

Grain trade across East Africa is governed largely by standards that specify moisture content, cleanliness and aflatoxin levels, which are closely monitored at border points such as Busia, Malaba and Elegu. Grain that fails checks may be rejected or sold at a lower price.

BY CAESAR ABANGIRAH

When Christopher Kaijuka, the managing director of Afro Kai Limited, an agro-commodity company, started his business, sourcing grain for regional markets, particularly the East African Community (EAC), was slow and unpredictable. Grain was delivered in small quantities, often from different locations, and it could take several days to put together a full consignment for the regional market.

At the time, beans were cleaned by hand and maize was weighed bag by bag.

Afro Kai, which has been trading grain for decades, depended largely on individual farmers scattered across the country. Fulfilling orders required continuous renegotiations and repeated follow-up with farmers.

Today, Afro Kai trades grain throughout the year, operating major grain handling hubs in Matugga, Purongo in Nwoya and Rugendabara in Kasese, with additional drying and storage facilities in areas such as Kyegegwa, Bukomero and Kigumba in Masindi.

From these hubs, grain is collected, consolidated and handled under set standards before being supplied to regional markets, including Kenya and South Sudan.

Mr Kaijuka says the shift began when farmers started supplying grain through organised groups, rather than as individual sellers.

For Afro Kai, the change reduced the need to move from village to village. With cooperatives and organized producer groups in place, grain began arriving in larger, more consistent volumes. That made it easier to manage transport, apply quality checks and assemble consignments for regional buyers.

"A truck now goes to one place and is filled by a group," Mr Kaijuka says. For Afro Kai, aggregation reduced the time and cost of sourcing grain. For farmers, it created access to buyers who require volume and consistency.

The farmers supplying Afro Kai are still small-scale. The difference is that their grain now reaches the market in bulk, in a form traders can work with.

Organised sourcing of grain strengthens Uganda's competitiveness in region



ASSESSMENT

closely monitored at border points such as Busia, Malaba and Elegu. Grain that fails checks may be rejected or sold at a lower price.

"Although standards are harmonised across the East African Community, traders still face challenges because testing and grading procedures are applied differently at each border. These differences in standard operating procedures effectively act as non-tariff barriers," says Mr. Robert Mwanje, the Chairperson of the Grain Council of Uganda (TGCUCU).

"As a member of the National Coordinating Forum for implementing the National Grain Trade Policy, TGCUCU is advocating for the removal of these barriers. We have also signed a mutual recognition agreement with Kenya, and discussions are underway to harmonise testing and grading procedures for the covered crops," Mr Mwanje said.

As Afro Kai expanded its regional trade, quality became the main condition for buying. Grain is inspected before storage, and consignments that do not meet agreed standards are not accepted. That has pushed farmers supplying organised markets to pay closer attention to how grain is harvested, dried and stored.

The Food and Agriculture Organization (FAO) estimates that in Uganda more than 17.6 percent of grains, including maize, millet and rice, are lost each year due to poor post-harvest handling, equivalent to nearly 2.8 million tonnes of produce. Most of this

Sector assessments by the Ministry of Agriculture Animal Industry and Fisheries show that Uganda has installed grain storage capacity of about 750,000 metric tonnes, but utilisation remains low, often below 30 percent. Structured sourcing linked to confirmed buyers is expected to improve utilisation by aligning storage with demand. With organised marketing, farmers are less likely to sell grain in distress immediately after harvest and face fewer payment delays.

Border Trade Report, Uganda produced about 4.27 million metric tonnes of maize in 2024, generating an average tradeable surplus of about 468,000 metric tonnes. In seasons with favourable rainfall, that surplus can exceed 1 million tonnes, although logistics and post-harvest losses often reduce what reaches formal markets.

The report notes that Kenya remains structurally deficit in maize, while South Sudan relies heavily on imports for food supply. Uganda's bimodal rainfall allows it to supply these markets when other producers are between harvests.

Border points such as Busia handle up to 1,500 to 1,600 metric tonnes of grain per day during peak trading periods. Much of this trade moves through informal and semi-formal channels.

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Focus on the eastern corridor

Much of the effort to professionalise grain trade has focused on eastern Uganda, the main gateway to Kenya.

AGRA is supporting efforts to prepare farmer groups and cooperatives for participation in regional grain trade, including training on quality management, post-harvest handling and collective marketing, alongside facilitating access to equipment needed to meet regional standards, such as drying, cleaning and grading facilities. Initiatives such as Enhancing Access to Markets for an Inclusive Agricultural Transformation (EAMITAT) project, funded by AGRA, are working with the Grain Council of Uganda and private buyers to integrate farmers into structured markets and improve compliance with standards. The project targets key producing districts in Busoga, Bugisu and Sebei, where humidity and post-harvest handling have hitherto

Sacks of grain at the company's grain handling hub in Matugga. A lot of effort to professionalise grain trade has focused on eastern Uganda. PHOTO/CAESAR ABANGIRAH

and equipment that allow cooperatives to supply grain that meets quality and standards for regional trade."

For traders like Afro Kai, these efforts stabilise supply from a corridor that has long been prone to price swings and border disruptions.

Mr Kaijuka says the main difference he sees today is predictability. "Farmers know where their grain is going," he says. "That affects how they handle it."

In a region where trade can shift quickly due to weather, policy changes or border enforcement, organised supply helps manage risk. During drought years, Uganda's exportable surplus tightens sharply. In bumper years, prices fall unless grain can move quickly and meet standards.

Structured sourcing helps manage both situations.

Afro Kai's experience reflects a broader shift in parts of Uganda's grain sector. Farmers remain smallholders by land size, but organisation has allowed them to operate as commercial suppliers.

Instead of piecemeal deliveries, grain is now delivered in organised consignments, with most quality concerns addressed before delivery.

"We can trade throughout the year," Mr Kaijuka says. "That was not always possible."