trade for Sustainable Food Systems.” [Click here to view the event program.](#)

Attended by over 300 delegates among them high-level representatives of the Office of the President of the Republic of Uganda, high-level policymakers among them Directors and Commissioners in government Ministries, departments, and agencies, CEOs and executives of leading grain industry businesses from across Africa and beyond, heads of missions from key development partners, including High Commissions, Embassies and Consulates, leading researchers from across Africa and beyond working in the grain sector as well as media houses with a continental and international reach.

The summit was sponsored by the Fortified Whole Grain Alliance (FWGA), The International Centre of Insect Physiology and Ecology (icipe), the Alliance for a Green Revolution in Africa (AGRA), Uganda Breweries Ltd (UBL), the United Nations World Food Program (UNWFP), JASIRI Talent Investor, Allan & Gill Gray Philanthropies, DFCU Bank- Uganda, The Uganda Grain Council (TGCU), Perry Engineering Ltd, Buhler East Africa, Grain Pulse Ltd and Mandella Millers Uganda. 30 companies (see annex 1) showcased their innovations and technologies on the sidelines of the grain trade summit.

The event occurred during challenging global circumstances, including the Covid pandemic and European conflicts, leading to skyrocketing prices for commodities and freight. Major economies like China and India are taking measures to secure food supplies, highlighting Africa’s reliance on imported food, despite its capacity for local production. The summit recognized opportunities in trade logistics and finance to facilitate grain trade in Africa and emphasized the potential for bulk grain production through commercial farming.

Industry executives engaged in candid discussions with policymakers about enhancing the grain sector, committing to structured trade facilitation to bridge gaps in the current market system. The past nine summits have influenced significant policy reforms, such as harmonizing trade policies and establishing the EAGC as a key organization for the grain sector in Eastern Africa. The 10th AGTS outlined a pathway for Industry Self-Regulation (ISR) and a roadmap for its implementation at the country level.



10th AGTS Participation Summary



SUMMIT DELEGATES

Country	Percentage
Uganda	51%
Kenya	22%
Tanzania	6%
Ethiopia	4%
Rwanda	3%
Burundi	2%
Belgium	2%
Italy	2%
UK	2%
USA	2%
Zambia	1%
Denmark	1%
Tunisia	1%
DRC	1%

SUMMIT SPEAKERS

Country	Percentage
Kenya	38%
Uganda	21%
Tanzania	13%
Denmark	8%
Burundi	4%
Belgium	4%
DRC	4%
Nigeria	4%
Malawi	4%

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Background, context, and rationale

The AGTS (African Grain Trade Summit) is a premier international conference that brings together business leaders, policymakers, and stakeholders from Africa and beyond to discuss key issues and trends in the grain sector. The 10th AGTS focuses on advancing the African grain industry and serves as a thought

leader, initiating policy improvements through high-level discussions on current challenges.

Hosted by the East African Grain Council (EAGC) and its partners every two years, the Summit provides insights into trends. It fosters strategic, evidence-

based dialogue from various perspectives, shaping the future direction of the grain sector in Africa. Since its inception in 2005, the AGTS has led to the establishment of EAGC as a Self-Regulatory Organization (SRO) and has achieved significant policy and business advancements for the industry.



10TH AGTS 2023

SYNTHESIS REPORT OF PROCEEDINGS

Background, context, and rationale

Grain trade enterprises, including farmers, aggregators, merchants, processors, and service providers, are vital to the socioeconomic systems in many regions of Africa and globally. In Eastern and Southern Africa, nearly half of the food trade involves grains, leveraging existing trading opportunities from different agricultural harvest schedules. These enterprises not

only pursue profit but also aim to ensure food access, stabilize prices, and create markets for producers.

The 10th AGTS served as a platform to improve the business environment for grain agribusinesses, heavily influenced by government regulations. Policy choices can either bolster or hinder these businesses, particularly in the face of challenges like climate

change, geopolitical tensions, and inadequate market linkages and financial services. Participants in the grain value chain had the opportunity to advocate for legislative changes to enhance the grain trade environment, emphasizing its critical role in food security, manufacturing, investment, and job creation.

The theme of the 10th African Grain Trade Summit 2023

The 10th AGTS, themed **“Defining Africa’s place in global grain trade for sustainable food systems,”** addressed the pressing challenges facing the continent, particularly considering the ongoing food crisis exacerbated by the Covid-19 pandemic and geopolitical tensions, such as the Russia-Ukraine war. This crisis has led to significant price increases for staple foods, with costs rising sharply due to Africa’s overreliance on global markets for food and agricultural inputs. The war has particularly affected wheat imports, with many African nations heavily dependent on Russia and Ukraine for this essential staple.

Shipping costs have surged, impacting food prices further, while high energy prices and climate change continue to strain the continent’s resources. As a result, Africa faces the urgent need for greater self-reliance and resilience against global market shocks.

The summit emphasized the potential of the African Continental Free Trade Area (AfCFTA) to enhance food security, reduce dependency on external sources, and foster intra-African trade. The 10th AGTS aimed to foster industry collaboration and develop actionable solutions to strengthen grain trade value chains, ultimately positioning Africa’s grain sector for sustainable success in the future.



10TH AGTS Highlights

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Grain Trade Exhibition

A 2-day grain trade exhibition was hosted parallel to the summit which was an opportunity for participating organizations to display their products and services to delegates from across Africa and beyond. Technologies showcased included:

- ▶ Post-harvest handling solution, silo construction, and engineering
- ▶ Aflatoxin testing technology – Elisa and Rapid microbiology testing technology
- ▶ Fortified wholegrain products – pre-cooked maize flour and porridge
- ▶ Whole grain fortification
- ▶ Hermetic storage and transport technologies
- ▶ Grains and packaging materials
- ▶ Financial services
- ▶ Insects for food, feed, and other uses
- ▶ Soil testing IOT device for soil health
- ▶ Porridge milling
- ▶ Solar and irrigation
- ▶ Weighing technologies and solutions
- ▶ Modern farming presentation, rice milling equipment, maize, wheat and animal feed, rice mill compressors.
- ▶ Testing/inspection and certification and pre-shipment services
- ▶ Safe food storage
- ▶ Benchtop lateral flow imaging unit for automated mycotoxin/aflatoxin tests and qualitative test strips.

Grain Trade Conference

A 2-day in-person grain trade conference on the latest industry developments, experiences, and insights to inform grain trade policies and strategies where a high-level media dialogue, plenary, and breakout sessions were hosted to discuss broad and specific thematic areas of grain trade and the grain sector in Africa.

1

3

African-themed gala dinner

An African-themed gala dinner which was exclusively sponsored by Uganda Breweries Ltd and the Embassy of the Republic of Ukraine

Experiential Learning Field Visit

On the third day, the summit was crowned by a field tour of the Mandela Millers and Grain Pulse Uganda that exposed delegates to knowledge in grain handling practices.

4



Remarks by high-level guests



Dr. Joshua Mutambi

Commissioner for processing and marketing industry

Speaking on behalf of Uganda's Minister of Trade, industry and Cooperatives Hon Francis Mwebesa, **Dr. Joshua Mutambi**, encouraged the delegates to propose actions that will shape the grain story of Africa. He called on industry players to craft a narrative that showcases Africa not just as a participant, but as a formidable player in global grain trade. In line with the summit's theme, he remarked that Africa is challenged to address several pivotal aspects that would shape its agricultural future:

- **Data collection & dissemination:** In the rapidly advancing digital age, data-driven decision-making is paramount. Establishing robust mechanisms for collecting, analyzing, and disseminating data across the entire value chain will empower us to make informed, evidence-based policies, ensuring the growth and resilience of our grain sector.
- **Production of grains and pulses:** To enhance global competitiveness, it's essential to bolster the production of diverse grains and pulses. This will require innovative farming practices, technological adaptation, and an emphasis on quality alongside quantity.

- **Standards across the value chain:** To position African grains and pulses on the global map, we need to establish and adhere to the highest standards. From sowing to harvesting, processing to packaging, and distribution to sales – excellence at every step will differentiate us and ensure competitiveness in the global arena.
- **Facilitating healthy consumption of food:** As custodians of this continent's nutrition, we must promote and facilitate the consumption of healthy, balanced diets. Grains and pulses, fortified with essential nutrients, should be accessible and affordable to all.
- **Food safety:** Beyond production, the safety of our food products is paramount. Implementing stringent safety protocols, periodic checks, and educating all actors across the entire value chain about best practices will go a long way in ensuring that our grains are not just abundant, but also safe.
- **Identifying and seizing global trade opportunities:** The world is an open market, and Africa has the potential to be its major supplier. By identifying, understanding, and capitalizing on global trade avenues, we can ensure that African grains find their rightful place on dining tables across the world.
- **Exploring opportunities for cross-border trade, technology adoption, and policy harmonization.** The role of innovation, digitalization, and sustainable farming practices in ensuring a prosperous grain sector for our continent must be ensured.



Mr. Gary C. Martin

CEO of the North American Export of Grain Association and volunteer President of the International Grain Trade Coalition (IGTC)

Mr. Gary C. Martin, reflected on:

- The **2023 IGTC intentional efforts to expand its scope of work into Africa to the benefit of the whole world** citing the Africa Grains Weeks hosted in May by EAGC and the South African Cereal Traders and Oil Seeds Association (SACOTA).
- **Global grain and oil seed marketing was noted under pressure to provide global food security, food defense, and energy security while maintaining high-quality and safe products throughout the value chain.**
- Gary encouraged Summit delegates to look at the opportunities and challenges presented by the global grain and oil marketing pressure.
- IGTC work was noted to seek sound, responsible, predictable, commercial, and official measures.
- The grain industry's challenge has been to move commodities from areas of surplus to areas of deficit and provide for regulatory compliance, safety, and cost efficiency.
- Delegates were encouraged to keep in mind

Remarks by high-level guests

the fundamentals of the grain and oil seeds value chains.

- Solutions and opportunities were emphasized; putting people first, providing for competition, resilience and preparedness, embracing a global understanding of circumstances, and acting locally.
- Called for cooperation with government agencies, aggressively innovating, staying informed, and able to make informed decisions with a focus on efficiency and improvements in logistics.



Mr. Andrew Kilonzo

Managing Director of Uganda Breweries Ltd (UBL)

Mr. Andrew Kilonzo made remarks on the role and responsibility of UBL in the grain value chain towards sustainable food systems:

- UBL as a leading food and beverage business in Uganda plays a crucial role in the agricultural sector working with over 35,000 farmers by

creating agricultural supply chains that are economically, socially, and environmentally sustainable with 95% agricultural raw materials sourced locally. UBL pays approximately USD 13.3 million (UGX 50 billion) to sorghum, barley, and maize farmers.

- **Africa boasts of enormous arable land with 60% of the world's uncultivated arable land, a favorable climate, and a youthful population.**
- To change this narrative, UBL called on businesses to invest more in the agricultural sector citing UBL's commitment to **promote sustainable sourcing and fostering thriving communities across the value chain.** This encompassed empowering smallholder farmers with training programs, access to credit, extension services, and assuring a market for sorghum, barley, and maize, where UBL injects interest and stimulates capital flows that have led to the development of the value chain; ultimately strengthening the food systems and structures.
- As a responsible business, UBL contributes **innovations and experimentation with improved seeds, then avails them to farmers.** UBL has an ongoing partnership with the National Agricultural Research Organization (NARO), and they have supported farmers in coming up with drought-resistant sorghum species. This ensured sorghum production throughout the year.



H.E. Jay Patel Oleskii Sierkov, the Ambassador of Odesa City to Kenya and the Honorary Consul of the Republic of Ukraine in Mombasa Kenya, and H.E. Zagurskaya Julia, the Honorary Consul of Uganda to Ukraine:

- Highlighted opportunities for Africa's grain sector with the Republic of Ukraine.
- Announced that as of 5th October 2023, Ukraine had 60 million MT of various grains and invited interested buyers to bid for the purchase of these grains through structured trading systems provided by EACC in collaboration with the Ukrainian Trade Mission in Africa.

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Remarks by high-level guests



Mr. Charles Mudiwa

Managing Director of the DFCU bank in Uganda

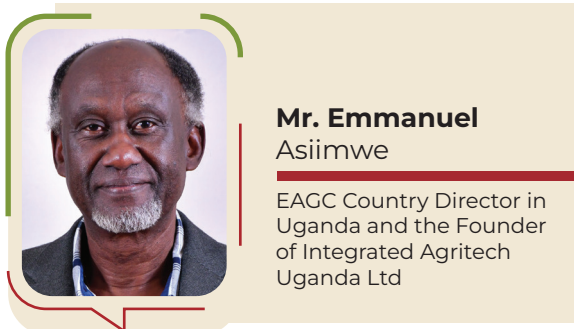
Mr. Charles Mudiwa, Managing Director of the DFCU bank in Uganda made remarks on the trade finance landscape in Africa:

- Access to finance was identified as a significant obstacle to the growth of the agricultural sector, making it difficult for agribusinesses to reach their full potential. **Africa currently contributes only about 25% of the required capital for agricultural finance.**
- On the supply side, commodity producers need to adopt better agronomic practices, such as sourcing high-quality agricultural inputs and adhering to standards and grain quality benchmarks in trade. This would encourage financiers to invest in the sector with more confidence.
- On the trading side, effective risk mitigation is essential. Many SMEs involved in grain trade fail to keep proper records, which hampers financiers' ability to make informed decisions about trade financing.

- Ugandan banks, including DFCU, which has committed up to 20% of its lending to the agriculture sector, are well-positioned financially. However, the sector is viewed as high-risk, and given strict regulations on the quality of loan portfolios, banks are hesitant to lend to businesses lacking proper documentation.
- From the demand perspective, there is a need to make the commodity market more attractive to secure better market opportunities. This calls for commodity aggregation systems to improve product quality, provide access to market information, and enhance logistics. Tools such as trade contracts, commodity exchanges, and collateral for trade financing could serve as fallback options for banks when dealing with high-risk ventures.
- In terms of information and technology, banks require access to real-time market databases to boost confidence and improve decision-making in agricultural finance.
- When it comes to financing working capital for infrastructure development, such as silos or processing plants, value chain actors need access to long-term financing. However, they are less likely to qualify for loans if they cannot demonstrate sustainable business practices.
- Market risk management is a key concern for bankers, as there are currently no effective tools for managing price fluctuations, which are common in commodity markets.



Remarks by high-level guests



Mr. Emmanuel Asiimwe

EAGC Country Director in Uganda and the Founder of Integrated Agritech Uganda Ltd

Mr. Emmanuel Asiimwe remarked that the Uganda Bureau of Statistics (UBOS) estimates that about **68% of Uganda's working population is employed in agriculture** hence the 10th AGTS discussions were critical to the people of Uganda.

EAGC Board Chairman Mr. David Mutazindwa noted that the 10th AGTS provides the perfect platform for collaboration, forging new partnerships, and committing to actionable outcomes. Mr. Mutazindwa reminded delegates that the grain traded by players is more than just a commodity. It is a symbol of life, of hope, and continuity. Specifically, he indicated that:

- EAGC has a vision where the potential of every grain harvested in our lands is fully realized, nourishing not just for subsistence consumption within the families, but also fueling African country's economies.
- The African grain is more than just sustenance. It is a symbol of resilience, heritage, and commitment to a brighter tomorrow.
- Fluctuating prices, post-harvest losses, poor infrastructure, and a lack of knowledge exchange were some of the many issues

plaguing the grain trade in Eastern Africa. Through collective effort, resilience, and an unwavering commitment to a shared vision, we have achieved significant milestones.

- EAGC is a testament to what is possible when public and private stakeholders come together with a shared vision and purpose. EAGC's commitment to building a vibrant, efficient, and sustainable grain trade sector has borne fruit in various ways.
- EAGC facilitates investments in storage and logistics, champions policies that promote cross-border trade; building the capacity of smallholder farmers to embrace technology for market information and transparency, in a transformative and inspiring journey.
- As EAGC projects into the next decade:
 - ▶ Sustainability is no longer an option; it is a necessity.
 - ▶ Innovation is key to unlocking the grain industry's immense potential. From adopting digital tools to understanding new-age farming techniques, from seeking alternative uses of grain to optimizing supply chains.
 - ▶ Inclusivity must define us. The grain trade will create space for the smallholder farmers, the young entrepreneurs, and Africa's youthful population, for the visionary women who often are the backbone of our agricultural communities.
- Called on delegates to envision an Africa where:

- ▶ **Every grain produced reaches the market** and fetches a fair price.
- ▶ **Smallholder farmers**, who are the backbone of our agricultural systems, have **access to the best tools, knowledge, and markets** to thrive.
- ▶ **Technology and innovation** drive every aspect of the grain value chain, ensuring efficiency, transparency, and sustainability.
- ▶ **Cross-border trade is seamless**, and policies are harmonized to unleash the full potential of our regional markets.



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The Summit discussions




5-7 OCTOBER 2023
KAMPALA, UGANDA



Thank you for joining us in...

Defining Africa's place in global grain trade for sustainable food systems

Session: High-Level Grain Trade Media Dialogue
Can the AfCFTA help Africa define its place in global grain trade for sustainable food systems?



Ms. Laura Naliaka - Trade Policy Expert,
Africa Trade Policy Centre, United
Nations Economic Commission for Africa



Ms. Kentice Tikolo, OGW - Managing
Director, Cause Impact Ltd



Mr. Paul Mwambu - Ministry of Agriculture,
Animal Industry and Fisheries, Uganda



Mr. Gerald Masila - Executive Director,
Eastern Africa Grain Council (EAGC)

Moderated by Ms. Kentice Tikolo OGW, Managing Director at Cause Impact Ltd, this session kicked off with a keynote presentation on the state of play in Africa's grain sector ecosystem by Ms. Laura Naliaka trade policy fellow at the Africa Trade Policy Centre (ATPC) on behalf of Dr Stephen Karingi, the Director of Regional Integration at United Economic Commission for Africa (UNECA).

The high-level media dialogue included senior experts in the grain sector Mr. Paul Mwambu, Uganda's Minister of Agriculture, Animal Industry and Fisheries, and Mr. Gerald Masila, the Executive Director of EAGC. Key areas discussed included:

- **Africa's participation in global trade in cereals is very minimal.** The continent is a net cereal importer with minimal exports of cereals compared to imports where in **2016 cereals trade deficit was around USD 21 Billion and has been gradually increasing to around USD 35Billion in 2022.**
- Drivers of the trade deficits in cereals in Africa are largely driven by wheat followed by rice and maize among other cereals. By 2022 wheat accounted for more than 56% of Africa's cereals trade deficit. Russia, France, Canada, USA, Ukraine, Argentina, Germany, Romania, Australia, and Lithuania are the major exporters

of wheat to Africa accounting for 86% of total imports. These 10 top sources are very few countries which means that in case of any shock among the market sources there is a major impact on wheat commodity availability in Africa e.g. Ukraine and Russia where since February 2022, there has been a major impact on wheat commodity availability, price increase in wheat and other commodities, increase in food insecurity and poverty levels. None of the 10 wheat sources is an African country. African country wheat sources are part of the remaining 14%. The Big question is when will Africa stop the trend such that external shocks do not impact the continent? How can Africa not be able to trade in commodities produced locally to shield the market from external shocks?

- Africa has the potential to produce enough for its population and export to other markets given the youthful demographic and 65% of land being arable. However, Africa is not producing enough to meet supply requirements. Intra-African exports of cereals accounted for 78% of its total exports between 2016- 2022 accounting for USD 2.6 Billion compared to USD 36 billion in total cereals imports in the same period in Africa. Wheat is the main cereal import, between 2016-2022, intra-African exports of wheat accounted for 96% of its total exports within this period, equivalent to USD 289 Million compared to imports from outside Africa of USD 20 billion.
- AfCFTA agreement which came into existence in 2018 and into force in 2019 where the first meaningful trade took place in 2021 under the guided trade initiative. AfCFTA could be a tool to address challenges in grain trade in Africa,

The Summit discussions

especially under Phase 1 protocols, through the protocol on trade in goods which aims to reduce tariffs for up to 90% of goods traded within the continent. In summary, there are several protocols not just traditional agreements which focus on tariff elimination. Through the protocol on trade of goods, tariff elimination will promote trade beyond economic communities. Phase 2 protocols are likely to address bottlenecks encountered around boosting trade and investment in agriculture.

- Africa can trade more with itself not just in grains or commodities but also agricultural inputs. Annexes to the protocol on trade in goods address challenges that are non-tariff related. E.g. annex on trade facilitation, non-tariff barriers, sanitary and phytosanitary measures, and technical trade barriers. Through Phase 2 protocols, AfCFTA is likely to address issues of food production, especially on innovation, patents and intellectual property rights, and investments to boost productivity. At the moment the continent has not done well in receiving Foreign Direct Inflows due to some countries being small without economies of scale, however, with AfCFTA the trading bloc allows small countries to benefit from economies of scale. Investment protocol provides an equal playing ground for all African Countries. Additional protocols are being negotiated especially protocol on women and trade where issues such as cultural norms,

access to finance, land, etc. will be addressed through this protocol.

- ECA's regional integration division has developed a manual with Q&A on what you need to know about the AfCFTA including simulations reports on impact or expectations in state trade in 2045 with AfCFTA in place. UNECA estimates that in 2045 with full implementation of AfCFTA, Trade in agri-food is likely to increase by 50.2%. Grains and crops will be the biggest beneficiaries of AfCFTA which will result in food security in Africa. Besides grains and crops, the service sector is likely to grow by 37.6% and the Manufacturing sector by 36.1%. These are likely to be underestimated as these figures are based on formal statistics without factoring in informal cross-border trade statistics which are very significant.
- Implementation of AfCFTA will be key and all stakeholders should see themselves as role players to ensure that the benefits of AfCFTA are realized. UNECA has supported over 40 countries in developing their own AfCFTA implementation strategies.

This high-level grain trade media dialogue acknowledged that the AfCFTA, will reduce if not eliminate Africa's overdependence on global food markets and identified priority challenges that need overcoming as well as strategic investments required in the grain sector to take full advantage of the AfCFTA.



The Summit discussions



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KAMPALA, UGANDA



Thank you for joining us in...
Defining Africa's place in global grain trade for sustainable food systems

Session: Feeling the Pulse: Africa-Global Pulses Trade Partnerships



Ms. Josephine Milingi - Country Director
- Tanzania, African Fertilizer and Agribusiness Partnership



Dr. Vijay Iyengar, President of Global Pulses Confederation

In the keynote presentation by the Global Pulses Confederation (GPC), Dr Vijay Iyengar highlighted the state of play in recent global and regional developments relevant to pulses trade. Opportunities in global markets for Africa were presented and stakeholders noted that:

Pulses are among Africa's biggest grain exports to the global market with India, the Middle East, and China representing major markets for Africa's pulses.

The collaboration between GPC and the Grain and Feed Trade Association (Gafta) in enhancing global pulses trade was underscored in ensuring conditions

in global pulses trade conditions go back to normal.

- Pulses are the most affordable source of protein, they keep soil healthy by increasing nitrogen, in reducing greenhouse gases pulses have a lower carbon footprint, long shelf life, and do not lose their nutritional value over time, eaten all over the world, use less water from production to harvest and are highly tradable.
- Increased food prices and food insecurity could be addressed through increasing pulses production in Africa.

- Africa's pulses export market potential is promising to consider that this market has been increasing over the years.
- Across the continent pulses are seen as poor man's food yet have a great potential for the export market. Pulses crop is also not a priority crop for agricultural policy formulation in most African countries.
- The level of pulse production seems to be stagnant, for instance, Ethiopia has been producing about 7 million MT pulses in the last 20 years. This could be because these crops are orphan crops. Best pulses consumed in the other parts of the world are sourced from Africa.
- Developments in key markets such as India, China, and major pulse-producing countries, as well as factors like weather conditions, trade policies, consumer trends, and sustainability concerns, have played a crucial role in shaping global pulses trade dynamics. These dynamics include;
 - ▶ India imports pulses yet it is one of the largest consumers and importers of pulses, particularly lentils and chickpeas. Periodic changes in India's import policies, such as tariffs, quotas, and quality standards, have a significant impact on global pulses trade. For example, **periodic adjustments to import duties and restrictions by the Indian government influence price dynamics and trade flows in pulse markets worldwide.**
 - ▶ **China's demand for pulses is increasing**, driven by changing dietary preferences,

The Summit discussions

urbanization, and income growth, leading to a substantial impact on global trade patterns. China's increased imports of pulses, particularly soybeans and peas, have contributed to tighter global supply-demand dynamics and price volatility in pulse markets.

- ▶ **Droughts and crop failures in major pulse-producing countries,** such as Canada, Australia, and India, have disrupted global supply chains and led to price spikes in pulse markets. For example, drought conditions in Canada or Australia have been seen to result in reduced yields of lentils or chickpeas, affecting global availability and prices.
- ▶ **Trade agreements and tariffs:** Trade agreements and tariff policies between major pulse-producing and consuming countries influence trade patterns and market dynamics. Changes in tariffs, trade preferences, or market access conditions affect the competitiveness of pulse exports and imports, leading to shifts in trade flows and market shares.
- ▶ **Consumer trends and health awareness:** is growing especially on the health benefits of pulses, such as their high protein, fiber, and micronutrient content, has driven increased demand for pulse-based products in many markets. This trend has

led to the development of new pulse-based food products and ingredients, as well as expanded market opportunities for pulse exporters.

- ▶ **Increasing emphasis on sustainability and environmental conservation** concerns in agriculture has led to greater interest in pulse crops due to their nitrogen-fixing properties, water-use efficiency, and soil health benefits. As a result, demand for sustainably produced pulses, including organic and non-GMO varieties, has grown in key markets, influencing trade preferences and supply chain practices.
- Participants understood the pulses market dynamics and opportunities for trade within and outside Africa the priority actions identified to strengthen Africa's competitiveness in global pulses trade and opening markets for intra-regional pulses trade.
- To strengthen Africa's position in global pulses trade and reinforce the continent's competitiveness concerning pulses production and trade the session proposed the following interventions:
 - ▶ **Sustainable production practices:** Embracing sustainable agricultural practices, such as conservation agriculture, organic farming, and climate-smart techniques, will enhance productivity, resilience, and market acceptance of

African pulses. Sustainable production practices can position African exporters as responsible suppliers and attract buyers seeking ethically sourced products.

- ▶ **Value addition and differentiation:** Adding value to pulses through processing, packaging, and branding enhances their marketability and competitiveness. African exporters could differentiate their products by offering specialty varieties, organic certifications, and traceability, catering to niche market segments and premium buyers.
- ▶ **Diversification of markets:** African exporters will explore new markets and diversify their customer base to reduce dependence on a few key markets. Expanding into regions with strong demand for pulses, such as India, China, and the Middle East, could create opportunities for growth and market penetration.
- ▶ **Growing demand:** There is increasing global demand for pulses due to their nutritional benefits, versatility, and sustainability. African exporters could capitalize on this trend by supplying high-quality pulses to meet growing demand in traditional and emerging markets, particularly in Asia, the Middle East, and North America.

The Summit discussions

Break out session:

Innovations for Resource Efficiency and Business Competitiveness in Grain Trade.

With an ever-changing landscape for grain production and trade, the vagaries of climate change and rising energy costs mean that grain value chain players must always strive to innovate to become more efficient and competitive.

Panelists emphasized the need for innovation among grain value chain actors to enhance efficiency and competitiveness in the face of changing production landscapes, climate change, and rising energy costs. Innovative products and practices are crucial for reducing waste and improving business efficiency as follows:

- **Regenerative Agriculture** as an innovation in promoting sustainable food systems was discussed. If the soil lacks organic matter, the use of fertilizers or chemicals, increased mechanization, and the use of hybrid seeds to increase productivity will be in vain.
- **Carbon Credits will generate revenue for actors in the value chain.** Introduction of systems to monitor, improve, and report year-on-year buildup of soil organic matter, today soil organic matter is between 1-2% in Africa bringing it to 6-8% recommended value.

Farmers need to realize better yields, to reduce expenditure on insecticides, and agrochemicals among others. We can grow cereals in Africa by focusing on regenerative agriculture leading to sustainable food systems.

- **Energy-efficient grain drying innovations featured in the discussions.** Various grain dryers as provided by Perry Engineering Limited were discussed, from small scale easy-to-manage solutions to large-scale grain dryers. Hot air recovery technology was noted to reduce the use of energy in drying. Farming needs cost controls and this is why toxic scrub was introduced in the Uganda market to ensure aflatoxin-free grain is offered to the market through decontamination of infested grains.
- Key opportunities were identified for **technological advancements** including large-scale applications of drying, toasting, roasting, and blending whole grains with pulses, driven by increasing consumer demand.
- **Innovations in silo construction** can significantly reduce post-harvest losses, with examples like the upcoming facility at Mandela Millers in Uganda aiming to recover up to 40% of lost cereals. Insect-based farming was introduced as a solution to repurpose grains used in animal feed for human consumption. This method not only promotes soil and human health but also has the potential to recycle vast amounts of waste—currently only 4% of the 125 million MT available in Africa.
- **Scaling insect-based technologies** can enhance grain trade balance by freeing up grains for human consumption. Research and

training on insect feed quality and harmonizing standards at a continental level are essential for addressing market concerns regarding biosecurity.

- Additionally, Buhler Group showcased **innovations in commodity storage and milling**, including advanced detection technologies for aflatoxin and automated smart mills that optimize production efficiency and safety.

Breakfast session: Influencing policy for enhancing cross-border grain trade in Eastern Africa

This session was hosted in partnership with the JASIRI Talent Investor, Allan & Gill Gray Philanthropies, and was chaired by Dr. Roselyn Marandu-Kareithi, Jasiri's Country Lead, in Kenya. The need to influence policy to accommodate women and young upcoming start-ups in the evolving landscape of food including grain trade in Eastern Africa was presented by Dr. Roselyn. A subsequent panel discussion unpacked an analytical framework that could reshape the way we think about entrepreneurship and ecosystem collaboration to expand cross-border grain trade in the region.

- The panel facilitated by Mr. Gerald Masila, Executive Director, EAGC, was comprised of Mr. David Kamau, the Managing Director of the Fortified Whole Food Alliance (FWGA), Ms. Naliaka Naporwa, Trade Policy Expert from the Africa Trade Policy Centre (ATPC) of the United Nations Economic Commission for Africa (UNECA), Ms. Stella Apollot, Principal

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Standards Officer at East Africa Community and RHEA and Radava CEOs among tens of other corporate representatives who formed part of the audience:

- RHEA, a Jasiri Venture, empowers smallholder farmers by providing soil data and recommendations that enable profitable and sustainable farming while minimizing environmental impact. The company delivers critical farm data and tools to improve agricultural practices, leveraging IoT devices with sensors, cloud-based data analytics, and machine learning to provide actionable insights.
- Radava, another Jasiri Venture, tackles key agricultural market failures that threaten food security by enabling electronic trade of agricultural commodities. It provides smallholder grain farmers access to modern warehouses where they can safely store their produce until market prices improve, reducing post-harvest losses.
- The session emphasized an analytical approach to addressing policy challenges in Eastern Africa, focusing on diagnosing problems, fostering dialogue among stakeholders, and prioritizing policy implementation. The Jasiri program is dedicated to reducing poverty by investing in, nurturing, and empowering responsible entrepreneurs and leaders who create meaningful employment opportunities.
- A key highlight was the Jasiri Talent Investor, an incubator that accelerates the development of high-impact ventures from ideation. This program supports Eastern African entrepreneurs, known as Jasiri Fellows, during the early and high-risk stages of their startup journey. It connects them with co-founders and offers guidance at the individual, team, and business levels through experienced facilitators, mentors, and business coaches. Jasiri also runs a Growth Accelerator, providing funding and investor readiness support to early-stage startups that demonstrate product-market fit but are too risky for commercial investors.
- Sustainability was emphasized, with recognition of the growing global dialogue on sustainable agricultural practices and the need for standardized policies across nations to support this effort.
- Regarding fintech solutions that facilitate smoother transactions in agriculture, concerns about cybersecurity and data protection were raised, particularly in cross-border trade. As digitization increases, the vulnerability of these platforms to cyber threats needs to be addressed through robust policies. Technological innovations from Jasiri Ventures, such as RHEA and Radava, were also noted.
- The session explored whether Jasiri's innovations could be integrated into existing systems or if policy changes would be necessary for their success across different regions.
- Warehousing was positioned as a key intersection of technology, logistics, and policy. Effective warehousing requires not only state-of-the-art technology but also harmonized policies across countries to ensure efficient storage and movement of grains. This calls for standardized storage and quality control regulations across Eastern Africa.
- The inclusion of underrepresented groups, particularly women and youth, was identified as a critical policy concern, noting that current trade policies often favor established, male-dominated businesses, leaving these groups marginalized.
- A shift in policy to promote equal opportunities for all, especially under the African Continental Free Trade Area (AfCFTA), was suggested as a potential game-changer for democratizing grain trade innovation across the region.
- Other topics discussed included cross-border policy harmonization, stakeholder inclusion, and technological integration, all of which are areas that require further analysis.
- Challenges such as intellectual property rights, access to financial resources, and market barriers were highlighted as areas needing unified policy frameworks. For example, the lack of reliable data is not just a technical issue but also a policy challenge that impacts investment and growth.
- The discussion also emphasized the importance of partnerships in shaping policy, acknowledging that policy changes often involve complex negotiations and compromises.
- Involving multiple stakeholders in the policy-making process was seen as a way to accelerate progress, with a cooperative model involving both public and private sectors offering a pathway for policy alignment across nations.
- The use of policies to incentivize private investment, whether from donors, financial institutions, or individuals, was proposed, along with the need for affordable financing for entrepreneurs, particularly early-stage startups.
- Finally, the session reiterated the importance of continuous dialogue to introduce and amend policies that enhance production, distribution, and democratization in the agricultural sector

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Moses Nyabila - Chief Executive Officer, aBi Development, Uganda



Mr. Marcos Brandalise - Group Chief Executive Officer, Brazafic



Mr. Don White - Managing Director, Adventure Ltd



Mr. John Ragi - Vice President, Le Grenier Du Developpement Rural, DRC



Pastor Robert Kayanja - Founder, Yeshua Life Limited



Dr. Moses Mwanjiri - Business Development Manager, Cereal Growers Association

Session: Bulk Grain Production for Sustainable African Food Systems: A Myth or Reality?

Chaired by Mr. Moses Nyabila, the CEO of aBi Trust, this session took note of the feasibility of a novel approach to commercial grain production in an African context where participants understood the bulk grain production concept and its opportunities.

It further noted that grain production in most African countries is dominated by smallholder farmers, which while important for food security, is struggling to keep up with current and future demands in terms of volume, quality, and affordability.

A keynote presentation made by Mr. Marcos Brandalise indicated that Africa has adequate land available to produce enough food to feed its population and export the excess, however, it is currently a major

importer of grains, which poses a great threat as well as an opportunity to Africa:

- ➔ The market conditions were seen to offer an opportunity for Africa to finally enter the market of commercial production on a medium and large scale. Smallholder farmers (SHF) produce the bulk of food that is consumed in Africa where FAO reported that Kenyan small farmers produce around 63% of the food in the country.
- ➔ Mr. Marcos's Integrated African Model Farm (IAMF) concept proposed for full mechanization and use of modern technologies and innovations for all sizes of farmers; from small, to medium to large scale. The IAMF's unique approach is

mainly aimed at reducing all production at lower costs, production of high-quality food, production in high volumes, proposing full mechanization and use of modern technologies and innovations to all sizes of farmers; from small, to medium to large scale.

- ➔ Linking our commercial nucleus farms to a network of smallholder Farmers, progressively replacing chemicals in all the production phases.
- ➔ Maximizing renewable energy in each production unit
- ➔ The IAMF benefits identified include: Food security & nutrition (quality & increased productivity) Sustainable environmental conservation, wealth creation for investors and communities of farmers, creation of quality jobs (value employment) and opportunities to communities, development to underdeveloped rural areas and finally socio-economic impact (organized out-grower schemes & extension

An expert panel session on bulk grain production with Pastor Robert Kayanja the Founder of Yeshua Life Ltd, Dr Moses Osia, the Business Development Manager at Cereal Growers Association, and Mr. John Ragi, the Vice President of Le Grenier De Development Rural brought our key issues on what entails low productivity and yields:

- ➔ Africa's fertilizer use is significantly lower than global averages, contributing to low agricultural productivity. In 2020, Africa's nitrogen-based fertilizer use was 16.31 kg/ha compared to the global average of 72.88 kg/ha, and phosphate-based fertilizer use was 6.45 kg/ha versus the global 30.9 kg/ha. Gender disparities also

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affect productivity, with women having limited access to land and loans due to gendered land ownership norms, leading them to remain subsistence farmers while men dominate commercial farming. Policies are needed to address these gender gaps to boost agricultural production.

- **Post-Harvest Losses:** An African Union study in 2018 estimated annual grain post-harvest losses at \$4 billion, enough to feed 48 million people.
- **Limited agricultural financing:** Many African governments have not met their commitments under the Maputo and Malabo declarations, resulting in inadequate financial support for agriculture.
- **Poor infrastructure:** Inefficient transportation, inadequate storage, and limited processing facilities hinder the competitiveness of African grain products. Poor road conditions, lack of rail access, and congested ports increase transportation costs, while outdated storage facilities lead to spoilage and post-harvest losses.
- **Climate change:** Irregular rainfall, temperature extremes, pests, and water scarcity are key challenges. Climate change has disrupted growing seasons and increased the frequency of extreme weather events like floods and cyclones, causing crop damage, reduced yields, and infrastructure loss, affecting the grain supply chain.

Don White CEO of Agventure Ltd presented on the firm's success in land consolidation and the concept

of enabling conservation agriculture to improve farm resilience and long-term sustainability of farmers.

- Agronomic trials and farmer training in conservation agriculture, along with processing oil seeds and pulses, have shown significant benefits, particularly through land consolidation.
- Consolidating land allows farmers to collaborate, sharing knowledge and resources, which enhances decision-making on soil health, crop varieties, timing, nutrition, and protection. It also boosts purchasing and selling power through economies of scale, enabling investment in machinery, facilities, and expertise.
- Farmers need around 300mm of rain to grow food crops, indicating potential for increased productivity with existing land and rainfall levels

Successes because of land consolidation from Agventure include:

- Farmers achieving more efficient yields and greater resilience to climate change.
- A 500% increase in grain production per unit of moisture since 2010, leading to improved soil health
- Diversification of crops, value addition, and access to new markets, motivating farmers to improve the quality and quantity of their produce.



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Session: Grain Trade Logistics

Mr. Alfred Mwangi - Managing Director, Shamba Bora Limited (Uganda) and Treasurer, EAGC

Mr. Duncan Wagura - Managing Director, Scan Global Logistics Kenya

Mr. Henry Musisi - Ag. Executive Director, The Grain Council of Uganda

Mr. Solomon Kiplagat - Managing Director, Upstream Ltd

Mr. Yotam Mkandawire - Executive Secretary Grain Traders Association of Zambia

5-7 OCTOBER 2023
KAMPALA, UGANDA

EAGC
 EASTERN AFRICA GRAIN COUNCIL

This session discussed the state of play in grain trade logistics and offered practical policy and development solutions to make logistics an enabler rather than a hindrance to grain trade.

The panel session was chaired by Mr. Alfred Mwangi, Managing Director of Shamba Bora Ltd (Uganda), and the Treasurer of the EAGC Board comprising Mr. Duncan Wagura, Managing Director Scan Global Logistics, Mr. Henry Musisi, the Ag. Executive Director of The Grain Council of Uganda, Mr. Solomon Kiplagat, Managing Director of Upstream Ltd, and Mr. Yotam Mkandawire the Executive Secretary of Grain Traders Association of Zambia.

The session discussed grain trade logistic challenges as summarized below:

- **High transportation costs:** Long distances between agricultural areas and markets, coupled with poor road and rail infrastructure, increase transportation costs. Logistics costs average \$5 per km per container, compared to the best practice of \$1 per km. Airfreight and seaside transport costs are also high, particularly for the Port of Berbera, where shipping lines struggle to achieve economies of scale.
- **Handling equipment costs:** The availability and affordability of handling equipment like

forklifts and conveyors are limited, especially in remote areas, raising logistics costs and reducing efficiency.

- **Logistics management costs:** Managing logistics operations requires skilled personnel, IT systems, and administrative support, adding to overall costs.
- **Lack of coordinated approach:** There is no national or regional coordination for addressing grain trade transport and logistics, leading to inefficiencies.
- **Customs and regulatory compliance costs:** Complying with customs, trade regulations, and documentation adds to transaction costs and delays, particularly in cross-border trade.
- **Fuel and energy costs:** High and unreliable fuel and energy prices, especially for diesel and electricity, further drive up logistics costs.
- **Unfavorable policy environment:** Non-tariff barriers (NTBs) and the lack of axle load harmonization across regions contribute to inefficiencies in transportation

The session called for the need to organize the players (clearing and forwarding agents, truckers/transporters, shippers, traders/ cargo owners, drivers, and government agencies like Customs and Ministries of Trade, Transport, and Finance, etc.) so that they can develop a coherent and unified advocacy agenda in logistics and influence policy development affecting the logistics and freight industry on the corridor.

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Ms. Joan Kagaza - Relationship Manager, dfcu Bank

Session: Trade Finance as a lubricant for Grain Trade



Ms. Anelisa Matutu - Head of Commodities, Johannesburg Stock Exchange



Dr. Bharat Kulkarni - Founder Director, Stalwart Management Consultancy Services



Ms. Esther Kawale - Programme Manager, Agricultural Commodity Exchange for Africa



Ms. Joan Mbonye - The Grain Council of Uganda

This session, chaired by Ms. Joan Kagaza, DFCU Bank Relationship Manager continued the conversation towards finding trade finance solutions that work for grain trade in the African context.

In a keynote presentation on behalf of Ms. Anelisa Matutu, Mr. Vuyo Mpunza, Commodity Derivatives Manager at the Johannesburg Stock Exchange (JSE), discussed the role of the JSE in enhancing liquidity in the grain sector and facilitating commodity derivatives in South Africa. Key points include:

- The JSE, Africa's largest exchange, provides a platform for buyers and sellers to transact electronically, ensuring efficiency and price discovery.
- Commodity exchanges are essential for

introducing market efficiencies and price discovery, complementing the agricultural sector.

- African countries are working to establish their commodity exchanges. Governments should support these platforms without controlling or manipulating prices.
- In South Africa, post-1995, the government deregulated agriculture, moving from price-setting to creating a free market, eventually leading to the establishment of the commodity derivatives exchange.
- A free market relies on an efficient supply-demand balance, with storage operators playing a key role in safeguarding commodities

and ensuring secure transactions.

Panelists during the session acknowledged that access to trade finance is still a barrier to grain trade in Africa due to various challenges:

- Limited access to affordable finance: Grain traders, especially SMEs, face difficulty in obtaining affordable financing due to banks perceiving agricultural lending as risky, given seasonality, price volatility, and inadequate collateral.
- Lack of collateral: Traders often lack suitable collateral, especially in regions with insecure land tenure systems, which restricts access to loans and credit.
- High transaction costs: The costs associated with documentation, legal fees, and administrative processes deter traders from accessing trade finance, particularly those with low-profit margins.
- Information asymmetry: Limited access to reliable market and financial data increases the perceived risk for lenders, resulting in stricter lending conditions.
- Regulatory and policy constraints: Outdated, complex, and inconsistent trade finance regulations, along with bureaucratic hurdles, impede access to finance and hinder trade facilitation.
- Disruptions in the grain supply chain: Poor infrastructure, such as inadequate roads, storage, and energy, disrupts the grain supply chain, increasing costs and complicating access to trade finance.

Currency volatility and exchange rate risks: Many grain traders operate in dollars, but currency scarcity,

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volatility, and geopolitical tensions expose them to financial risks, making trade finance harder to secure. This session acknowledged that grain trade is a low-value, high-volume, and thus capital-intensive business that ties up substantial amounts of liquidity. Trading parties thus need trade finance solutions to facilitate their transactions especially for:

- **Working capital:** Many African traders operate with limited financial resources, constraining their ability to conduct smooth transactions.
- **Risk mitigation:** Grain trade involves risks like price fluctuations, transportation delays, and quality issues. Trade finance instruments, such as letters of credit and trade credit insurance, help mitigate these risks by ensuring payment and protection against defaults.
- **Seasonal fluctuations:** Agriculture is subject to seasonal variations. Trade finance provides cash

flow during low production periods or when prices are low, allowing traders to continue operations and meet financial obligations.

- **Infrastructure improvement:** Trade finance supports investments in storage facilities, transportation networks, and processing plants, which improve efficiency, reduce post-harvest losses, and increase market access for smallholder farmers.
- **Market access:** Access to trade finance enables African grain traders to enter regional and international markets, expanding their opportunities and fostering regional economic growth.
- **Value chain development:** Trade finance supports the development of agricultural value chains by funding inputs, production, processing, and marketing, which enhances

productivity, quality, and competitiveness across the grain supply chain

This session issued a call to action for value chain actors to:

- Engage in responsible and sustainable business practices to access working capital financing. Long-term credit arrangements could lead to lower interest rates, benefiting businesses.
- Consider the possibility of establishing a derivatives exchange without first building a spot market, using the Johannesburg Stock Exchange (JSE) as an example. Countries looking to create commodity exchanges should prioritize ensuring a free commodities market.
- Recognize the essential role of financing in supporting a healthy grain trading system.



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Session: Leveraging Data and Information to Shape Grain Trade Policies



Dr. John Jagwe - Country Manager, AGRA



Mr. Abdul-Hafeez Odunsanya - Managing Director, AFEX Fair Trade (Uganda)



Ms. Liatara Naliaka Trade Policy Expert, Africa Trade Policy Centre, United Nations Economic Commission for Africa

Chaired by Dr. John Njagwe, AGRA's Country Manager Uganda, Mr. Abdul Hafeez, Afex Fair Trade Uganda, Managing Director, and Ms. Naliaka Naporwa, Trade Policy expert at ATPC discussed the opportunities and challenges involved in leveraging data and information to shape grain trade policies. This session underscored the strides made towards improving data and information for policy and business decision-making with data and information gaps that need to be addressed to improve policy processes.

The session highlighted the importance of accurate and timely data for informing trade policy and improving grain markets:

- **Production data:** Reliable data on crop yields, acreage, and production trends is critical for

shaping policies like export bans and import quotas. Improved data collection through satellite imagery and surveys was encouraged.

- **Market information:** Access to timely information on grain prices, demand, supply, and trade volumes is essential for market assessments and trade policy. Establishing market information systems and commodity exchanges was recommended.
- **Trade flow data:** Monitoring import/export volumes, trade routes, and partners is key for understanding market dynamics. Strengthening trade monitoring systems and customs databases was emphasized, with efforts by UNECA, AU, and Afrexim Bank to

improve cross-border trade data.

- **Infrastructure mapping:** Identifying gaps in transportation, storage, and logistics is necessary for investment and trade facilitation. GIS and remote sensing were suggested for infrastructure assessments.
- **Policy impact assessments:** Tools like economic models and scenario analyses are vital for evaluating the effects of trade policies on markets, food security, and development. Robust assessments before policy implementation were recommended



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Thank you for joining us in...

Defining Africa's place in global grain trade for sustainable food systems



Ms. Betty Kibaara - Director, Food Initiative, Rockefeller Foundation

Session: Facilitating healthier consumption of grains



Mr. David Kamau - Managing Director, Fortified Whole Grain Alliance



Ms. Elvira Grang - Budget for Food Fortification & Food Safety Programs in Sub-Saharan Africa (SSA), DSM-Firmenich



Mr. Henrik Wollesen - CEO, Engsko A/S United Milling System



Ms. Alta Theron - Chief Executive Officer, Grainpulse (U) Ltd



Ms. Darchana Joshi - Project Lead, Fortified Wholegrain Initiative, Rwanda



Mr. Johannes David - Fortified Whole Grains Alliance

In a session moderated by Ms. Betty Kibaara from the Rockefeller Foundation, the significance of grains in the African diet was highlighted, with rice, maize, and wheat constituting 45% of caloric intake in Sub-Saharan Africa as of 2019. The discussion emphasized the nutritional advantages of milling whole grains, particularly through the stone milling process, which preserves flavor, aroma, and nutritional value.

Stone milling, a practice dating back to the 3rd century

B.C., yields flour rich in starch, proteins, vitamins, and fibers, eliminating the need for fortification often required with other milling methods. There is a growing demand for whole grain flour, reflecting a shift towards farm-to-plate concepts and increased awareness of nutritional benefits.

Health advantages of whole grain flour include lower risks of cancer, and obesity, and improved blood sugar and digestive health. The World Bank notes that every

dollar invested in nutrition can yield a return of USD 16. Additionally, fortified whole-grain foods present a budget-friendly alternative to refined products, while a full transition to whole grains could reduce environmental input by approximately 25%.

The discussion focused on the transition to fortified whole grain milling, highlighting the need for millers to invest in adapting their facilities. There are two main approaches: one involves modifying existing roller mills, which may cost around USD 10,000 for a 20-30MT capacity mill; the other includes adding new machinery, like a hammer mill, for about USD 25,000 while keeping the existing setup intact.

The prevalence of refined grains contributes to both undernutrition and obesity, as refining removes nutrient-rich components. Targeting institutional and subsidized markets can help shift consumer demand towards fortified whole grains. Research and development to extend shelf life is essential, with thermal treatments achieving up to 4.5 months.

Introducing whole grain flour to children can cultivate early preferences for healthier options. Addressing malnutrition through whole grain consumption is vital for Africa's industrial growth and sustainable development, as it directly impacts poverty levels.

The role of the Fortified Whole Grain Alliance (FWGA) was acknowledged, as it works to enhance the health and nutrition of grain-based foods through fortification and promoting whole grain consumption.

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Defining Africa's place in global grain trade for sustainable food systems



Rose Ndung'u - Chief Strategy Officer & Vice President for Africa GrainPro Inc.



Mr. Peer Hansen - Director of Marketing and Sales, IGRAIN



Prof. Archileo Kaaya - Head of Department, Food Science and Technology - Makerere University



Dr. Juliet Akello - International Institute of Tropical Agriculture (IITA)



Mr. Gerald Masila - Executive Director, Eastern Africa Grain Council (EAGC)



Mr. Ian Figgins - Head of Supply Chain, World Food Programme



Mr. Robert Mwanje - Chairman, The Grain Council of Uganda



Mr. Brett Rlerson - Co-Founder, Global Alliance for Safe Food Storage

Session: Feeling the Pulse: Africa-Global Pulses Trade Partnerships

Food must be safe. If not safe, it is not food. The grain sector needs to feed not poison the population. Moderated by Ms. Rose Ndung'u, Grain Pro Africa Vice President, this session focused on food safety, one of the biggest challenges facing Africa's grain sector.

Prof. Archileo Kaaya discussed:

- The economic impact of aflatoxin on Uganda, noting that favorable weather conditions in Africa facilitate its growth, making effective management essential. The region lacks modern food management technologies, relying on rudimentary drying methods, leading

to increased cases of liver cancer. A healthy population is crucial for economic productivity, underscoring the need for action.

- Uganda has had key policies in place for over a decade—trade policy, grain policy, and national standards—but these need full implementation to combat aflatoxin and other grain trade issues. A recent study highlighted that Africa loses over USD 577 million annually due to aflatoxin.
- Challenges include compliance with food safety standards, hindered by awareness gaps, high costs, inadequate enforcement, and limited

incentives for compliance. The session called for effective Standards Quality Management (SQM), Good Agronomic Practices (GAP), and robust monitoring of aflatoxin management.

Dr. Juliet Akello presented:

- Aflasafe, an innovation from the International Institute of Tropical Agriculture (IITA) and partners, as a solution for aflatoxin control. Aflasafe is a natural product that protects crops by preventing toxic contamination, achieving up to 80% reduction in aflatoxin levels when applied correctly.
- The product has been successfully commercialized in several African countries, including Nigeria and Kenya, with ongoing registration efforts in Uganda. Notably, Nigerian farmers using Aflasafe reported profits exceeding USD 5 million

Mr. Gerald Masila discussed:

- The journey toward industry self-regulation in the grain sector, emphasizing the collective responsibility of farmers, traders, and processors for food safety issues, particularly regarding aflatoxin. He shared experiences from an EAGC Gsoko trade facilitation exercise where improper practices, like transporting infested rice bran atop certified grain, led to contamination.
- This incident highlighted that food safety challenges often stem from malpractices within the value chain. EAGC has engaged with farmers, stressing the importance of proper grain handling methods, such as avoiding drying on bare ground. Their initiatives have

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led to significant improvements, with Ugandan maize testing at 0 parts per billion for aflatoxin.

- EAGC called for voluntary compliance with food safety and quality standards and recommended systematic testing, sampling, and certification, particularly through third-party certifications. EAGC has encouraged its members to commit to quality grain production and has facilitated access to quality marks from the Uganda National Bureau of Standards (UNBS) proactively, without waiting for government mandates.

Mr. Peer Hansen from iGRAIN shared insights on:

Using ozone treatment for aflatoxin decontamination in grains, emphasizing the importance of storing cleaned grain in sanitized silos and monitoring conditions with automated systems.

He discussed the use of aeration fans based on Equilibrium Moisture Content (EMC) and the benefits of Toxi Scrub ozone treatment, which effectively reduces mycotoxins like Aflatoxin B1, eliminates pests, and sterilizes grain for safe storage for up to a year, even in tropical climates. The cost of treatment is estimated at USD 3-5 per metric ton.

His contribution featured the Agro Supply mobile layaway project, which collaborates with iGRAIN to support farmers in grain intake, drying, cleaning, and detoxification. Agro Supply has invested in silos and a micro mill, demonstrating how SMEs in Africa can add value to grain through detoxification and milling services, allowing farmers to achieve premium prices in the market.

Mr. Ian Figgins, the Head of Supply Chain at the

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World Food Program (WFP) presented on:

Safety and quality in food procurement and agricultural market support with an emphasis on procuring locally and regionally to inject liquidity in among farmers to strengthen farming systems. Over the last 8 years, WFP has purchased 744,000MT of food from the Uganda market valued at USD 290M injected into the Uganda Economy.

WFP has supported the grain value chain through Post Harvest Management (PHM) solutions including training on PHM to over 100,000 farmers in Uganda, adoption of improved technologies (silos, hermetic bags, chillers, threshers, shellers, etc.), access to 73 community storage facilities, 315 schools under the school feeding program received over 3,000 hermetic storage silos.

The session was crowned with a panel session comprising Mr. Robert Mwanje the Chairman of The Grain Council of Uganda, Ms. Stella Apollot, the Principal Standards Officer at the East Africa Community (EAC), and Mr. Brett Rierson the President of Global Alliance for Safe Food Storage. In summary, the following takeaways were noted:

- The need to create an enabling policy environment to facilitate structured trade including voluntary compliance with standards and food safety regulations by value chain players and adequate enforcement from public sector regulators. This further requires greater levels of inspection, sampling, and testing of commodities along the value chain.
- All public procurement for food grains must be accompanied by mandatory aflatoxin sampling,

testing, and certification to guarantee safety. As such, the government will need to lead by example.

- Introduction of incentives to:
 - ▶ Promote mitigation measures including the use of Aflasafe and other available solutions.
 - ▶ Introduce subsidies for Aflasafe through the input subsidy program.
 - ▶ Encourage To purchase at a premium price for aflatoxin-free grain that has been treated with Aflasafe.

Improve food safety and grain storage management practices through the construction of structurally efficient silos or warehouses with efficient grain driers, eliminating aflatoxin problems, pest and disease control, and monitoring systems in the silos.

- Inclusion of smallholder producers and aggregators in aflatoxin prevention and control initiatives, especially post-harvest management
- Effects of aflatoxin are well known among value chain actors and consumers. With 60% of the grain trade in the region taking place informally, Aflatoxin testing remains a challenge, and therefore Industry Self-Regulation will be key among industry players to commit to own checks.
- Need to approach management of aflatoxin holistically, and scale up on the interventions of Partnership for Aflatoxin Control in Africa (PACA) throughout the whole value chain. Need to mobilize resources to manage the Aflatoxin challenge.



Recommendations from the 10th AGTS

Taking stock of the grain sector journey, acknowledging challenges and opportunities, and reconfirming our commitments to the industry and recommendations to engage the government and above all doing business. Delegates signed intent to trade through B2B meetings. In line with the theme of defining Africa's place in global grain trade for sustainable food systems, the 10th AGTS made the following recommendations:

Recommendations related to the AfCFTA and its role in defining Africa's place in global grain trade for sustainable food systems

01

Collaborative efforts and strong policy frameworks are essential for realizing Africa's agricultural and trade potential.

- AfCFTA implementation: African countries have diverse agricultural strengths and can enhance each other's potential by fully implementing the AfCFTA protocols. This will help boost intra-African trade by over 50% by 2045, as per UNECA.
- Women and youth protocol: There is a need to finalize the AfCFTA protocol focused on women and youth to ensure they benefit fully from agricultural productivity and trade.
- Maputo declaration: The 10% budget allocation for agriculture, as outlined in the Maputo Declaration, is insufficient. Some countries do not meet this target. The 10th AGTS emphasizes the importance of implementing

this declaration and the Malabo treaty, with a call for national parliaments to engage the private sector to increase funding and create supportive policies for grain trade.

- Continental strategies: Various initiatives, such as the Boosting Intra African Trade Action Plan and the Program for Infrastructural Development in Africa (PIDA), highlight Africa's potential. Full implementation of these plans, alongside the AfCFTA, is crucial for enhancing Africa's global status.

Recommendations related to facilitating healthier consumption of grains

02

- Support for development: Development partners should focus on research, capacity building, and technological advancement.
- Government involvement: Policymaking and implementation are essential to enhance fortification and market uptake.
- Local partnerships: Collaborate with local manufacturers to produce mixers and micronutrient fortification machines.
- Consumer awareness: Educate consumers, particularly in schools, about the benefits of whole grain products.
- Technological innovation: Encourage advancements in large-scale grain production technologies, including drying and fermentation.

Recommendations towards bulk grain production as a reality and not a myth

03

- Infrastructural investment: Promote investments in transportation, storage, and processing facilities, such as modern silos and warehouses, particularly in rural areas.
- Adaptation and resilience: Encourage farmers to adopt resilient agricultural practices in response to climate change, including drought-tolerant crops, water-saving irrigation, and integrated pest management. Investment in climate-resilient infrastructure is also crucial.
- Negotiation and modern techniques: Foster the cultivation of high-quality produce in East Africa using modern agricultural practices like conservation agriculture, mechanization, irrigation, and water management.
- Investment in modern practices: Enhance productivity through investments in precision farming, IoT applications, and sustainable water management to boost yields and reduce environmental impacts.
- Local production focus: Shift emphasis towards local production over imports by investing in agricultural extension services and viewing farming as a primary profession rather than a secondary activity.
- Support for cooperatives: Create a supportive policy environment to facilitate the formation and consolidation of agricultural cooperatives.

Recommendations from the 10th AGTS

- Long-term land policy: Formulate land policies that treat land as a long-term asset for agriculture, avoiding fragmentation and degradation.
- Self-sufficiency and export potential: Highlight Africa's capacity to not only feed itself but also become a net exporter by consolidating land and increasing local value in addition to reducing imports.

Recommendations for innovations towards resource efficiency and business competitiveness in grain trade

04

- Encourage innovation: Continuously seek innovative practices to improve efficiency and competitiveness.
- Protect innovations: Implement policies that safeguard entrepreneurs' innovations.
- Incentivize technology: Establish incentives for technological advancements in the industry.
- Enhance soil health: Invest in maintaining soil organic matter to boost productivity and reduce pests and diseases.
- Promote collaboration: Foster partnerships between specialists and grain actors to create innovative solutions, including energy use from by-products.
- Support mentorship: Strengthen mentorship

programs for startups and SMEs to reduce early business failures.

- Advocate for Insect-Based Farming: Promote insect farming to shift grains from animal feed to human consumption while recycling waste.
- Raise awareness: Educate communities on insect-based farming to facilitate broader adoption across Africa.

Recommendations on grain trade logistics

05

- Create platforms at national, regional, and continental levels to discuss logistics developments and share information, aiding in policy formulation and tracking progress.
- Develop an effective mechanism for monitoring advancements in advocacy efforts and evaluating the current measures' effectiveness in addressing transport and logistics issues.
- Establish a structured system for engaging, convening, and potentially certifying logistics service providers to facilitate the cross-border movement of food crops.
- Advocate for policies aimed at eliminating non-tariff barriers to trade related to grain logistics and harmonizing regulatory measures concerning truck axle load limits.

Recommendations on grain trade logistics

06

- Strategic partnerships: Foster partnerships in market risk management, commodity price tracking, and training for value chain actors to enhance their bankability through improved record keeping and quality management.
- Low-interest credit: Promote low-interest credit options and financial literacy programs tailored for the grain value chain.
- Access to financial services: Governments and financial institutions should improve access to financial services for smallholder farmers and SMEs through mobile banking, microfinance, and community savings schemes.
- Risk-sharing mechanisms: Encourage collaboration among development finance institutions and banks to create credit guarantees and insurance products to reduce risks in agricultural lending.
- Implement training and technical assistance to enhance the financial management skills of grain traders, focusing on financial planning and risk management.
- Policy reforms: Urge governments to enact reforms that streamline regulatory frameworks, improve contract enforcement, and promote transparency, while harmonizing trade policies to facilitate cross-border grain trade and finance access

Recommendations from the 10th AGTS

Recommendations on leveraging data and information to shape grain trade policies

07

- Harmonization and application of data collection tools (ICBT) at the continental level
- Investment in insightful data to enable evidence-based investments in the grain value chain
- Enhance access to reliable market information by developing market information systems, commodity exchanges, and online trading platforms to improve market transparency, enable better price discovery, and reduce information asymmetry, thus facilitating access to trade finance for grain traders.

Recommendations for taking charge of food safety

08

- SCALE UP Industry Self-Regulation (ISR) in the country to increase compliance with staple food standards, increase commodity testing, and improve post-harvest management to reduce

commodity rejection.

- Grain businesses ought to commit to operating as responsible businesses, which includes respecting human rights, helping their suppliers to do so, and minimizing environmental impact.
- A holistic approach is much needed to prevent and control aflatoxin. Policies are in place; staple food standards are harmonized and aflatoxin levels are clearly specified. At the EAC level, in 2018 a strategy was developed for the prevention and control of aflatoxin followed by a training and sensitization manual and country-level stocktaking of status in addressing the aflatoxin issue.
- ISR needs to be done in harmony with the set regulations by the authorities for the mutual benefit of the public and the private sector. It will not only be about the industry doing things right, but the industry should also demand facilitation from the government. EAGC to bring out a demand to the government on how governments can facilitate the ISR process. ISR is a two-way process, private sector has a role to play, likewise public sector.
- A broader audience beyond the grain sector and the agriculture sector needs to engage in the ISR discussion because Aflatoxin infestation is not just an agricultural issue.



10TH AGTS 2023

SYNTHESIS REPORT OF PROCEEDINGS



Delegates upstanding for the National Anthem at the official opening ceremony of the 10th AGTS



Chief Guest, Dr Joshua Mutambi, Commissioner for processing and marketing industry delivering the speech on behalf of Uganda Minister of Trade, industry and Cooperatives Hon Francis Mwebesa



Delegates upstanding for the National Anthem at the official opening ceremony of the 10th AGTS



EAGC Board Chairman, Mr. David Mutazindwa, delivering his speech and welcome remarks



UBL Managing Director, Mr. Andrew Kilonzo, delivering opening remarks



Remarks from Hon. Odanga Geoffery Makoha, Member of Parliament, Matayos Constituency, Kenya and Chair of the Kenya Parliamentary Committee on Regional Integration



The exhibition arena outside the Victoria Ball Room with various companies showcasing different inputs and services to delegates



Main Session on innovations for resource efficiency and business competitiveness in grain Trade



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



Group photo of FWGA members, FGWA Secretariat, and EAGC staff on the sidelines of the 10th AGTS



Tour of exhibition arena by delegates



H.E Zagurskaya Julia, the Honorary Consul of Uganda to the Republic of Ukraine

10TH AGTS 2023

SYNTHESIS REPORT OF PROCEEDINGS



Ms. Laura Naliaka, Trade Policy Expert, ATPC, UNECA delivered a keynote speech to answer the question: Can the AfCFTA help Africa define its place in global grain trade for sustainable food systems?



Ian Figgins, Head of Supply Chains, WFP, presented during the main session on taking charge of food safety in the Grain Trade.



Speakers during the main session on leveraging data and information to shape grain trade policies.



Fortified Whole Grain Alliance (FWGA) exhibiting at the 10th AGTS summit



Ian Figgins, Head of Supply Chains, WFP, presented during the main session on taking charge of food safety in the Grain Trade.



A cross-section of speakers during break out session 2 on Grain Trade Finance with JSE speaker joining virtually.



B2B trade linkage session between Zuri Engineering and G2 Logistics facilitated by Mr. Nelvin Obiero, EAGC



Delegates dancing with cultural dancers at the Gala Dinner



The US Grain Council and EAGC staff pose for a photo after the successful execution of the 10th AGTS



A cross-section of summit delegates during the field visit to Mandela Millers Uganda



A cross-section of summit delegates during the experiential field visit to Grain Pulse Uganda



WAY FOREWARD

01

Leverage AfCFTA for grain trade

Engage stakeholders in a high-level dialogue to explore how the African Continental Free Trade Area can enhance Africa's role in global grain trade and promote sustainable food systems.

02

Forge global partnerships for pulses trade.

Initiate partnerships between African countries and global players to boost the trade of pulses, capitalizing on Africa's agricultural potential and meeting international demand.

03

Promote innovations for efficiency in the grain sector

Invest in and support innovative practices that enhance resource efficiency and competitiveness in grain trade, focusing on technology and sustainable methods.

04

Embrace bulk grain production

Advocate for strategies and investments that transform the concept of bulk grain production from myth to reality, ensuring sustainable food systems across Africa.

05

Optimize grain trade logistics

Collaborate with logistics experts to streamline grain trade processes, reducing costs and improving efficiency to facilitate smoother trade flows within Africa.

Enhance Trade Finance Solutions

Develop accessible trade finance mechanisms that support grain traders and farmers, enabling them to capitalize on market opportunities and grow their businesses.

06

07

Utilize data for policy development and grain business decision-making

Encourage the collection and use of data and information to inform grain trade policies, ensuring they are evidence-based and reflective of market needs.

08

Advocate for healthier grain consumption

Promote initiatives that facilitate the consumption of healthier grains, emphasizing their nutritional benefits and encouraging healthier dietary choices among consumers.

Strengthen food safety measures

Establish robust frameworks and practices to ensure food safety in the grain trade, focusing on compliance, monitoring, and public awareness to protect consumers and producers alike

10

Every grain value chain actor in Africa MUST recognize their vital role as active participants in achieving collective goals in sustainable food systems

09



SYNTHESIS REPORT OF PROCEEDINGS
Defining Africa's place in
global grain trade for
sustainable food systems

10TH AFRICAN
GRAIN TRADE SUMMIT

5-7 OCT 2023
KAMPALA, UGANDA



Regional & Kenya Country Office

Mbaazi Avenue, Off Kingara Road,
P.O BOX 218-00606 NAIROBI
Tel: +254 733 444 035/0710 607 313
E-mail: grains@eagc.org
www.eagc.org | www.ratin.net
www.grain.institute

Tanzania

Mikocheni B, Ruvu street,
House no 2, Dar es salaam.
P.O Box 33619 DAR ES SALAAM
E-mail: grains_tz@eagc.org

EAGC Uganda

Plot 87 Mawanda Road
Kamwokya, KAMPALA
Tel: +256 393 112 854
E-mail: grains_ug@eagc.org

Rwanda

C/o Sarura Commodities
P.O Box 6264 KIGALI
Tel: +250 788 313 998 | +250 788 315 138

Zambia

C/o Grain Traders Association of Zambia
Suite C & 1 Stand No 6980 Katanga Road
P.O Box 34863 Industrial Area, LUSAKA
Tel: +260 973 502 988

Malawi

Agro-Input Supplies Limited (AISL)
Plot number 29/289
Private Bag 318, LILONGWE
Tel: +265 999 975 994/999 975 899

DR Congo

P.O Box 308 GOMA
Tel: +243 994 908 489

Burundi

C/O Save Power Biotechnology
Ngagara Q6, Bujumbura BURUNDI
Tel: +257 612 206 82

South Sudan

P.O. Box 373 JUBA - South Sudan

Ethiopia

C/o Soil & More Ethiopia Composting plc

Eastern Africa Grain Council

@eagrainscouncil

@EAGrainCouncil

Eastern Africa Grain Council