



THE GRAIN NEWS



Forging strategic partnerships, International Trade Centre (ITC) team visits The Grain Council of Uganda Secretariat (TGU) 11 November, 2025. Left to right: Dharmendra Rao (Consultant ITC), Harriet Nabirye (Membership Services Manager TGU), Charles Roberge (Senior advisor Trade and Investment ITC), Robert Mwanje (Chairman TGU), Aishwarya Nahata (Ass. Programme Officer ITC), Henry Musisi (Executive Director TGU) and Moses Sebagala (Market Information TGU).



EDITORIAL SUMMARY

Though this quarterly newsletter arrives a little later than planned, it's brimming with insights that capture the energy and challenges of the final stretch of 2025.

We kick off with groundbreaking findings from a study that uncovers the missing link in Uganda's grain transformation, setting the stage for fresh conversations about the sector's future. Alongside this, you'll find a dynamic review of maize price movements throughout the year, from a local and regional perspective.

The Agricultural Insurance Consortium weighs in with practical strategies to reduce dependence on rain-fed farming -lessons from the erratic September–December rains. Adding to this, a technical deep dive into the grain sector potential in 2025 paints a bold picture of opportunities ahead.

This newsletter is more than a recap—it's a call to action. The editorial team invites you to contribute your own insights, experiences, and reviews. Together, we can shape the conversation and drive the grain sector forward with collective renewed energy.

The Editorial team

Moses N. Sebaggala
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CHAIRMAN'S MESSAGE



Dear Esteemed Members,

I warmly welcome you all to this new phase where all roads lead us into the Agro-industrialization era. This is a defining moment for our sector, one that calls for renewed commitment, strategic alignment, and collective action as we position grain as a key driver of national development.

On behalf of the Council, I sincerely appreciate you for your continued loyalty and unwavering support to the Grain Council and its Secretariat. Your dedication, engagement, and contributions remain the backbone of our achievements and the foundation upon which we continue to grow as a strong and unified sector.

As we move forward, I wish to remind members of the increasing realities of climate change and its direct impact on agriculture and agribusiness. I strongly encourage all members to adopt and promote environmentally friendly practices, climate-smart production systems, and sustainable value-chain approaches that safeguard our environment while ensuring long-term productivity and resilience.

Members are further encouraged to align their operations and strategic plans with the National Development Plan (NDP) IV, particularly the objective focusing on several targeted interventions of great relevance to our sector, including the SME Support Facility, Agro-industrialization Support Loans, the Agricultural Credit Facility, and value addition anchored on Parish Development Model (PDM) production. Together, through unity, strategic alignment, and responsible stewardship of our environment, we can position the grain sector as a leading contributor to national transformation in this new era of agro-industrialization.

Robert Mwanje/ Writer

Strengthening Farmer Cooperatives: The Missing Link in Uganda's Grain Transformation

By the Private Sector Foundation Uganda (PSFU) and The Grain Council of Uganda (TGPU) with support from the Alliance for a Green Revolution in Africa (AGRA) under the EAMIAT Project

Uganda's ambition to become a competitive grain exporter depends not only on production but on strong, well-financed farmer cooperatives. A national study by PSFU and AGRA under the EAMIAT Project found that cooperatives are essential for aggregation, reducing losses, stabilizing markets, and unlocking value addition.

Agriculture contributes 24.1% of GDP and employs 68% of Ugandans, yet receives only 12.2% of national credit. Grain value chains remain dominated by fragmented smallholders, while cooperatives—though numbering over 9,000—are undercapitalized and struggle with governance. Few access commercial loans, and most rely on member contributions or donor support, limiting investment in warehouses, dryers, silos, and quality testing. Post-harvest losses of 30–40% persist due to inadequate storage and financing.

Opportunities exist to reposition cooperatives as engines of transformation. Uganda's digital finance ecosystem, with 38.1 million mobile money accounts, can cut transaction costs and improve transparency, yet adoption is low. Blended finance models, combining public instruments like the Agricultural Credit Facility with private capital, could de-risk lending. Climate resilience is also critical, as over 80% of farmers rely on rain-fed agriculture and most cooperatives depend on a single commodity. Diversification into storage, processing,

fortified flours, and regional trade is now a survival strategy.



TGPU training members of Magada Cooperative, Namutumba district receive training on Cooperative principles, governance and their benefits by The Grain Council of Uganda under the AGRA-supported EAMIAT project..

PSFU and TGPU propose reforms on mandatory audits, leadership professionalization, and digital MIS adoption; tailored financial products aligned with grain cycles; a Cooperative Financing Facility blending public, donor, and private capital; and investment in infrastructure to cut losses. Scaling digital payments, traceability, and structured trading platforms will enhance competitiveness, while climate-smart financing must integrate insurance, irrigation, and resilient technologies, with deliberate inclusion of youth and women.

Sustainable cooperative financing is not just financial—it is structural reform for Uganda's grain economy.

Climate Shocks Hit Uganda's Grain Production

Uganda's farming community is reeling from heavy losses after erratic weather disrupted grain harvests across several regions.

Season B, which normally runs from August to December and provides the country's longest rains, was marked this time around by shorter, inconsistent rainfall. In many areas, rains arrived late and ended prematurely, leaving crops exposed and vulnerable.

The Department of Meteorological Services (DMS) under the Ministry of Water and Environment had earlier warned of a predominantly dry season, forecasting below-average rainfall nationwide. In its advisory, DMS urged adoption of drought-resilient crops, adjustment of planting schedules, and feasible irrigation.

Uganda's reliance on rain-fed agriculture means rainfall fluctuations directly impact production. While projections for 2025 had suggested grain output would surpass 2024 levels, many farmers are now reporting steep declines.

David Kaliba, Operations Manager at Afrokai Limited, said they lost nearly half of expected harvest. Afrokai, which grows sorghum in Nwoya, Oyam, Amuru and Kasese districts, was hit hard.

"We lost about 50 percent of our yield due to bad weather. Where we expected a tonne, we only got 500 kilograms," Kaliba explained, adding that the company had not insured its sorghum crop against climate shocks.

Not all farmers faced the same fate. Jim Middleton, Managing Director of Oola Lolim

Farms in Nwoya District, said his team benefited from early planting.

"We were not affected because we planted in early September. By the time the rains stopped in November, our crop was fine. But other farmers in the same area harvested nothing from hundreds of acres," he noted.

Across Uganda's major grain production hubs, similar stories of loss are emerging. With supply constrained, maize prices are expected to remain high until the next harvest, deepening concerns over food security and affordability.

Grain production estimates 2015-2024 ('000 mt)

Crops	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Millet	236	226	256	287	196	215	70	129	119	114
Maize	2,648	2,662	2,767	3,442	5,000	4,560	3,500	4,738	4,945	4,269
Sorghum	411	329	453	543	211	321	307	286	266	300
Rice	238	237	272	199	255	373	328	347	365	322
Beans	786	770	827	766	771	786	770	827	766	771
Groundnuts	296	283	312	253	302	313	176	232	221	176
Soy	28	26	40	108	117	130	138	172	194	209
Sim-sim	145	144	173	196	247	356	349	388	428	412

Source: Ministry of Agriculture, Animal Industry and Fisheries

Key highlights

- Maize dominates production throughout, peaking sharply in 2019 (5,000,000 mt).
- Millet and sorghum show significant fluctuations, millet dropping notably in 2021.
- Soybeans and sim-sim show consistent upward growth, indicating expanding demand or improved cultivation.
- Beans remain stable, with minimal variation across years.
- Groundnuts decline after 2020, suggesting possible climate, pest, or market challenges.

Why Agriculture Insurance Matters Now More Than Ever for Farmers

Agriculture remains the backbone of Uganda's economy and the primary source of livelihood for millions of households. For farmers under the Grain Council of Uganda (TGCU), farming is more than a business—it is the foundation of food and feed security, household income, trade opportunities, industrial growth and national stability. Yet this foundation is under increasing strain.

Uganda's agriculture sector is dominated by smallholder farmers, who make up about 85 percent of the farming community and supply most of the country's food. Despite their central role, these farmers remain among the most vulnerable.

Climate-related shocks like droughts, floods, erratic rainfall, pests, and diseases are becoming more frequent and severe, placing increasing pressure on already thin margins. These shocks translate into failed seasons, reduced yields, lost income, and growing uncertainty about the next planting cycle.

The challenge is compounded by Uganda's heavy reliance on rain-fed agriculture. As climate change continues to alter rainfall patterns, shorter wet seasons, heavier downpours, prolonged dry spells, and rising temperatures make farming increasingly unpredictable. A single shock can wipe out an entire season's investment, leaving farmers unable to recover without external support. Climate shocks disrupt grain supply, destabilize markets, reduce access to finance, and weaken value chains. When farmers cannot absorb losses, they cut back on investments in quality inputs, improved seed, mechanization, and storage. Over time, this undermines productivity and competitiveness across the grain sector.

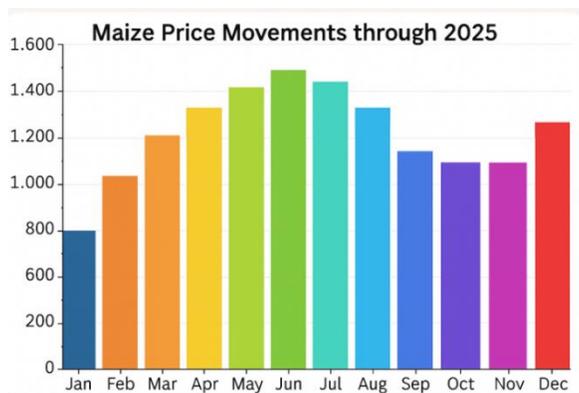
The Agro Consortium (AIC), a coalition of 15 insurance companies, provides coverage under the Uganda Agriculture Insurance Scheme (UAIS). AIC helps farmers manage climate risks, protect livelihoods, and sustain agricultural productivity. AIC offers insurance solutions designed around farmers' real needs—simple, affordable, and aligned with grain production cycles. Beyond financial protection, AIC supports farmers with training and risk management advisory services, giving them the confidence to invest in better practices and pursue higher yields. Agriculture insurance is no longer a “nice to have.” It is a practical tool for survival and growth in today's climate reality. By protecting farmers against losses from uncertainties, insurance stabilizes incomes, supports access to credit, and ensures that one bad season does not erase years of hard work.

As climate change continues to reshape farming in Uganda, the question is not if shocks will occur, but how prepared farmers are when they do. Agriculture insurance is central to that preparedness—protecting investments and safeguarding the future of Uganda's grain sector.



A withered maize garden in Nakasongola District, November 2021 Photo Credit: Daily Monitor

Attra Naturinda
Business Development Lead
Agricultural Insurance Consortium



Maize performance

Prices were lowest in January, averaging UGX 890 per Kilogram of ungraded grain, as harvesting of the Season B 2024 crop intensified across all major production hubs. Thereafter, prices rose steadily, peaking in May at an average of UGX 1,470.

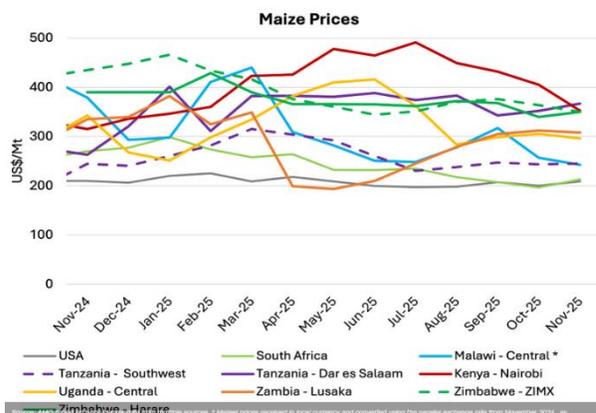
The price dipped slightly to UGX 1,455 in June, before falling sharply to UGX 985 in August following the sustained influx of the Season A 2025 crop.

Through September and October, prices stabilized at an average of UGX 1,005, and eased further to UGX 1,000 in November, as limited cross-border demand kept market activity subdued.

In December, however, a delayed harvest caused by weather shocks (erratic rains) constrained supply, prompting an unusual price increase for the month — a departure from the typical seasonal trend.

High prices significantly affected the Lira Market and other markets along the route to the Kenya–Uganda border. Kenyan traders established a strong presence in Lira, loading several trucks daily.

Selected regional East and Southern Africa countries and international Prices



Credit: Africa Market Observatory

Kenya prices decline to US\$353/ Mt in November as the long rains harvest is projected to surpass last year’s crop, supplemented by good harvests in Uganda, Tanzania and Zambia

Prices in Uganda dip slightly compared to October probably also on the back of new supply from the harvest

In Southern region, the Zambia price at US\$308/Mt is almost unchanged as, despite very good harvests, purchasing by the FRA, reported to have bought around 40% of the harvest, has supported prices

Zimbabwe prices remain stable at US\$350/Mt, substantially above South Africa where a record harvest meant prices around US\$200/Mt since September.

In Malawi, US\$ maize prices calculated at the parallel exchange rate decreased to the level of South west Tanzania

South Africa is SA Futures Exchange Prices

USA is Fob Prices from South African Grain Information Services

Moses N. Sebagala

TGCU Market Information

The Grain Sector transformation potential in Uganda's, in 2025

Agriculture remains the Backbone of Uganda's Economy, contributing over 24% to the country's GDP and employing over 70% of all working labour force. Grains have led and will stay the highest contributors to food security in all the 15 sub regions of Uganda and to a great extent earn incomes to millions across the different value chains.

Uganda grains market size in 2026 is estimated at \$2.27 billion, growing from 2025 value of \$2.10 billion with 2031 projections showing USD 3.35 billion, growing at 8.12% CAGR over 2026-2031. Robust government investments in farm inputs, expanding cross-border trade volumes, and steady uptake of digital produce exchanges underpin this trajectory. Maize remains the pivotal staple, while drought-resistant varieties and fertilizer subsidies lift yields and mitigate climate risk.

The surge in regional demand for animal feed shows that regional livestock sector expansion drives unprecedented demand for feed-grade maize in Uganda, with Uganda positioned as a primary supplier to Kenya's poultry industry. Feed millers increasingly source directly from Ugandan producers, bypassing traditional commodity exchanges to secure consistent supply volumes. This trend accelerates as regional governments prioritize livestock sector development under their respective agricultural transformation programs. The Uganda Fertilizer Financing Mechanism's USD 2 million guarantee facility for 60,000 metric tons of fertilizer imports directly supports



The entry of Feed manufacturers like Tunga Feeds has increased demand for quality Maize

maize production expansion to meet this growing feed demand. Uganda's Parliament allocated significant resources within the UGX 72.1 trillion (USD 20.4 trillion) budget for fiscal year 2024/2025 to support agricultural input subsidies, marking a strategic shift toward productivity-focused farming systems. The program targets smallholder farmers with subsidized fertilizer access, complemented by district-level soil testing laboratories to optimize nutrient application. Early implementation phases focus on Northern and Eastern regions where soil fertility constraints limit grain yields. The IFC World Bank-supported the Meet the buyer symposium, the maize quality project which have had tangible impact to grain production and marketing. It has also supported the warehouse receipt system, if completed would transform grain marketing by providing farmers with collateral-backed financing options and reducing post-harvest price volatility.

There have been digital platforms that connect farmers directly with buyers, eliminating intermediary margins and improving price transparency. Financial institutions are to start accepting warehouse receipts as loan collateral, expanding rural credit access for agricultural investments.

Smallholders in grain up to 2025, around 90% generally rely on labour intensive production and family labour thus at key moments of production like harvesting, such impoverished labour puts them at a disadvantage side as compared to large scale farmers who employ professional labour and machinery. Many smallholders are unable to produce enough to last through a lean season and if they do, they still struggle to make a profit out of the produce. This results into insecure incomes for many of them hence leading to other pressure factors like education and health. Pests and disease control have remained a big threat to increasing agricultural production and productivity. The loss of 35-40% of crops to disease and pests severely limit productivity of grain.

Other challenges are the huge price fluctuations for and lack of reliable structured market, low soil fertility, climate change and limited access to capital and input resources.

Planting different crop varieties like drought resistant/ tolerant varieties like sorghum and green grams and training farmers in post-harvest handling techniques thus helping smallholders build financial resilience to the increasingly frequent droughts especially the northern parts of the country which is made up of mostly dry seasons. Increasing access to improved seeds and planting materials as well as fertilizers, is critical to increasing productivity and closing yield gaps. Form associations and work collectively in farmers groups. This enables them increase production volume more easily and market their produce together. In conclusion Ugandan smallholders face a lot of challenges mentioned but a few, and yet they are made up of the vulnerable poor

thus their conditions need immediate attention

For Traders and Processors

There should be intentional interventions in availing reliable, affordable and patient working capital accessed with minimum short turnaround time. Structuring local regional and international markets adhering to the Common External Tariff protocols. Implementation of the regional Mutual recognition Agreements and the harmonised testing regulations. Work on and remove or reduce non-tariff barriers that cost traders and exporters a lot of money due to unnecessary delays and bureaucracies.

Let's do grain; food and income insecurity will be a term of the past.

By: Humphrey B.G. Mutaasa

An Agribusiness Dev't Specialist & Chief Technical Advisor

The Grain Council of Uganda

In the last quarter of the year, TGPU welcomed 9 new members as follows:

	Member	Category	Location
1	Mt Elgon Millers Ltd	Gold	Mbale
2	Lapophar Mixed Farm Ltd	Silver	Tororo
3	Papa KB Mixed Farm Ltd	Silver	Kakiri
4	Taskit (U) Ltd	Silver	Nwoya
5	Amino Mixed Farm Ltd	Silver	Bukedea
6.	Fitzman Medical Services Ltd	Silver	Kiryandongo / Moroto
7	Arawa Mixed Farm Ltd	Bronze	Adjumani
8	Bureau Veritas (U) Ltd	Bronze	Bugolobi
9	Kinyera Agro Ventures Ltd	Bronze	Lira

Gudie Leisure Farm Empowering Youth with Maize Processing Skills

Across the Teso region where roughly 87% of households depend on agriculture, maize is a key crop which, when value is added to it, can significantly boost local incomes and food security. In November, 2025, Gudie Leisure Farm incubated and trained 20 young women in the use of maize grain in processing both human food and animal and fish feeds, and plans to train 80 more by mid - 2026, reaching a total of 100 young agripreneurs.

Each graduate is tasked with the vital role of training 100 peers within 25 parishes across the districts of Bukedea, Kumi, Serere, and Pallisa after their incubation, which will create a ripple effect of empowerment in the region.

Through this youth-centered initiative which is being implemented under the Sustainable Inclusive Youth Employment Pathways (SIYEP) Program - a 5-year initiative which is part of the Young Africa Works Strategy that is being implemented by a consortium of partners with support from Mastercard Foundation in West Nile, Karamoja, Acholi, Teso, Central and Western Uganda to address unemployment challenges faced by young women in Uganda - Gudie Leisure Farm aims to empower youth to add value to maize and other products, thereby increasing the supply of high quality food and feeds on the market, addressing both food access challenges in the region and across the country as well as productivity constraints among smallholder farmers.

During the incubation program, participants mastered the entire maize-to-flour value chain, learning all the key steps involved in high quality grain processing. The curriculum

covered proper grain selection and cleaning, sun drying and shelling, milling, hygienic packaging, how to operate and manage processing equipment and tools, and how to ensure that all sanitary and phytosanitary (SPS) standards involved in food and feeds production are observed. The training also equipped participants with the essential entrepreneurship, business and leadership skills they need to turn their newly acquired skills into thriving enterprises.



Participants graduate at the Maize grain processing skills project

Upon graduation, each participant received a start-up kit comprising 100 packaging bags, a small hammer mill and a huller. These tools will support both their business operations and the community trainings they will conduct in their respective parishes.

Through such initiatives, Gudie Leisure Farm seeks to promote agro-processing and value addition among rural communities in Uganda at the parish level, with the youth taking lead - a necessary investment to drive agricultural commercialization, improve grain quality and boost market access and incomes for farmers and local communities, and to spur the growth of Uganda's local industries.

Rihanna Biyinzika
Publications Manager,
Gudie Leisure Farm (Gold member of TGPU)