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Press Release

Attention: The Head of News

For immediate release.

President Museveni calls for increased cross border grain trade for food security”.

The President of the Republic of Uganda yesterday officially opened the Eastern Africa Grain Council (EAGC) 4th African Grain Trade Summit at the Speke Resort, Munyonyo, Kampala, Uganda. The Summit, a biennial event of the EAGC, this year is taking place on 13th and 14th October 2011, under the theme: 'Accelerating Growth in Grain Trade: Opportunities for Strategic Partnerships and Investment. The meeting has brought together over 200 participants from the grain community globally.

In his opening remarks the President lauded the Eastern Africa Grain Council and its key stakeholders for the work they were doing in promoting trade in the sector. He underscored the importance of grains in ensuring food security in the region citing that 80% of the people in Africa and across the world, still primarily eat foods made from grain and that that 60 percent of the world grain harvest is consumed as food, 36 percent as feed, and 3 percent as fuel and accounts for 40-50% of the consumption baskets for the 7 billion world population.

The president asked the participants at the summit to critically review the strategies put in place for grain production and trade in the region. He noted that “appropriate enterprise selection” for different land use and land parcel sizes was the solution to ensure that farmers and stakeholders in the sector would benefit and earn commensurate returns on their investments in agribusiness.

The questions, the president posed was “if one has 2 acres of land, how can they use it to get the maximum annual income?” The President emphasized that the key answers to this question would form the strategy for sustainable investment and accelerates opportunities for growth in the sector. Better use of land for a “package” of enterprises, should be the strategy to ensure maximum benefit of the sector, the president added.

“Maize should be grown by people with large acreage and not small holders farmers” the President noted. He therefore requested EAGC to advise the government on a

clear strategy that clearly outlines the maximum annual income a farmer can get from maize production per acre, in his push to ensure proper enterprise selection and packaging for alternative business models.

In his remarks President Museveni challenged the grain value chain stakeholders with regard to the reliability and stability of the supply chain source of raw material for their enterprises and gave an analogy of the biblical story of the man who builds his house on the sand, and when the wind comes it is all blown away while the other man builds his house to build his house of a firm foundation. This he said as he challenged EAGC, “how have you built your house”. This was in line with ensuring that the traders, millers and processors need to address the issues of supply of commodities for the enterprise, especially if they have to rely on the small scale productivity by farmers.

The President further added access to markets for agricultural commodities has always been the main challenge. However, he asked the participants to support and take advantage of the large regional markets made possible by the common market agreements such as the EAC common market, which has become a large market. He asked EAGC and the grain stakeholders to lobby governments in the region to open up their borders in order to ensure flow of food from areas of surplus to areas of deficit within the region for trade so as to improve on the balance of trade.

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