The Grain
MAGAZINE

TGCU hosted the launch of the Agribusiness forum on 29 April 2026. The forum brings together representatives from Hortifresh Uganda, TGCU, Uganda Agribusiness Alliance, Croplife Uganda, Uganda National Agro-Dealers Association, National Agro Input Dealers Association, Famunera, Sawa Cofina Group Ltd, V-Zuri Group Ltd and Gudie Lesiure Park.

Editorial Summary

Uganda's grain sector is at a crossroads, balancing structural challenges with emerging opportunities. The editorial highlights how commodity exchange systems can transform grain trade by improving price transparency, enforcing quality standards, expanding market access, and unlocking financing through warehouse receipt mechanisms. These exchanges are not just trading platforms but catalysts for modernizing the entire grain marketing ecosystem.

The maize market in Q2 2026 reflected this volatility: oversupply, reduced exports, and stiff competition underscore the need for storage, value addition, and diversified markets.

The Large Scale Commercial Farmers (LSCF) facility has already disbursed UGX 169.1bn in interest-free loans, reshaping the grains production landscape. This initiative aligns with Uganda's National Development Plan IV, which targets doubling agricultural exports by 2030.

> At the farm level, NEC Farms exemplifies how precision agriculture, insurance, and financial discipline can protect assets and ensure sustainability.

Institutional reforms are also underway. The Ministry of Trade and TGCU are strengthening the Warehouse Receipt System. Standardized procedures will enhance credibility, financing, and competitiveness.

Finally, an analysis of tariff and non-tariff barriers (NTBs) reveals how regional trade inefficiencies erode competitiveness. Policy reforms—digital customs, harmonized SPS standards, and fair protection measures—are essential to unlock East Africa's private-sector growth.

The Editorial team

Moses N. Sebaggala
Chief Editor

Harriet J. Nabirye
Editor, Writer

Robert Mwanje
Writer

Humphrey Mutaasa
Writer

Henry Musisi
Executive Editor

Growing together: Welcoming TGCU's New Quarter 2 Members

Name	Category	Location
Enzeva Mixed Farm Ltd	Silver	Pakwarch
Destiny Reality Solutions Ltd	Silver	Adjumani
De Heus Uganda Ltd	Bronze	Nalukolongo
Regin Business Development Agency Ltd	Bronze	Hoima/Kabale
Community Export International Ltd	Bronze	Fort Portal

Chairman's message

Dear Esteemed Members, Partners, and Readers,

It gives me great pleasure to welcome you to this edition of the Grain Council Newsletter. On behalf of the Board and the Secretariat, I extend my heartfelt appreciation to all our esteemed readers for your unwavering loyalty and continued interest in the work of the Council. I also wish to sincerely thank our entire membership for your steadfast commitment to our Association and for your tireless contribution to the growth, development, and transformation of Uganda's grain industry.

The progress we continue to witness across the grain value chain is a testament to the resilience, innovation, and collaborative spirit of our members. Your dedication to producing quality grain, adopting improved standards, embracing new technologies, and strengthening market linkages has positioned the Council as a credible voice and strategic partner in advancing Uganda's agricultural sector.

As we look to the future, our collective efforts must align with Uganda's ambitious Tenfold Growth Strategy. The Government has identified agro-industrialization as one of the four primary growth engines that will drive the country's economic transformation, with the bold objective of **expanding Uganda's Gross Domestic Product (GDP) from approximately US$50 billion in 2023 to US$500 billion by 2040.** This vision presents an unprecedented opportunity for our sector to play a leading role in shaping the nation's prosperity.

I therefore encourage every member of the Grain Council to embrace this national agenda by investing more deliberately in agro-industrialization and value addition. Moving beyond the sale of raw grain to processing, packaging, branding, storage, logistics, and manufacturing grain-based products will not only increase incomes for our members but will also create employment, enhance food security, strengthen export competitiveness, and contribute significantly to national economic growth.

The future belongs to enterprises that innovate, process, and add value to agricultural commodities.

The Grain Council remains committed to creating an enabling environment for its members by promoting quality standards, advocating for favourable policies, facilitating market access, strengthening partnerships, and building the capacity of our stakeholders. Together, we can unlock greater opportunities across the grain value chain and position Uganda as a regional leader in grain production, processing, and trade. As you read this edition, I encourage you to draw inspiration from the success stories, innovations, and opportunities highlighted within these pages. Let us continue working together with purpose, unity, and determination to build a more competitive, resilient, and prosperous grain sector that contributes meaningfully to Uganda's sociology-economic transformation.

Thank you once again for your continued trust, commitment, and support. I wish you enjoyable reading and look forward to our continued partnership as we shape the future of Uganda's grain industry.

Mwanje Robert
TGCU

Unlocking New Opportunities in Grain Trade Through Commodity Exchange Systems

Mwanje Robert
Chairman TGCU

The grain sector plays a pivotal role in food security, economic growth, and rural livelihoods. However, grain markets across many developing economies continue to face persistent challenges, including price volatility, limited market information, inconsistent quality standards, and restricted access to financing. As the agricultural landscape evolves, commodity exchange systems are emerging as powerful tools to address these challenges and unlock new opportunities for all stakeholders in the grain value chain.

A commodity exchange is a structured marketplace where agricultural commodities are traded under transparent and standardized rules. Unlike traditional trading arrangements that often rely on fragmented negotiations and informal market information, commodity exchanges provide a reliable platform for buyers and sellers to transact efficiently, fairly, and competitively.

One of the most significant benefits of commodity exchanges is improved price discovery. Through a centralized trading platform, market participants gain access to real-time pricing information that reflects actual supply and demand conditions. This transparency empowers farmers, traders, processors, and exporters to make informed marketing decisions, reducing the risk of exploitation and improving profitability.

Commodity exchanges also promote quality assurance through standardized grading and certification systems. Buyers gain confidence in the quality of products being traded, while sellers are rewarded for producing higher-quality grain. The adoption of recognized standards enhances market credibility and facilitates access to premium domestic and international markets.

Another key advantage is enhanced market access. Commodity exchanges connect producers and traders to a broader network of buyers, creating greater competition and expanding business opportunities. Smallholder farmers, who often face barriers to entering formal markets, can benefit from aggregation systems and warehouse receipt mechanisms that enable them to participate more effectively in commercial trade.

Access to finance is another transformative benefit. Warehouse receipt systems linked to commodity exchanges allow farmers and traders to use stored grain as collateral for loans. This reduces the pressure to sell immediately after harvest when prices are typically low and provides working capital for business growth. Improved financing options contribute to stronger and more resilient grain enterprises.

For grain industry stakeholders, embracing commodity exchange systems is not simply about adopting a new trading platform; it is about modernizing the entire grain marketing ecosystem. Greater transparency, reduced transaction costs, improved contract enforcement, and enhanced risk management create an environment that encourages investment and long-term sector growth.

As regional and global markets become increasingly competitive, grain sector organizations, traders, processors, and policymakers must position themselves to take advantage of emerging opportunities. Commodity exchanges provide the infrastructure needed to build efficient, transparent, and inclusive markets capable of meeting the demands of a rapidly changing agricultural economy.

The future of grain trade lies in systems that promote trust, efficiency, and value creation. By embracing commodity exchange systems, grain industry stakeholders can unlock new opportunities, strengthen market competitiveness, and contribute to sustainable agricultural development for generations to come.

Signing of the TGCU-AMAC Comex deal 26 March, 2026

Save the Date: The Grain Council of Uganda Annual General Meeting 2026

The Grain Council of Uganda (TGCU) is pleased to invite all members to the 2026 Annual General Meeting (AGM), scheduled for Tuesday, **11 August 2026**, starting at **9:00 a.m. at Katikati Restaurant**, Kampala.

The AGM is an important event on the Council's calendar, providing members with an opportunity to reflect on the achievements of the past year, review the Council's performance, and contribute to decisions that will shape the organization's future. It also serves as a platform for members to engage with the leadership and participate in the governance of the Council.

During the meeting, members will receive updates from the Chairperson, consider and adopt the Directors' Report, the Auditors' Report, and the Audited Financial Statements, and confirm the minutes of the previous AGM. The agenda will also include the election or re-appointment of directors retiring by rotation, the appointment of auditors for the coming year, and discussion of any other business for which due notice has been given.

All GCU members are encouraged to attend and actively participate in this important annual gathering. Your presence and contributions are invaluable as we continue working together to strengthen Uganda's grain sector and advance the Council's mission.

Maize price movements: Smiles and frowns in Q2

Uganda's maize market in Quarter 2 of 2026 was marked by volatility, with prices swinging from optimism in April to disappointment by June. Farmers and traders faced declining margins, while processors benefited from lower input costs. The numbers reveal a quarter defined by oversupply, reduced regional demand, and stiff competition from imports.

April opened with an average of UGX 1,255/kg, rising to UGX 1,310/kg in May before plunging to UGX 1,100/kg in June. This trajectory was weaker than the same period in 2025, when prices averaged UGX 1,365/kg in April, peaked at UGX 1,470/kg in May, and held at UGX 1,455/kg in June.

Kenya, Uganda's largest maize export market, reduced imports during the quarter. Kenyan farmers blamed cheap maize inflows from the region for depressing local prices, leaving Uganda with surplus stock. This coincided with carryovers from Season B 2026 and the arrival of new harvests, creating a glut that pushed prices down further.

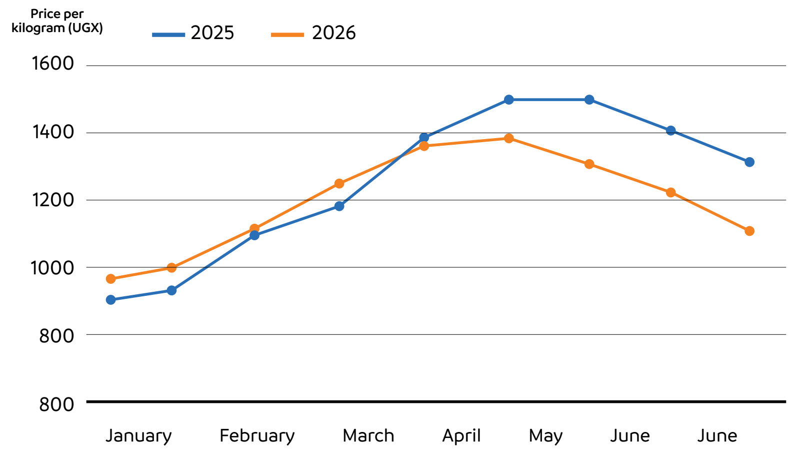
Farmers and traders bore the brunt of the downturn, with many reporting unsold stock and losses after betting on a May surge that never materialized.

Moses N. Sebaggala
TGCU

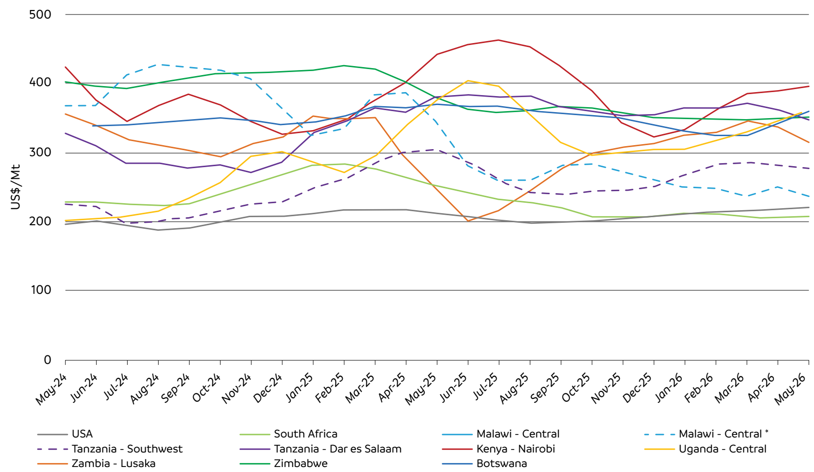
Market Outlook

Uganda's maize market remains vulnerable to regional competition, surplus supply, and volatile demand. Farmers and traders may need to explore storage, value addition, and diversified markets to mitigate risks. Processors are likely to continue benefiting in the short term, but long-term sustainability will depend on balancing production with regional trade flows.

Comparative Maize Price Movements



Maize prices - selected countries (3-month average)



*Source: AMO based on price tracker data from multiple sources. *Malawi prices in local currency converted into US$ using the parallel exchange rate as of November 2024, as discussed in March 2025 price tracker, South Africa is SA Futures Exchange price; USA is fob prices from SAGIS.*

Large-Scale Farmers Tap UGX 169Bn as gov't bets on Commercial Agriculture

Large-scale commercial farmers in Uganda have so far accessed UGX 169.1bn under a government financing scheme aimed at boosting grain and animal feed production.

The UGX 176bn annual Large Scale Commercial Farmers (LSCF) facility, launched in December 2024, provides interest-free loans to large-scale producers and is part of a broader strategy to accelerate Uganda's shift from subsistence farming to commercial agriculture.

Speaking at the Civil Society Budget Advocacy Group (CSBAG) post-budget meeting held at Hotel Africana on June 19, 2026, Mr. Moses Kaggwa, Director of Economic Affairs at the Ministry of Finance, Planning and Economic Development (MoFPED), said 186 farmers have already benefited from the fund.

The financing is expected to support production of 132,600 metric tons of maize, beans, soybeans, sorghum, and animal feed; commodities considered essential for both export growth and industrial processing.

The initiative comes as Uganda prepares to implement the Fourth National Development Plan (NDP IV), which targets an increase in agricultural exports from USD 2.45 billion in FY 2024/25 to USD 4.76 billion by FY 2029/30. Maize alone is projected to contribute USD 335.3 million to export earnings over that period.

To keep the loans interest-free for farmers, the government is committing UGX 40 billion annually, enabling participating financial institutions to lend without transferring interest costs to borrowers. The scheme will run for six years and offers flexible repayment terms.

Officials say the program is a key part of Uganda's long-term ambition to grow the economy tenfold to USD 500 billion, with grains expected to play a central role in driving exports, supporting agro-processing, and expanding commercial production.

Key partners in the initiative include the Ministry of Finance, Ministry of Agriculture, Grain Council of Uganda, Uganda Farmers Federation, and financial institutions such as Post Bank, Pride Microfinance, and Housing Finance Bank.

Moses N. Sebaggala
TGCU

A Case Agromaster Sprayer ensuring large scale precision agriculture

Protecting the Asset: Why 'Ekibaro' is the Only Way Forward for Ugandan Maize Farmers

Uganda's maize farmers are walking into the most expensive planting season they have ever faced. According to reports from the Alliance for a Green Revolution in Africa (AGRA) and the International Food Policy Research Institute (IFPRI) on the impact of the US-Israel war with Iran on several vulnerable African markets, average fertilizer prices in Uganda rose by 30% to 45% almost immediately.

Data from Uganda's Economic Policy Research Center (EPRC) show that agricultural inputs such as urea saw sharp spikes, rising nearly 19% in a single week at the start of the crisis. Additionally, fuel prices have continued to rise because Uganda sources 75% of its petroleum imports from the Middle East. For the average Ugandan smallholder farmer, this means paying about a third to a half more out of pocket for essential chemical inputs, prompting many to consider reducing use or missing planting windows.

Planting decisions made right now will determine whether this season breaks even or breaks the farmer. This is not a bad patch. This is a structural shift, and in a structural shift, what you protect matters more than what you plant. Asset protection is the first conversation every commercial maize farmer should be having right now.

- Not yield targets.
- Not market prices.

The commercial farmers who survive this season will not necessarily be those with the most land, but those with ekibaro (data-driven mathematical calculations applied to business decision-making) at the core of their operations. Survival will require strict reliance on data and proven methodologies rather than guesswork.

By relying on data and proven methodologies, rather than guesswork, NEC Farms are optimizing input costs, maximizing yield, and reducing vulnerability to market volatility and climate change on its 5000-acre farmland in Kyankwanzi and Nakasongola districts.

As trailblazers in data-driven farming, the NEC Farms have demonstrated that the most effective way to counter tough economic times is to cut waste while protecting output. By leveraging localized data—including real-time weather forecasts, soil tests, and satellite imagery—we avoid over-application of expensive fertilizers, prevent crop failure through early pest detection, and make the most of early rains by precisely timing the season at the onset. If you are not measuring your inputs against precise, data-driven needs, you are leaking capital.

Furthermore, agricultural insurance is no longer a luxury product for large operations; it is the baseline requirement for survival and the absolute floor for any farmer seeking credit or banking support. Insurers and bankers do not cover what they cannot see. They price risk based on what is documented, verified, and traceable. Transitioning to a data-driven model doesn't just optimize your field; it makes your business bankable and insurable.

We are entering a season that will separate traditional hobbyists from true commercial agribusiness leaders. To navigate the treacherous and unpredictable 2026 B cropping season, Ugandan maize farmers must look beyond the tractor steering wheel and focus on the ledger. Let data guide the seed and let ekibaro protect the farm.

The author is the General Manager of NEC Agro, which is a subsidiary of National Enterprise Corporation, a State Enterprise under the Ministry of Defence and Veteran Affairs.

Terwane Simon Baalwa

Advancing Quality and Confidence in Uganda's Warehouse Receipt System

The Department of Warehouse Receipt System under the Ministry of Trade, Industry and Cooperatives (MTIC), in partnership with The Grain Council of Uganda (TGCU), is making notable strides in strengthening Uganda's warehouse ecosystem. As part of a nationwide inspection initiative, 13 out of the planned 37 warehouse facilities have already been assessed, marking significant progress toward building a more reliable and transparent Warehouse Receipt System.

The inspections, conducted under the Warehouse Receipt System Act, 2024 (as amended), are designed to ensure that both licensed and non-licensed warehouses meet operational, quality, and safety benchmarks. Beyond compliance checks, the exercise also serves as a platform to sensitize warehouse operators on the benefits of structured storage systems, from improved commodity finance access to enhanced trade opportunities.

Through direct engagement with warehouse owners, managers, and technical staff, inspectors have gained valuable insights into infrastructure, operational procedures, commodity handling, sampling and grading methods, record management, and quality assurance systems. These interactions have highlighted commendable practices while also identifying areas for improvement. The evidence gathered will inform the development of harmonized Standard Operating Procedures (SOPs), inspection guidelines, and technical protocols that promote consistency and credibility across the sector.

Upon completion of inspections across all 37 facilities, the findings will shape standardized quality control frameworks that promote commodity quality, improve market confidence, facilitate access to finance and enhance agricultural competitiveness.

This initiative represents a critical step toward creating a modern, efficient, and trusted warehouse system that benefits producers, traders, financial institutions, and the wider Ugandan economy.

Fred Aganirwa
TGCU

A TGCU Member's Warehouse facility

The Impact of Tariff and Non-Tariff Barriers on Regional Private Sector Growth and Competitiveness

Martin Maku
Policy Coordinator, EAMIAT Project, PSFU

Regional trade is vital for East Africa's private sector, especially agriculture, which contributes 24% of Uganda's GDP and employs over 70% of its workforce. In 2024, Uganda exported goods worth USD 5.6 billion, with nearly half going to East African Community (EAC) markets. Informal cross-border trade added USD 575 million, underscoring the importance of regional markets for grain, dairy, fish, horticulture, and agro-processing.

Yet, tariffs, para-tariffs, and non-tariff barriers (NTBs) continue to constrain access. A PSFU–AGRA study revealed that 72% of traders face delays from multiple inspections, while 65% cite high compliance costs. Export clearance to Kenya can take 355 hours, far exceeding the EAC benchmark of 48 hours. Delays cause losses of USD 100–250 per day, with logistics costs rising 15–20% and spoilage losses exceeding UGX 3.5 billion annually. Along the Tanzania corridor, NTBs cause Uganda direct losses of USD 16.7 million and wider impacts of USD 95 million, costs that ripple back to farmers, processors, and consumers.

Kenya's Finance Act 2026 illustrates the tariff challenge. By raising excise duty on imported sugar from KSh7.50 to KSh40 per kilogramme, Kenya sought to protect its 17 sugar factories and related livelihoods. While governments have legitimate reasons to safeguard industries, the private sector questions whether such measures are transparent, proportionate, and time-bound. Excessive protection risks raising consumer prices, disrupting regional suppliers, and undermining EAC trade relations. Protection must be linked to reforms—modernising factories, improving yields, reducing costs—otherwise inefficiency is preserved at the expense of households and businesses.

NTBs pose even greater challenges due to their unpredictability. Re-testing of certified products, inconsistent sanitary and phytosanitary (SPS) requirements, delayed permits, and arbitrary charges erode the benefits of regional trade agreements. Uganda's exports to EAC markets fell by USD 228.2 million between FY 2023/24 and FY 2024/25, largely due to SPS disputes and administrative restrictions. Grain businesses are particularly vulnerable, as delays affect farmers, cooperatives, millers, transporters, and buyers. Women traders, who dominate informal cross-border trade, face disproportionate burdens from harassment, informal payments, and inadequate facilities, pushing them into informal channels that limit growth.

Policy responses should focus on four priorities: distinguishing legitimate food-safety controls from disguised protectionism; strengthening NTB reporting systems with enforceable remedies; linking protective measures to productivity targets and periodic review; and investing in trade facilitation infrastructure such as digital customs, One-Stop Border Posts, and cold-chain facilities. Effective reforms could cut transaction costs by 30% and boost competitiveness.

The central lesson is clear: East Africa's prosperity depends on predictable rules, efficient borders, and fair competition. Tariffs and NTBs must support productivity, not entrench inefficiency, if regional trade is to drive sustainable private-sector growth.