

Highlights

EAST AFRICA: Harvesting of main season cereals is underway in the north under mixed conditions due to flooding in South Sudan and ongoing conflict and socio-economic challenges in South Sudan, Yemen, and northern Ethiopia. In the south of the subregion, there is continued concern for second season cereals due to a third consecutive poor rainfall season for OND 2021, and dry conditions are forecast to continue, leaving little to no chance for recovery (crop monitor).

Staple grain prices generally near above five year averages in the main producing countries due to high local and regional demand from structural deficit countries where production was below average due to inconsistent below average rainfall.

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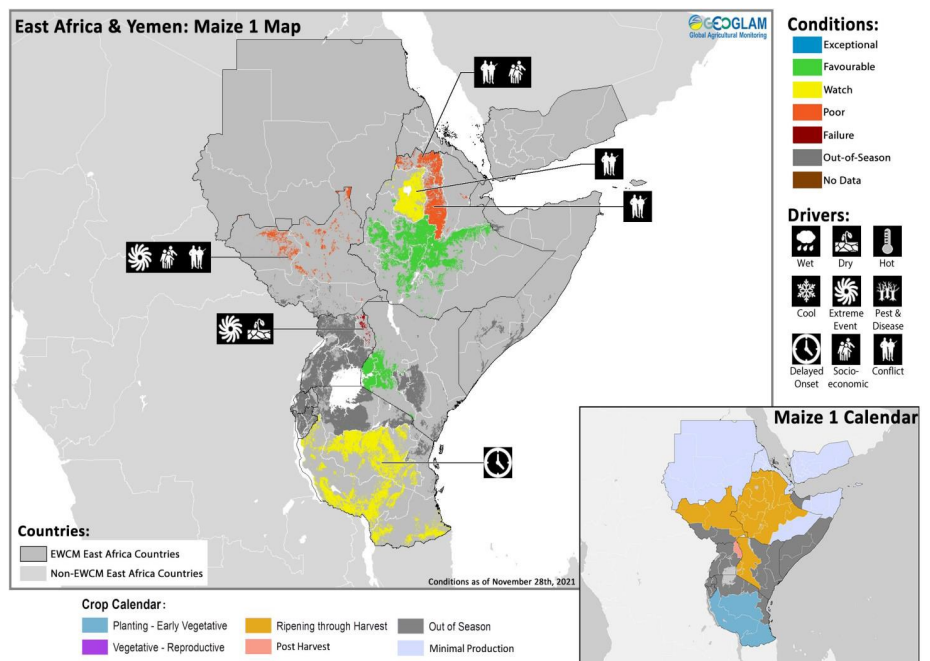
East Africa Crop Season

In Uganda, harvesting of first season maize crops finalized in Karamoja with well below-average yields due to a late start of the season followed by flooding in early development stages as well as extreme dry spells during the growing period. Harvesting of second season maize crops began in the northwest while crops continue to develop in other areas, and overall conditions are favorable as crops in the northwest have improved from previous dryness. However, erratic early season rains and forecast below-average precipitation in several areas through early December may impact final yields, particularly if rainfall levels experience a further decline before crop maturation.

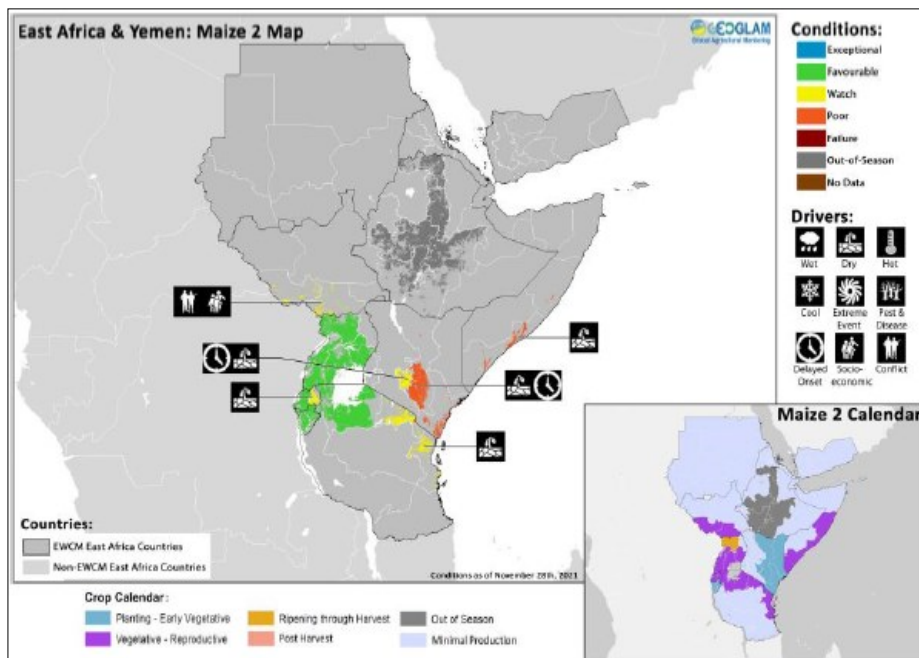
In Kenya, harvesting of Long Rains cereals is complete or nearing completion in the main producing Rift Valley, West, and Central provinces, and

conditions are generally favorable. Planting of Short Rains crops is underway, and crops are unlikely to recover given the delayed rainfall onset and below-average precipitation that has resulted in a third consecutive poor rainy season as well as a likely early cessation of rains before effective crop establishment.

In Burundi, planting of second Season A maize crops is underway, and overall conditions are favorable. Despite some dry spells in November, the country has received sufficient rainfall from mid-September to support crop development. In Rwanda, second Season A maize crops are in vegetative to reproductive stage for harvest from January, and conditions in the east have degraded as the region is experiencing dry spells that may impact planted crops. In northern bimodal areas of the United Republic of Tanzania, *Vuli* season maize crops are in vegetative to reproductive stage while planting of *Masika* season wheat crops is underway. While conditions in the northwest have improved from previous dryness, concern remains for crops along the northern coast and northeast. In unimodal areas, planting of *Msimu* season cereals began in November with concern due to delayed rainfall onset.



Crop condition map synthesizing Maize 1 crop conditions as of November 28th. Crop conditions over the main growing areas are based on a combination of inputs including remotely sensed data, ground observations, field reports, national, and regional experts. Conditions that are other than favorable are labeled on the map with their driver. (Crop Moni-



November 20th rainfall totals are among the lowest in the past 40 years across eastern Kenya and southeastern and south-central Somalia, as well as in portions of central Kenya and southern Ethiopia, according to preliminary data for November.

The figure below shows the outlook for seasonal rainfall totals from October 1st to December 5th. Rainfall totals for most of the southern subregion may range from 30% to 75% of the average. The two-week forecast from November 23rd indicates increased chances for mainly below-average rainfall in southwestern Ethiopia, Uganda, Rwanda, Burundi, Tanzania, and across most of Kenya. Above-average rainfall is forecast during late November in southeastern Somalia and in portions of central-eastern Kenya and southeastern Ethiopia. This provides some hope for improved local water supply.

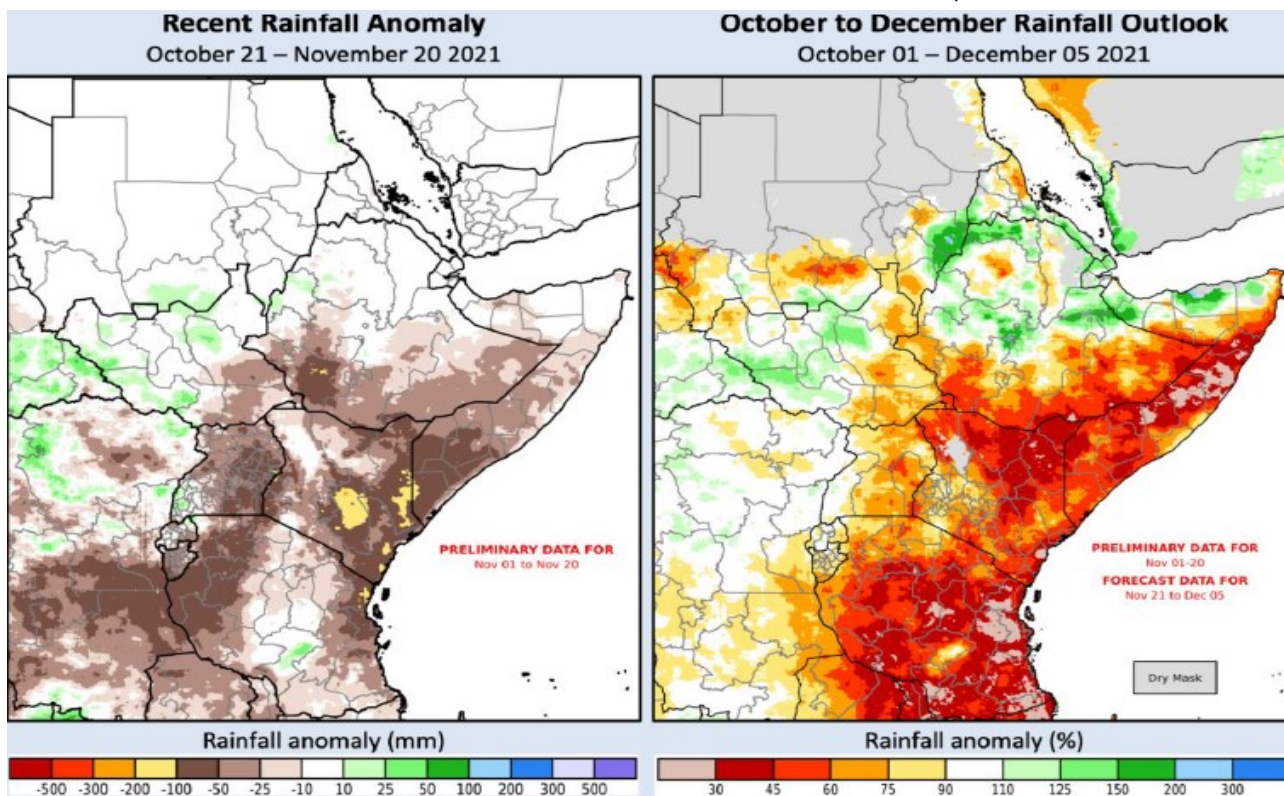
Crop condition map synthesizing Maize 2 conditions as of November 28th. Crop conditions over the main growing areas are based on a combination of inputs including remotely sensed data, ground observations, field reports, national, and regional experts. Conditions that are other than favorable are labeled on the map with their driver. (Crop Monitor)

Weather Conditions and Outlook

Late-October to late-November conditions were drier than average across most equatorial and southern areas. After a poor start to the season in eastern areas, rainfall deficits rapidly increased in recent weeks, actualizing earlier concerns about a forecasted poor rainfall season. Many eastern areas received very low rainfall amounts, between 10 and 50 mm, during what is typically the peak of seasonal rains. September 1st to

and southeastern Ethiopia. This provides some hope for improved local water supply.

Models indicate that drier-than-average conditions will likely continue through most of the month of December. That outlook is based on SubX forecasts from November 26th as well as by WMO, NMME, and ICPAC forecasts released in early November. Some models indicate wetter conditions in coastal southeastern Kenya and coastal Tanzania. During



October 21st to November 20th rainfall anomaly, and October 1st-to-December 5th rainfall anomaly outlook. Both panels are CHC Early Estimates, which compare 2021 rainfall amounts to the 1981-2020 CHIRPS average. On the left is the rainfall anomaly for October 21st to November 20th, expressed in millimeters (mm). The right panel indicates what the post-October 1st rainfall percent of average would be if the 15-day unbiased GEFS forecast from November 21st materializes. Source: UCS Climate Hazards Center

early 2022, there are increased chances for above-normal rainfall in southern Tanzania, while the dry season in eastern and northern areas of the region will likely be hotter than normal, according to NMME, WMO, and C3S multi-model ensemble forecasts from November.

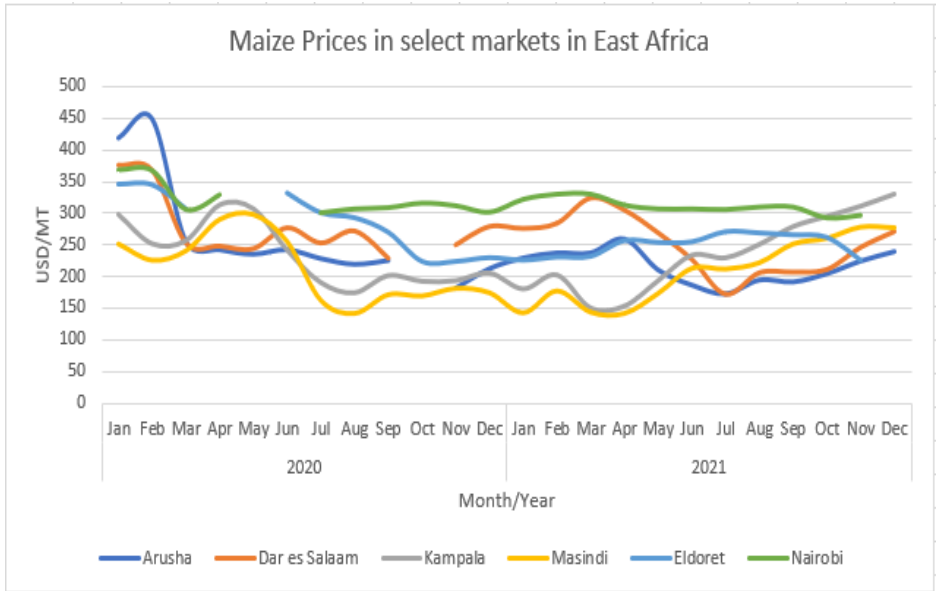
Long-lead outlooks for the March-April-May (MAM) 2022 rainfall season highlight the troubling possibility of yet another poor rainfall season in eastern areas. Large-scale conditions that suppress MAM rainfall are forecast to be active. This is highly concerning, considering the very poor rainfall performance during OND 2021 and the previous sequence of below-average 2020 OND and 2021 MAM seasons ([Crop Maize Markets and Trade Monitor](#)).

In the fourth quarter, maize prices generally increased in the region, mainly attributable to high local and regional demand in the main producing countries of Uganda and Tanzania and below average production in the structurally deficit countries.

In Kenya, prices generally remained stable as the long rain harvest coupled with imports from Kenya and Uganda ensured ample supply of maize to the markets. Below average precipitation amounts in March, which forced several farmers to replant, were followed by above average rains in April and May, and by poor rains during most of June, which affected maize during the critical flowering stage. Subsequently, improved precipitation between July and September lifted crop prospects, but some damage was irreversible. As a result, maize production was below average hence prices being above five-year averages. In Nairobi, a major consumer market, maize prices averaged at USD 303/MT while in Eldoret, a major producer market, maize sold at USD 259/MT. Prices are expected to slightly increase as domestic stocks reduced with time.

In Uganda, harvesting was underway in the fourth quarter, but this did not reflect in the prices as they steadily increased towards the end of the year. This was a speculative response by the market where low production prospects led many producers to hold their produce in hopes of getting better prices for their produce. Low production was caused by late onset of erratic rainfall that led to flooding in some areas while drying and wilting of maize crops in others. Average maize prices in Kampala were USD 312/MT and USD 273/MT in Masindi.

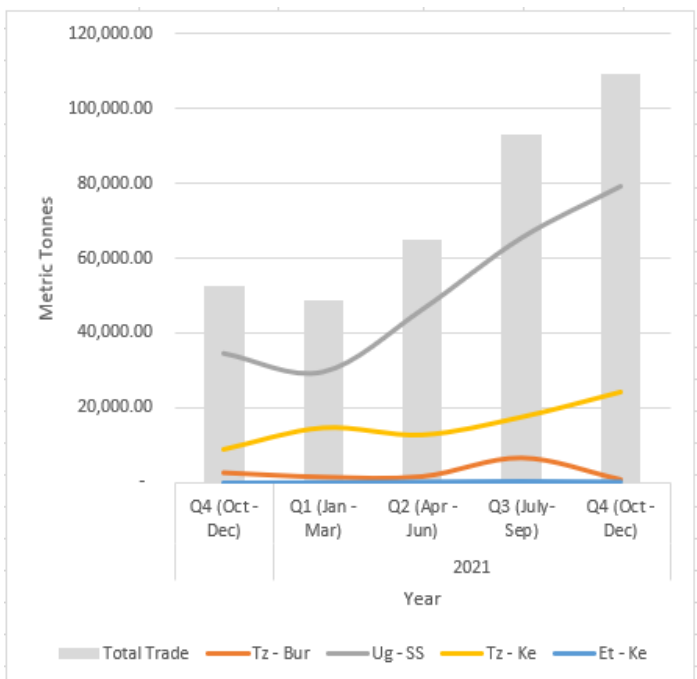
In Tanzania, maize prices increased in the fourth quarter due to increased regional demand from Kenya and Southern Africa countries. This has put demand pressure therefore



pushing the prices up, as maize prices in Dar es salaam averaged at USD 244/MT and USD 223/MT in Arusha. The upcoming 'Vuli' crop harvest is set to increase domestic supply and thus stabilize the prices. Below average rainfall amounts towards the end of the year however is set have a negative impact on the 'Vuli' harvest to be gathered at the beginning of 2022, as well as on planting and germination of the 2022 'Msimu' crops ([FAO](#)).

Maize trade in the fourth quarter dropped by 28% compared to the previous quarter, closing at approximately 154,000 MT. This was mainly attributable to reduced trade between Kenya and Tanzania where Kenya maize imports dropped by 56.7% compared to the previous quarter, closing at approximately 65,000 MT. This was mainly due to increased availability of

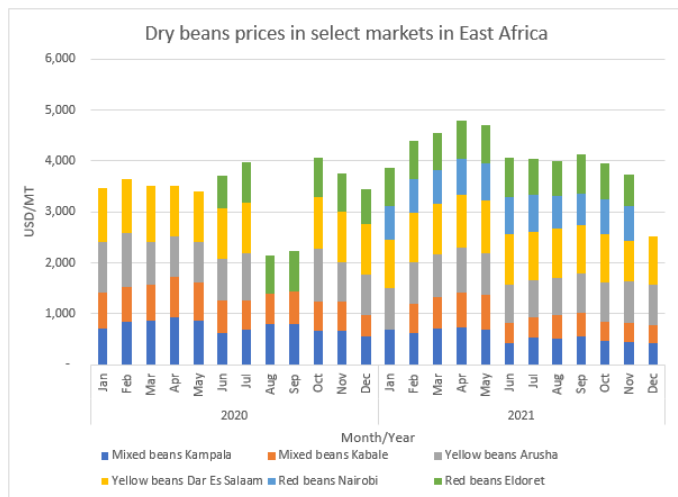
Quarterly Sum of Formal and Informal Cross border Trade of Maize Grain in Main Trade Corridors in Eastern Africa. Source: EAGC RATIN and FEWSNET



domestic stocks due to the long rain harvest that reduced the need to import. South Sudan imports from Uganda increased by 24% while Kenya imports from Uganda remained low mainly due to low supply and border restrictions due to aflatoxin testing. This even saw a reverse flow, where maize moved from Kenya to Uganda, a rare occurrence as Kenya is usually on the importing side of the two.

Dry Beans Market and Trade

Dry beans prices in the major producing country, Uganda, reduced in the fourth quarter owed to sustained supply to the markets from stocks of the previous May-September season supplemented with trickling stocks from the ongoing December-January harvest. Mixed beans prices in the producer region of Uganda in Kabale market dropped by 16% compared to the previous quarter at USD 369/MT. In Kampala, a major producer consumer market, prices dropped by 17% compared the previous quarter to close at USD 446/MT.

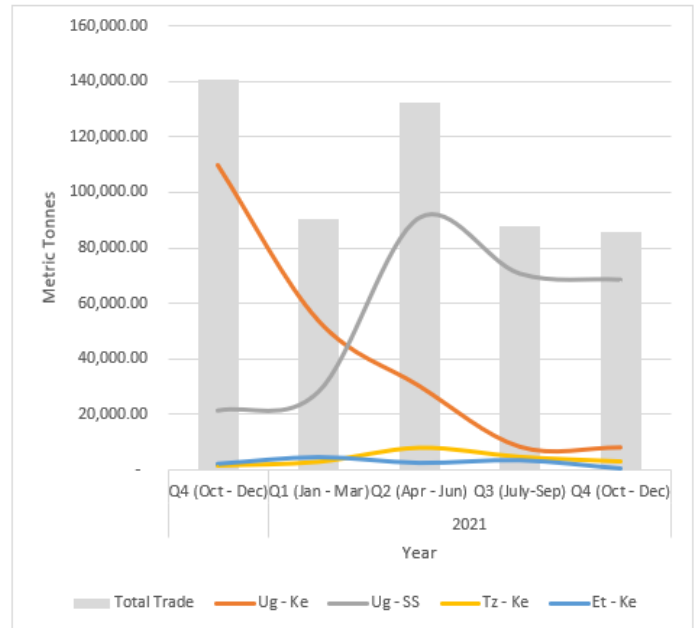


Prices of red beans in Nairobi remained stable at an average of USD 668/MT compared to USD 661/MT in the previous quarter while in Eldoret, prices dropped by 6% to close at an average of USD 675/MT.

Yellow beans prices in Tanzania remained stable with slight decreases in prices in Arusha and Dar es Salaam of 4% and 6% to close at USD 743/MT and USD 905/MT respectively.

On the trade side in the fourth quarter, approximately 85,000 MT of dry beans was traded, a 2% decline from the previous quarter and a 39% decline compared to the similar quarter the previous year. Uganda exports accounted for 89% of the total region exports while Kenya imports accounted for 14% of total imports while South Sudan accounted for 80% of imports from Uganda. According to FEWSNET, the reduced trade in dry beans was attributed to below average regional harvests stemming from poor rainfall performance in Kenya, Uganda, Rwanda and Ethiopia. This was further exacerbated with conflicts in the main producing regions of Amhara in

Quarterly Sum of Formal and Informal Cross border Trade of Dry beans in Main Trade Corridors in Eastern Africa. Source: EAGC RATIN and FEWSNET

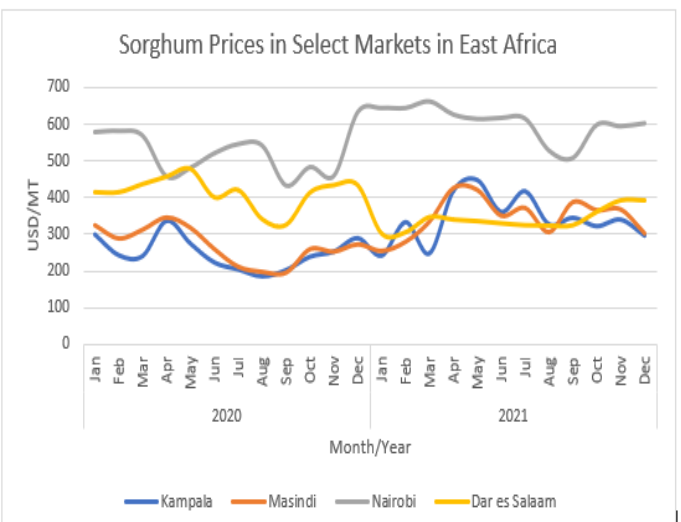


north-western Ethiopia, leading to closure of borders between Ethiopia and Sudan. In Uganda, the government announced in the fourth quarter that learning institutions and the rest of the economy will be opened leading producers to hold on their new December-to-January harvest in expectation of high prices from increased demand.

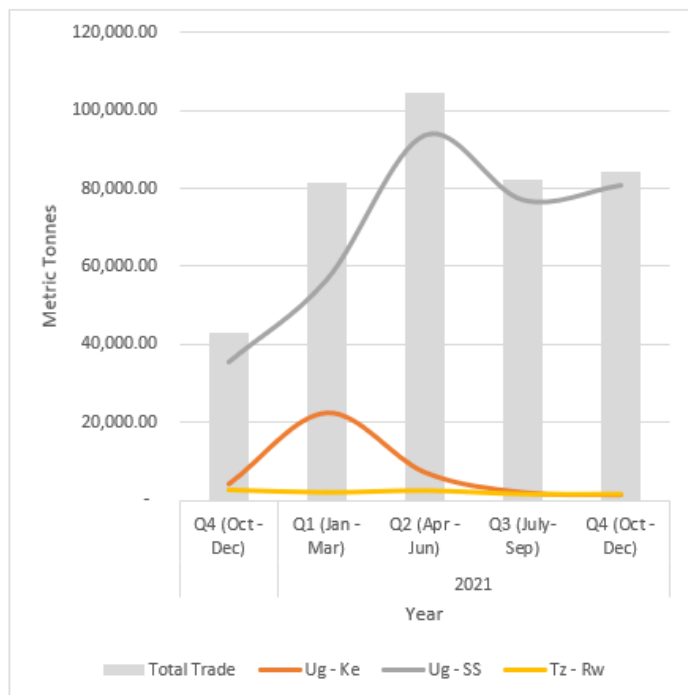
Sorghum Markets and Trade

Sorghum Prices remained stable in the fourth quarter of 2021 averaging USD 319/MT in Kampala and USD 598/MT in the Nairobi market, representing 13% percent decrease and 8% increase respectively. In Tanzania, sorghum prices averaged at USD 382/MT.

Sorghum trade in the fourth quarter slightly increased by 2% compared to the previous quarter mostly attributable to sustained exports from Uganda to South Sudan. FEWSNET reports that the increased regional trade in sorghum was attributed to significant supplies from Uganda to South Sudan



Quarterly Sum of Formal and Informal Cross border Trade of Sorghum in Main Trade Corridors in Eastern Africa. Source: EAGC RATIN and FEWSNET

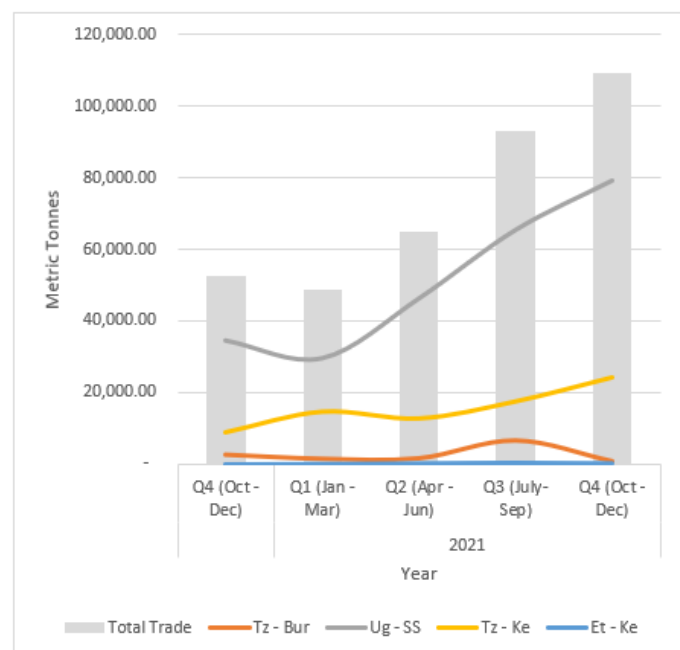


where demand has been increasing following a gradual and less volatile depreciation of the local currency as a result of corrective measures taken by the government in 2020/2021, in addition to reduced supply from the below-average October-to-December harvest.

Rice Markets and Trade

In one of the major producer regions in East Africa, rice prices in Tanzania generally increased in the fourth quarter mainly due to increased regional demand due to below average staple crop harvests caused by below average and

Quarterly Sum of Formal and Informal Cross border Trade of Rice in Main Trade Corridors in Eastern Africa. Source: EAGC RATIN and FEWSNET



inconsistent rainfall prices. In Arusha, rice closed at an average of USD 702/MT while in Dar es salaam, price average was USD 759/MT, representing a increase of 11% and 10% respectively in comparison to the previous quarter.

Rice trade increased by 17% compared to the previous quarter to close at approximately 110,000 tons. This was mainly attributable to increased imports by South Sudan from Uganda and Kenya imports from Tanzania.

Regional Agricultural Trade Policy Developments

Kenya

1. The 9th Edition African Grain Trade Summit

The Eastern Africa Grain Council in partnership with the Government of Kenya hosted the 9th edition of the African Grain Trade Summit (9th AGTS) which was held from 7th to 9th October 2021 at the Diani Reef Beach Resort in Ukunda, Kenya. The theme of the summit was "The Future of Grain Trade in Africa: Revitalizing Resilience in Grain Value Chains." Graced by the Cabinet Secretary Ministry of East African Affairs and Regional Development – Hon Adan Mohammed, the summit was the first edition ever to be hosted by EAGC simultaneously in a physical venue and online in a hybrid format. A physical conference, exhibition, field visits and networking events were hosted at the Diani Reef Beach Resort in Ukunda, Kenya, taking into consideration all Covid-19 protocols, while an online platform was utilized to allow delegates from around the world to join the deliberations and engage virtually.

The summit was sponsored by Grain Bulk Handlers Ltd, the Alliance for a Green Revolution in Africa, Grain Industries Ltd, Capital Reef Ltd, I grain and EFKEN Leasing Ltd where over 150 high level delegates drawn from all over the world participated physically while over 70 delegates joined in virtually. 12 grain agribusiness organizations also exhibited at the sidelines of the summit.

The Event communique can be accessed here.

Rwanda

1. Rwanda, Zimbabwe Sign Five Pacts to Boost Trade

Rwanda and Zimbabwe have signed five cooperation agreements in ICT and e-governance, environment and climate change, agriculture and livestock, tourism and business events. The agreements were signed on September 28 at the ongoing trade and investment conference where Rwanda's Private Sector Federation and the Confederation of Zimbabwe Industries signed a memorandum of understanding. Zeph Niyonkuru, the Deputy Chief Executive of Rwanda Development Board (RDB), described the agreements as an opportunity to make the most of the 'deep'

and warm relationship enjoyed by the two countries. "Rwanda's development strategy is centered on private sector development," Niyonkuru said at the bilateral trade and investment conference.

Rwanda has implemented a host of business reforms, making the country one of the most favored investment destinations in Africa. "We strongly believe that our ambitious development targets can only be achieved through a thriving private sector that delivers sustained and inclusive growth" he said that the two nations were already cooperating in infrastructure, energy and civil aviation among others.

The fact that Rwanda and Zimbabwe belong to some common regional trade blocks grants both nations the opportunity to further their bilateral trade and investment relationships free from tariff barriers. Continue reading [here](#).

Tanzania

1. Agricultural Development Bank : Tadb, Ifad Strengthen Ties to Raise Smallholder Farmers' Income

Tanzania Agricultural Development Bank (TADB) and International Fund for Agricultural Development (IFAD) Tanzania have affirmed their determination to enhance access to capital among smallholder farmers in Tanzania.

The TADB Managing Director Frank Nyabundege said the bank is managing the Smallholder Farmers Credit Guarantee Scheme funds (SCGS) which is under the Prime Minister's Office. The total funding managed at TADB for the SCGS is 25 million US dollars from the IFAD. "Through this funding, TADB has been able to impact directly 11,468 smallholders, while reaching indirectly 766,380 individuals. We appreciate the strong partnership that IFAD has with our government such that we can realise the government goals to its people," he said. Continue reading [here](#).

2. Tanzania sets aside 157 million USD for climate change mitigation

The government of Tanzania has set aside 362 billion Tanzanian shillings (about 157 million U.S. dollars) in the 2021/2022 financial year for reducing effects of climate change, including mitigation and adaptation. Selemani Jafo, the minister of State in the Vice-President's Office responsible for Union Affairs and Environment, said the climate change mitigation projects included construction of walls along the Indian Ocean to reduce erosion caused by sea level rise. Continue reading [here](#).

About the Eastern Africa Grain Council

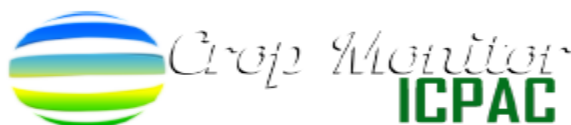
The Eastern Africa Grain Council (EAGC) is a membership-based organization representing the grain sector in Eastern and Southern Africa. The Council exists to facilitate efficient, structured, profitable and inclusive grain trade in its 10 mandate countries, namely Kenya (Regional Headquarters), Uganda, Tanzania, South Sudan, Ethiopia, Burundi, Rwanda, Zambia, Malawi and the Democratic Republic of Congo. EAGC draws its membership from grain sector value chain actors in its Member States, which include farmers, traders and processors. Support service providers and complimentary sectors such as agro-input suppliers, financial services and animal feed manufacturers also form part of the Membership. In facilitating structured grain trade in the Eastern Africa region, EAGC provides trade facilitation services through the EAGC G-Soko Grain Trading System; market and cross-border trade information through the Regional Agricultural Trade Intelligence Network (RATIN – www.ratin.net); pursuing appropriate policy reforms to support growth of structured grain trade through the Agricultural Trade Policy Advisory Forum for Eastern and Southern Africa (ATPAFESA); and capacity building of grain industry stakeholders through the Grain Business Institute (GBI).



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EARTH DATA FOR INFORMED
AGRICULTURAL DECISIONS

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