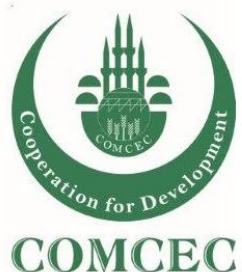


EASTERN AFRICA GRAIN MARKETS OVERVIEW

11th Meeting of COMCEC Agriculture Working Group
20th February 2018, Ankara Turkey

Janet Ngombalu, EAGC





Outline of the Presentation

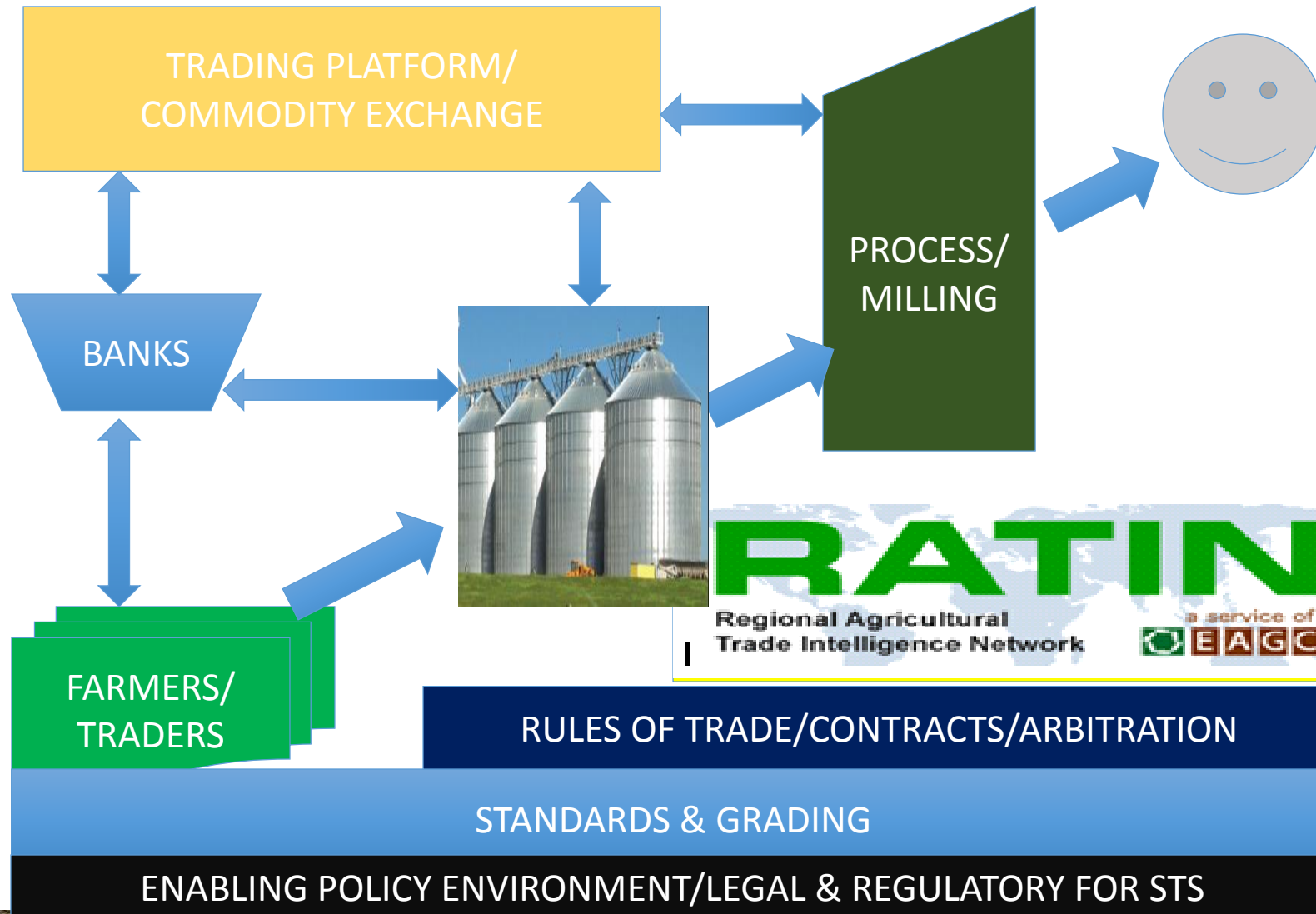
1. Introduction to EAGC
2. Challenges in the Grain Sector
3. Introduction to The Regional Agricultural Intelligence Network (www.ratin.net)
4. Importance of Grain Market Information
5. EAGC's role in the provision of Grain Market Information.
6. Future Outlook of RATIN



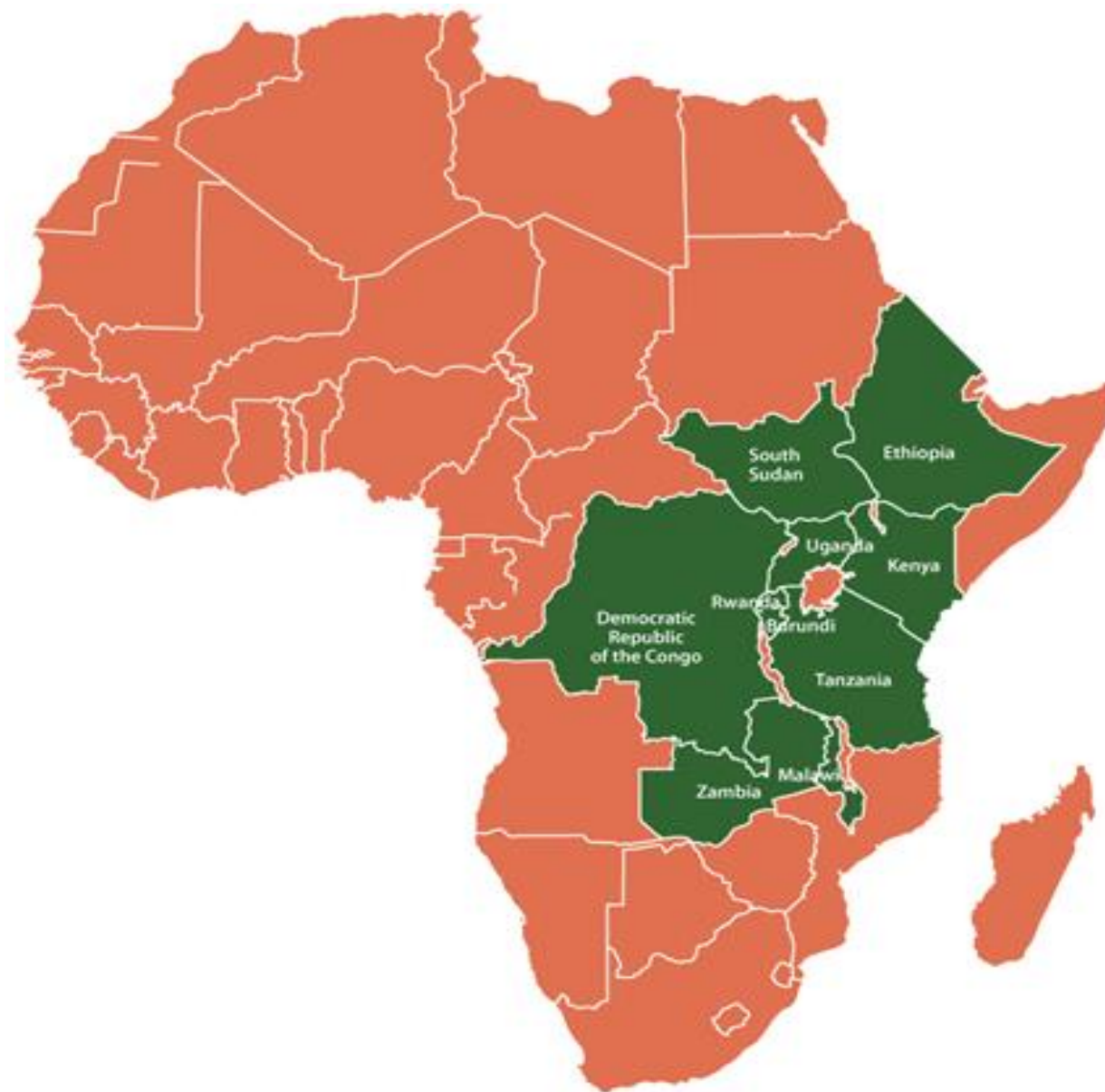
EAGC -Who we are....

- Grain Value Chain Actors..GETTING TOGETHER
 - Inclusive...
 - Farmers/Producers - small holder and large
 - Traders, Handlers, Warehouses
 - Processors/Milling/Manufacture
 - As Members of EAGC...Active, Affiliate, Associate
 - EAGC is a **Regional** Council for Grain Value Chain,
Not for Profit Company, Ltd by Guarantee
- 

Structured TRADING System



EAGC
COVER
AGE





RATIN -What is

**RATIN is an Integrated
Regional Marketing
Information System, that
provides a one stop -
shop for Market
Information and Trade in
the Region.**





RATIN - Why


The Grain Sector challenges *include*:

- Lack of market information to farmers, traders, millers...
- Making it difficult for them to know where and to who to sell/buy...
- Information needs...price, location, quantity, quality, regulations, policies, trends, imports, exports, production estimates...etc






Cont'd

- Without the above stakeholders suffer and incur high costs trying to obtain the information for decision making.
 - As a result trade is affected and so is incomes, food availability, price volatility.
 - This becomes a disincentive to producers, traders, millers and .general private sector investments.
- 




1. Importance of grain market information

Provision of timely and accurate market information:

- Promotes market transparency.
 - Strengthens spatial arbitrage opportunities.
 - Reduces market risks for both the trader and the farmer.
 - Enhances price stability
 - Producers do not invest if prices are too unstable
 - Some poor households are obliged to reduce their consumption as prices rise
- 



2. EAGC's role in the provision of Grain Market Information.

- EAGC's interest
 - Aim to facilitate efficient, structured, profitable, inclusive grain trade;
 - Provision of grain market information for trade and policy decisions through RATIN.
 - Currently serving 8 countries.
 - Monitoring 42 sentinel markets (Prices and stocks) and 14 trade corridors (Trade Flows), 28 Grain staples
 - RATIN Data is used for:
 - Tracking food security –Compiling IPC Levels in Eastern Africa
 - Tracking of market performance
 - Research by such organizations in the value chain
 - EAGC RFBS-Tracking of Food availability in the EAC Region
- 

3. EAGC RATIN

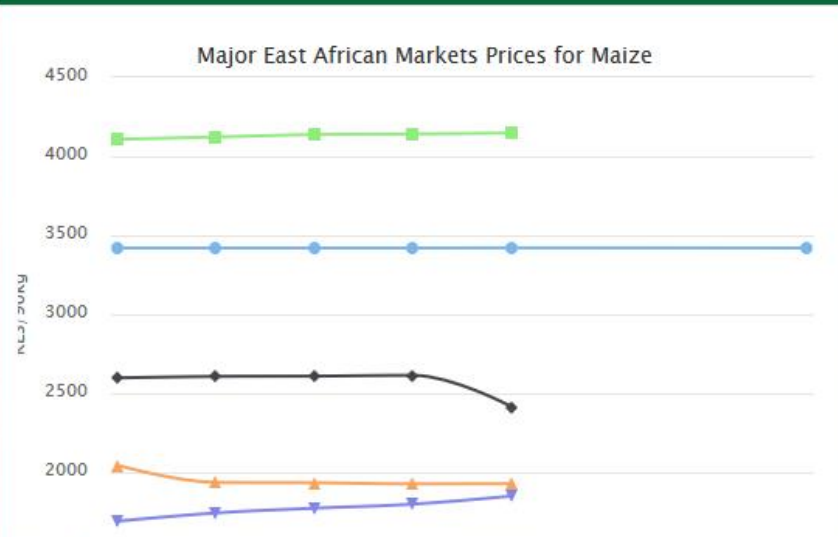


Kenya Uganda Tanzania Rwanda Burundi South Sudan Malawi

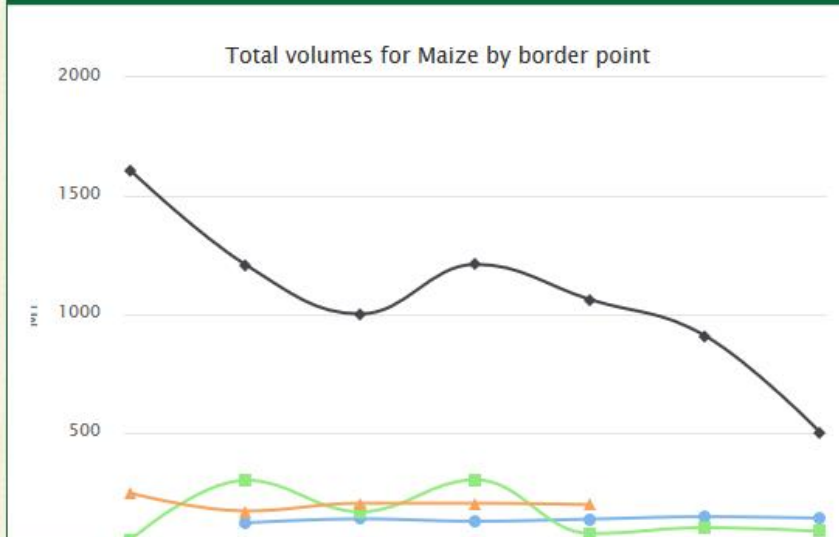
Home About Markets Prices Crossborder Trade Warehouses News & Bulletins Login Currency & Packaging

[Mombasa, Kenya Red Beans Retail: 5850 KES/90kg Wholesale: 5040]

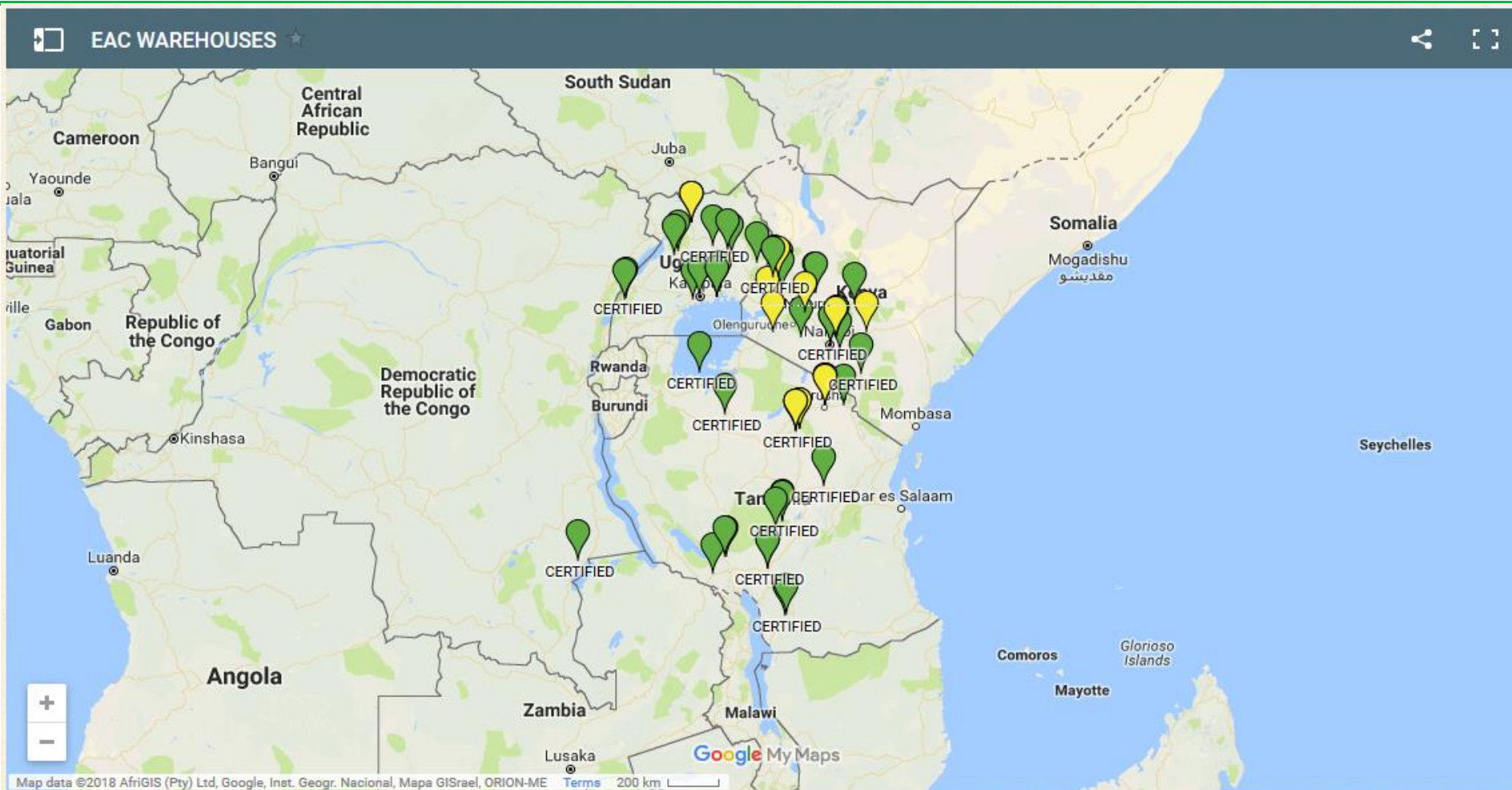
Major East African Markets Prices for the Last 7 days



Total Border Volumes for the Last 7 days



6. EAGC RATIN Cont'd

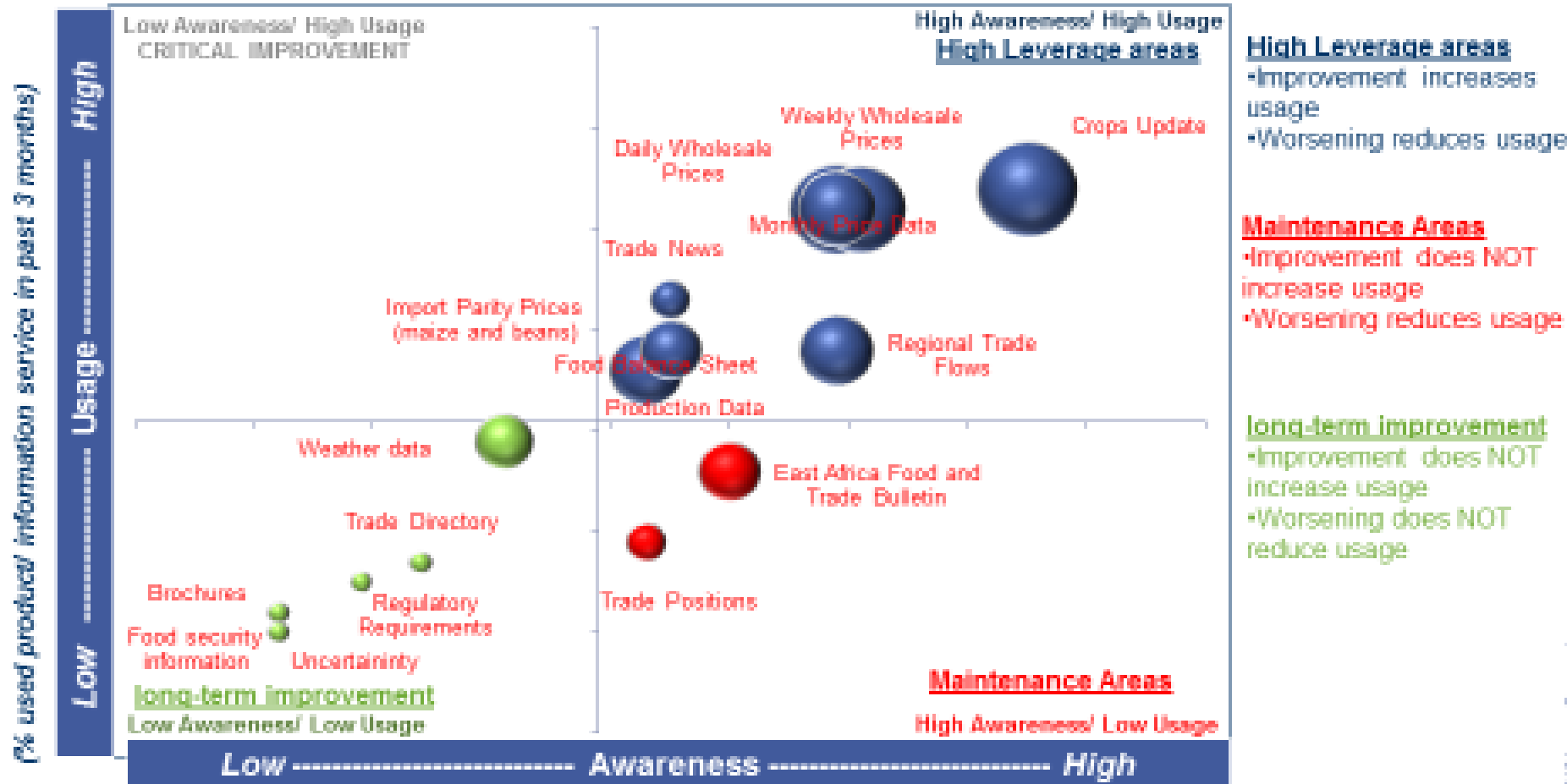


Awareness Vs Usage and Relevance



Awareness Vs Usage and Relevance of product/ information services

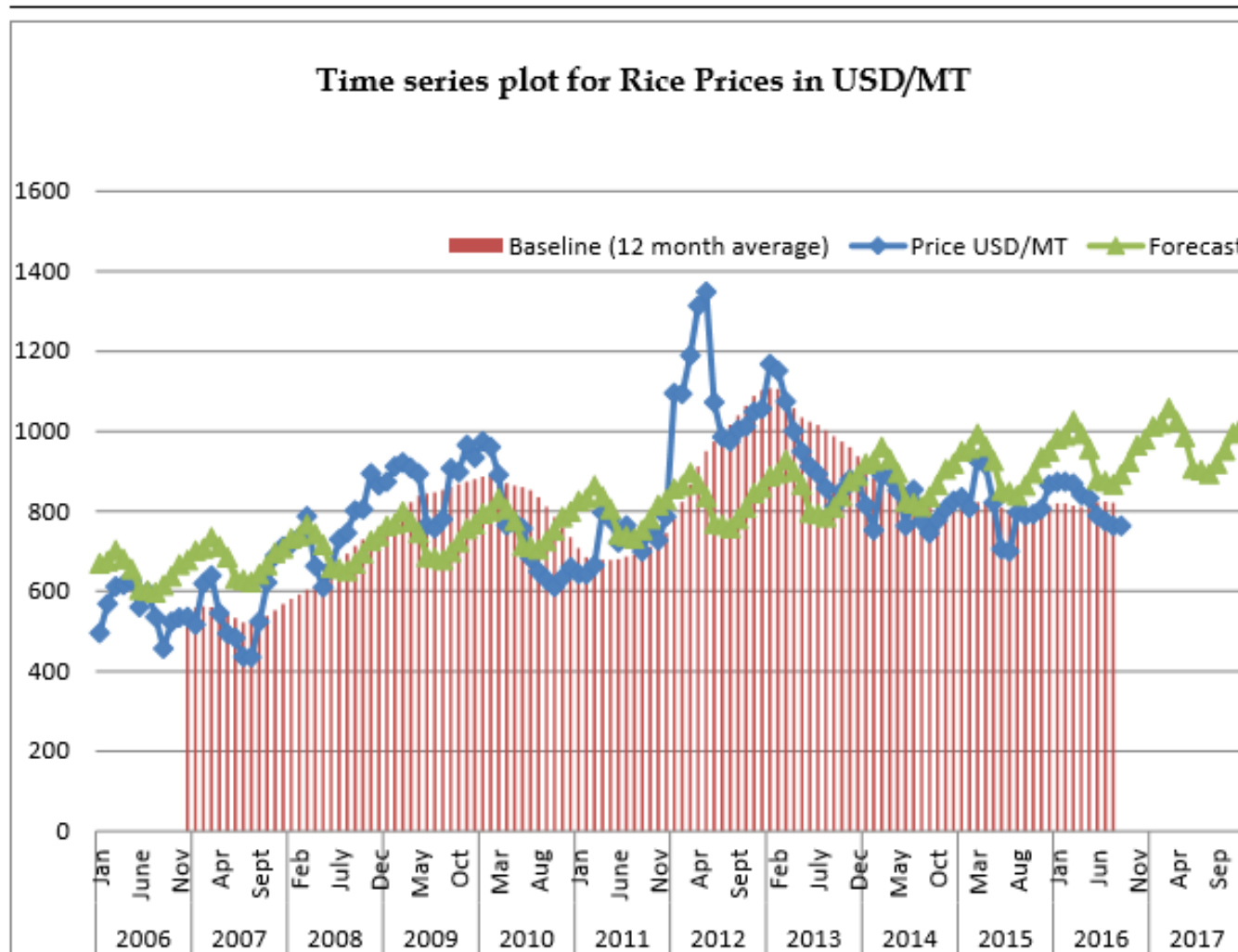
There is a strong correlation between awareness, usage and relevance of information services. Continuously monitoring usage statistics of visitors to the RATIN site could be a valuable stream of information to keep track of stakeholders' changing needs



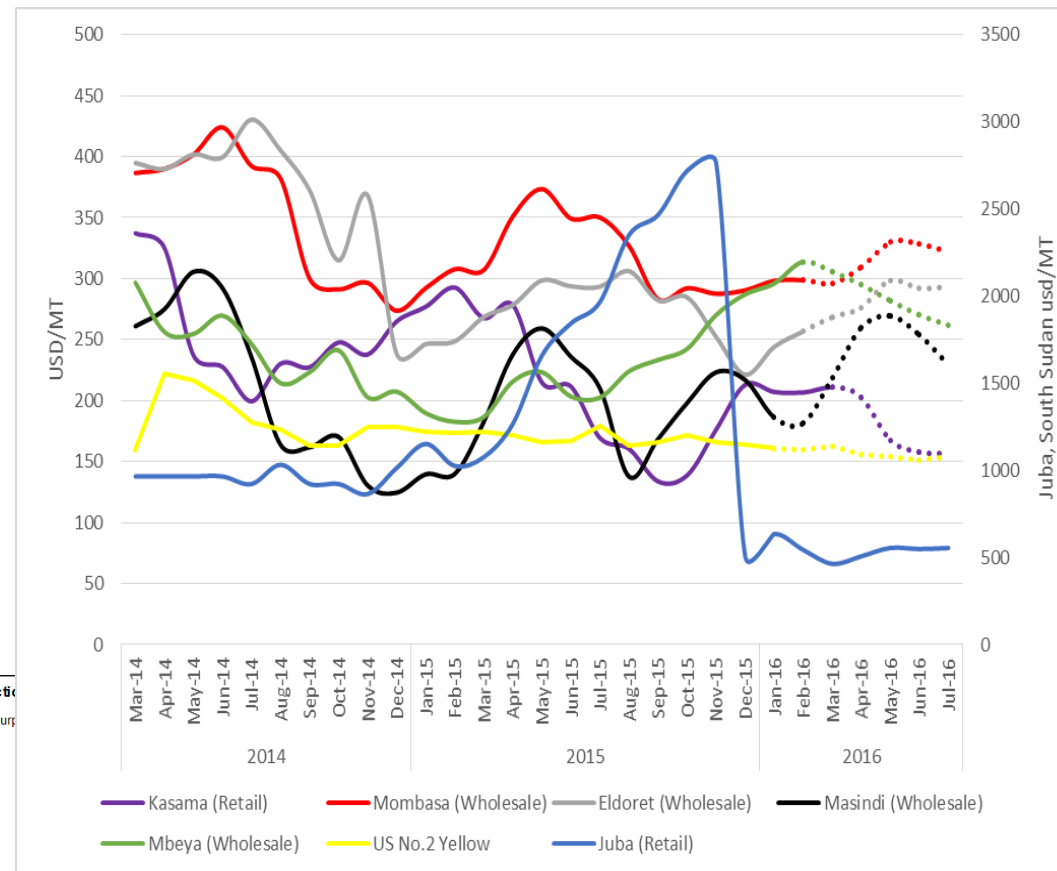
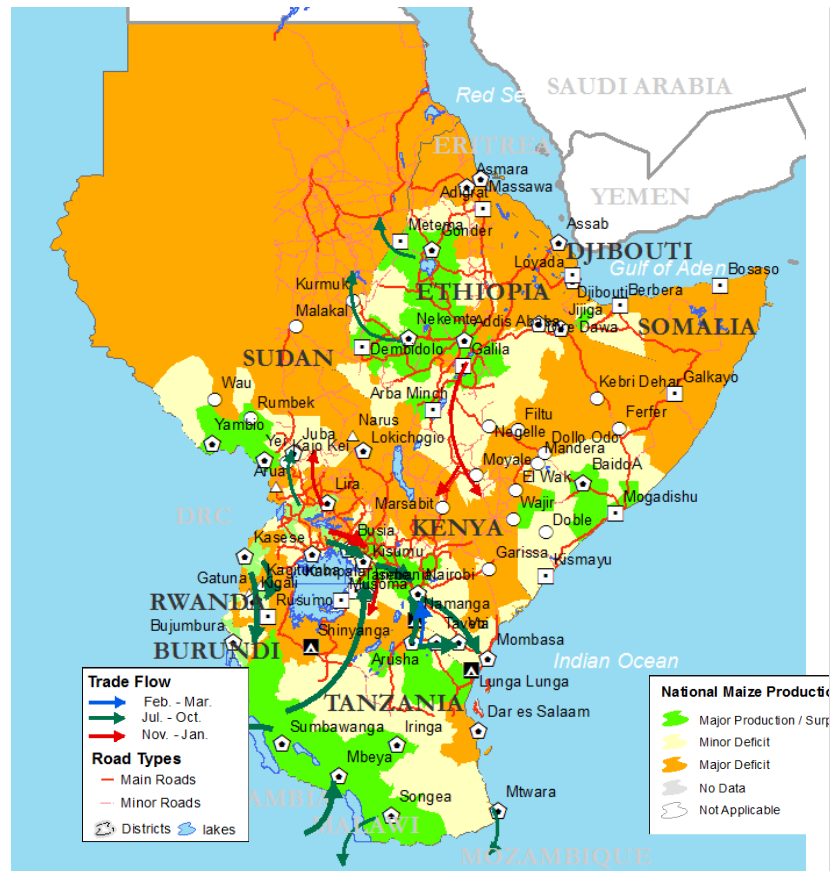
(% aware of product/ information service currently offered on RATIN site.)

Note: Bubble size represents % mentioning product/ information service among 3 most relevant

RATIN ANALYSIS



Projected prices and trade of maize in eastern Africa



7. EAGC RATIN Cont'd



Bulletins & Reports

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GRAIN WATCH MONTHLY-JANUARY 2018

by eastern africa grain council eagc

© Posted on February, 16, 2018 at 10:56 pm

Regional Grain markets and informal trade report for January 2018

[Download 33465-january-2018-report.pdf](#)

GRAIN WATCH MONTHLY-DECEMBER 2017

by eastern africa grain council eagc

© Posted on January, 20, 2018 at 11:26 am

Regional Grain markets and informal trade report for December 2017

[Download 95b19-grain_watch_monthly_-december_-2017.pdf](#)

GRAIN WATCH MONTHLY-DECEMBER 2017

by eastern africa grain council eagc

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Regional Grain markets and informal trade report for December 2017

[Download 95b19-grain_watch_monthly_-december_-2017.pdf](#)

GRAIN WATCH QUARTERLY JULY-SEPTEMBER

by eastern africa grain council eagc

© Posted on December, 18, 2017 at 09:51 am

Regional Grain markets report for JULY-SEPTEMBER 2017

[Download d1109-grain-watch-quarterly-3rd-quarter.pdf](#)

GRAIN WEEKLY WATCH 20TH-24TH NOV

by eastern africa grain council eagc

© Posted on December, 4, 2017 at 09:36 am



EAST AFRICA GRAIN MARKETS AND TRADE

January Report, issued on 15th February 2018. Issue no. 0022

Highlights

Burundi: Carry forward stocks from 2017C crop and inbound 2018A harvest has eased the pressure of demand on the grains. Currently, the country has minimal household food stress with increased availability of commodity and prices are expected to decrease in February.

Kenya: Wholesale staple food prices have dropped seasonally with the long season harvest and imports from the neighboring countries. There was increased cross-border trade through the western trade corridor with cheaper maize sources from the eastern markets of Uganda.

Tanzania: The country is in the lean season however, prices remain typically stable as traders are releasing grains to farmers in preparation of Msimu season in the Southern region. In the Northern zone, wholesale prices of staples are expected to go down in February with inbound harvest from the Vuli season. **Uganda:** Staple food prices have decreased significantly with second season harvest. January wholesale prices are below last year's but above the three-year average for most commodities. With improved stocks, prices are expected to remain relatively stable in the coming month.

Rwanda: Staple grain prices have declined seasonally heading into the 2018A harvest. However, prices are above the three-year average, however, expected to go down in February as stocks realized this season are above-average.

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2.0 East African Grain Markets.....	2
2.1 Kenya.....	2
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2.4 Burundi.....	6

1.0 Regional Markets Overview

Generally, prices have dropped in the urban markets. This seasonal decline was occasioned by new stocks realized from Uganda, Rwanda, and Burundi who are currently in the harvest phase. In January, most of the outflows from Uganda were attracted by relatively higher prices in Kenya resulting from low opening stocks from previous year below average production, and of duty-free international maize imports and the associated increase in flour prices in December 2017. Bukumbura offered the highest price in maize with the diminishing value of the local currency against the dollar coupled with an unfavorable macroeconomic environment. Kampala offered the lowest price at 193 USD/MT. Rice prices dropped in the markets with sufficient stocks in the global market. Beans prices went up in selected urban markets as schools opened for the 1st term.

Table 1: Wholesale prices in East Africa (USD/MT).

Commodity	Location	Dec 2017	Jan 2018	% change
Maize	Nairobi	299	294	-0(-1.3%)
	Kampala	197	188	-0(-4.1%)
	Dar es Salaam	212	201	-1(-4.7%)
	Ngali	188	182	-1(-3.2%)
	Bujumbura	277	267	-1(-3.6%)
Rice	Nairobi	1800	1728	-4(-4.0%)
	Kampala	985	920	-1(-6.6%)
	Mulindi-Digali	890	880	0(0.0%)
	Bujumbura	1100	1088	-1(-1.1%)
Red Sorghum	Nairobi	738	710	-1(-3.8%)
	Kampala	600	587	-1(-2.2%)
	Dar es Salaam	600	588	-1(-2.0%)
	Mulindi-Digali	647	630	-1(-2.6%)
	Bujumbura	690	688	-1(-0.3%)
Wheat	Nairobi	647	620	0(0.0%)
	Dar es Salaam	540	531	0(0.0%)
	Mulindi-Digali	560	531	-1(-4.8%)
	Bujumbura	620	594	0(0.0%)
Milled Beans	Nairobi	810	780	-1(-3.7%)
	Kampala	620	600	0(0.0%)
	Dar es Salaam	710	778	0(0.0%)
	Mulindi-Digali	608	604	-1(-0.6%)
	Bujumbura	572	420	-1(-26.6%)

1.1 Informal Cross-Border Trade

Kenya was the main destination for maize and beans. Maize trade in the Kenyan Western trade corridors from Uganda was on a precipitous ascent. Exports from Uganda increased by 44%, a 15% increase from the three-year average. This increase was due to the average 2nd rain season harvest coupled with the attractive prices offered in the Kenyan Urban markets. There was an increase in Maize trade from Tanzania in Kenya. Uganda was the main destination for beans from Rwanda with the ongoing 2018A harvest. Tanzania was the principal rice exporter in January. A general increase in trade was observed in the trade corridors with most countries harvesting hence sufficient tradeable surplus in the region.

8. EAGC RATIN Cont'd



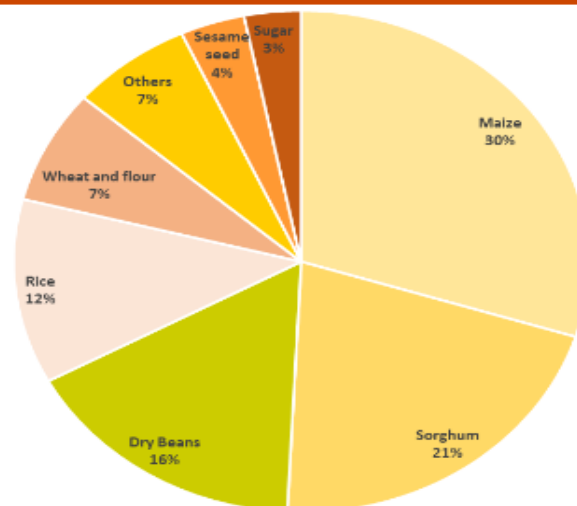
EAST AFRICA CROSSBORDER TRADE BULLETIN

FSNWG Food Security & Nutrition Working Group
October 2017

MAS Market Analysis Subgroup
Volume 19

SUMMARY POINTS

Figure 1: Main Staple Food Commodities Informally Traded Across Selected Borders in Eastern Africa in the third quarter of 2017.
Source: FEWSNET and EAGC



- Maize grain as usual was the most traded commodity in the region followed by dry beans, rice and then sorghum. See Figure 1.

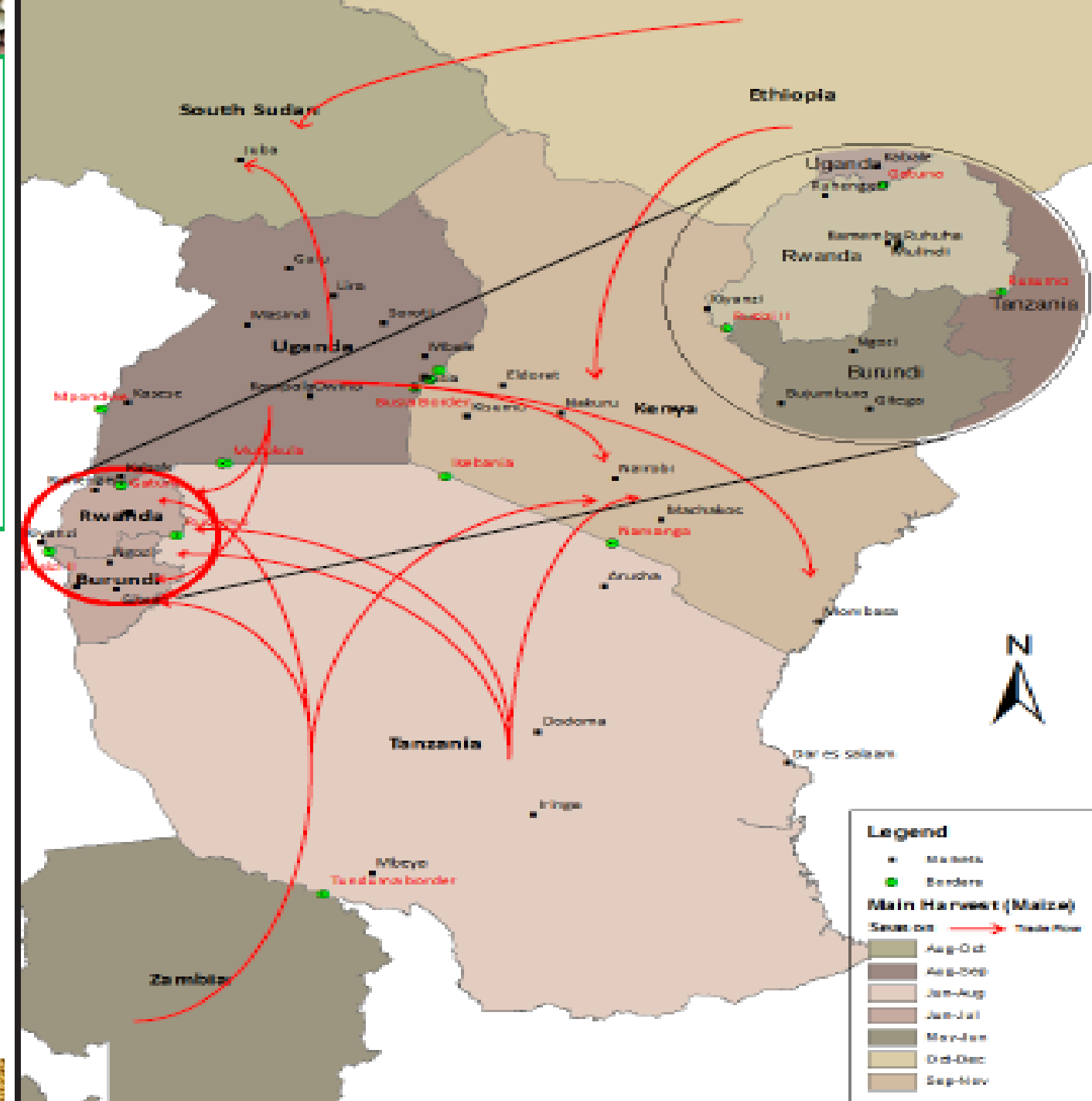
ABOUT THIS REPORT

The Market Analysis Sub-group of the Food Security and Nutrition Working Group (FSNWG) monitors informal cross-border trade of 88 food commodities and livestock in eastern Africa in order to quantify the impact on regional food security. This bulletin summarizes informal trade across selected borders of Tanzania, Burundi, Rwanda, Uganda, Kenya, Somalia, Djibouti, Ethiopia, Sudan, and South Sudan and DRC. Data is provided by the East Africa Grain Council (EAGC), the Famine Early Warning Systems Network (FEWS NET), the Food and Agricultural Organization of the United Nations (FAO), the National Bank of Rwanda (NBR) and the World Food Program (WFP).

Informal trade represents commodity flows outside of the formal system, meaning that activity is not typically recorded in government statistics or inspected and taxed through official channels. These flows vary from very small quantities moved by bicycle to large volumes trucked over long distances. This report does not capture all informal cross-border trade in the region, just a representative sample.

9 .Regional Crop calendar Vs trends in grain Trade

Informal Cross Border Trade



10. Regional Food Balance Sheet



Browser tabs: Inbox (119) - jmwau@eagc.org, Inbox (1,452) - grains@eagc.org, Regional Food Balance Sheet, RATIN | Login, New Tab

Address bar: rfbs.ratin.net

Navigation: Home, About, Reports, Balance Sheet, Resources, Contact Us, Account

Message: The data on this portal is incomplete and currently being populated, please check later

Regional Food Balance Sheet

by EAGC

This Website allows grain stakeholders to access information on staple foods supply and utilization in the region for policy advisory, trade linkage information based on food supply and food security

Reports for February 2018

Regional [Filter]

Supply/Utilization (MT)	Surplus/Deficit (MT)
-------------------------	----------------------

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11.Regional Food Balance Sheet



- ICT-based system availing reliable and up-to-date information to inform policy decision-making on food security in a regional context
- In 1948, an FAO conference recommended that Governments develop country FBS with assistance from FAO
- In 2013, support from EAGC and USAID led to development of the EAC regional FBS
- EAGC has been implementing the RFBS in partnership with the East African Community.
- The RFBS consolidates data from government, private sector and relief agencies in the EAC to create a snapshot of the availability of food in the region.




www.g-soko.com



What is GSoko?

A regional grain trading system....a web based/electronic system comprising of:

- A network of automated grain aggregation centres and certified warehouses;
 - Virtual trading platform;
 - Participating banks for payment settlement;
 - Grain partners (grain sellers/buyers/warehouse operators....all regulated under EAGC.
- 

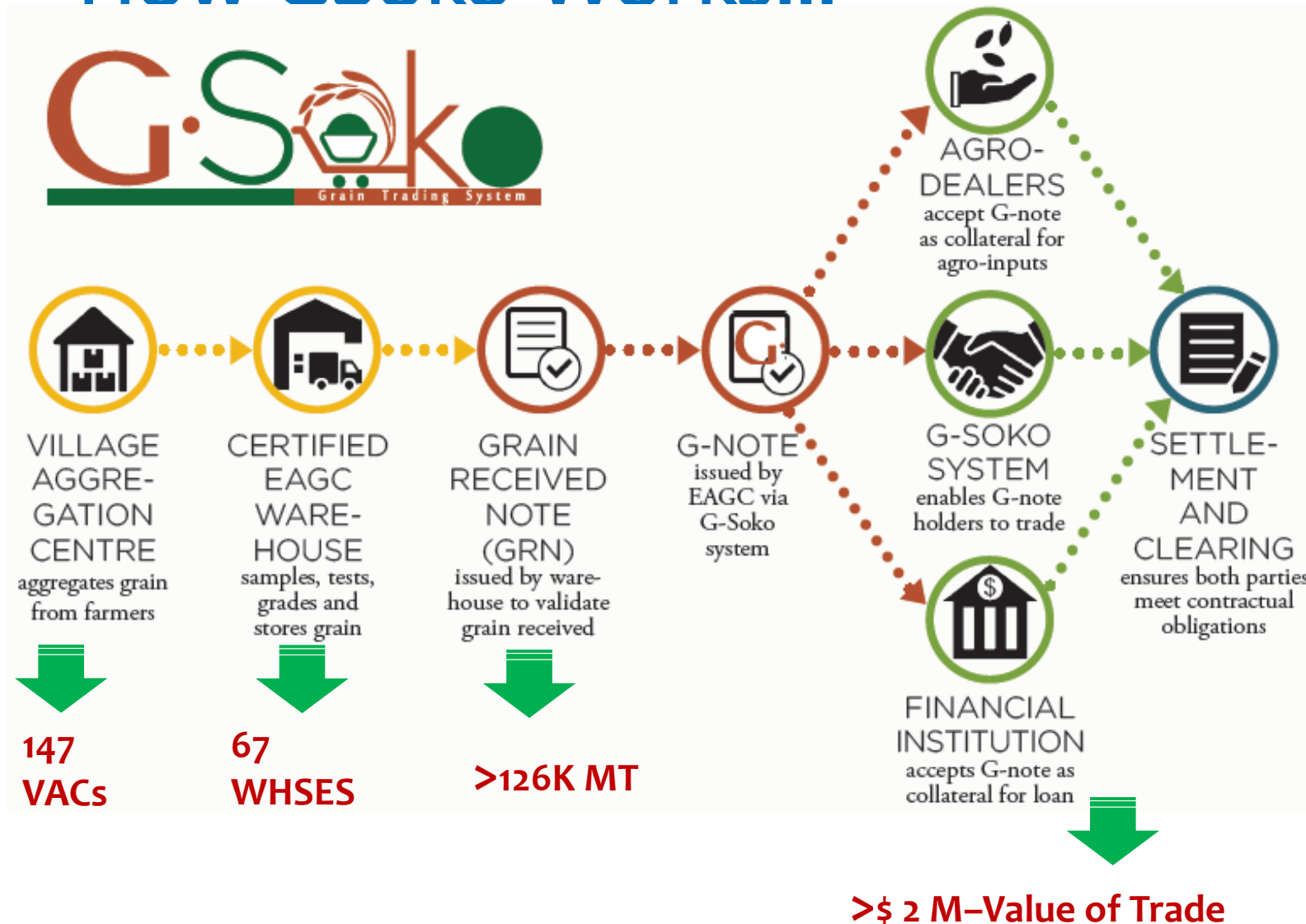


Why GSoko was developed?

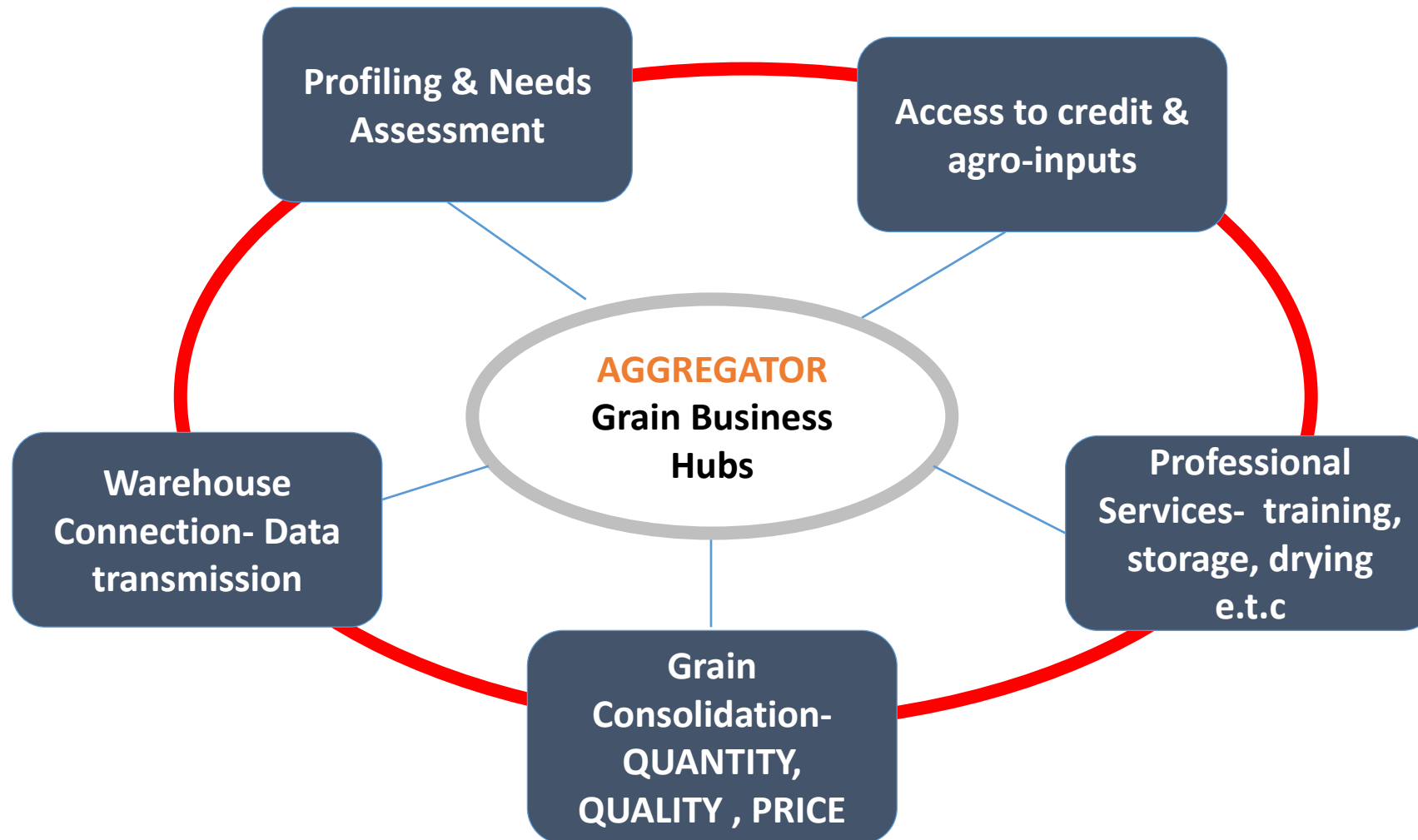
EAGC did a review of its WRS model in 2014 and identified the following issues:

- WRS**unique** with its own self-regulation...feasible in other countries but should be customized to provide regional **trade facilitation role**.
- **Variability** in quality of warehouse management- need for a standardized/ robust warehouse management system.
- Farmers shying away from cash-based lending/WRF- need for **input-lending**.
- The guarantee of delivery of grain by EAGC -need for **transition from a totally paper-based system** to electronic system.

How GSoko Works...



GSOKO to Farmers



17. EAGC MIS CHALLENGES

- Data consistency in some locations eg. case of Burundi, South Sudan because of macro economic conditions.
- Lack of forecasting and analysis models that can provide short-to- medium term forecasts on food availability and food security situations in the Eastern Africa Region
- Limited data sets on RATIN
- Limited data from RFBS Contributors
- Limited funds to expand EAGC MIS functionalities

18. EAGC MIS PLANS

- Monitor Formal Cross Border trade to complement RATIN data.
- Conduct remote sensing analysis on crop performance in the region depending on the crop calendar.
- Develop appropriate forecasting and analytical tools to complement the RFBS and RATIN
- Integrate historical data on grain production, trade and other relevant parameters

19. EAGC MIS PLANS

- Expand EAGC RFBS beyond EAC Region
- Hold NFBS and RFBS data validation meetings
- Tighten partnership with EAC on RFBS
- Expand RATIN and RFBS coverage in Eastern and Southern DRC in 2018
- Fundraising to expand the functionalities of RATIN and RFBS
- Undertake consultancy services on grain sector research for various clients from public and private sector at a fee for sustainability of EAGC MIS Services

Thank You

