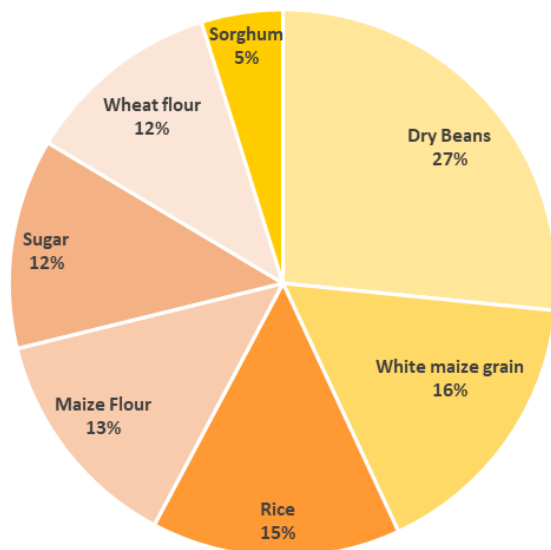


SUMMARY POINTS

Figure 1: Main Staple Food Commodities Informally Traded Across Selected Borders in Eastern Africa in the Fourth Quarter of 2023.

Source: FEWSNET and EAGC



- In the fourth quarter of 2023, dry beans and maize accounted for 27 and 16 percent of the major local staple foods traded in the region (**Figure 1**), which was different from the previous quarter in which maize and sorghum accounted for 27 and 10 percent of the trade, respectively. This was attributed to a significant destruction of crops in the deficit countries, especially Kenya, by the El Niño enhanced rainfall, leading to trade levels above the previous year and five-year average.
- The amount of maize traded was lower than last year and the recent five-year average because of El Niño-related ample rains that led to above-average production across Kenya, parts of South Sudan, Rwanda, and Burundi, reducing shortfalls and imports for these countries. For sorghum, the amount traded was also lower than last year and average levels due to conflict-related disruptions of supply from Sudan and expectations of El Niño-induced drought and below-average harvest in parts of Ethiopia.
- Livestock trade was higher than the previous quarter and average level as traders rushed to acquire livestock for fattening for re-exports to the Middle East during the religious festivities that start in March.
- Staple commodity prices are projected to be lower than last year, attributed to increased supply due to El Niño enhanced rainfall, but above the recent five-year average stemming from high production and fuel costs.

ABOUT THIS REPORT

The Market Analysis Sub-group of the Food Security and Nutrition Working Group (FSNWG) monitors informal cross-border trade of 88 food commodities and livestock in eastern Africa in order to quantify the impact on regional food security. This bulletin summarizes informal trade across selected borders of Tanzania, Burundi, Rwanda, Uganda, Kenya, Somalia, Djibouti, Ethiopia, Sudan, South Sudan, and DRC. Cross-Border trade and price data is provided by the Famine Early Warning Systems Network (FEWS NET), the Eastern Africa Grain Council (EAGC), the Food and Agricultural Organization of the United Nations (FAO), the National Bank of Rwanda (NBR), the World Food Program (WFP), Farmgain (Uganda), FAMIS (Sudan), FSNAU (Somalia), MoA (Kenya and Burundi), RATIN all of East Africa, and the Tanzania Trade Development Authority.

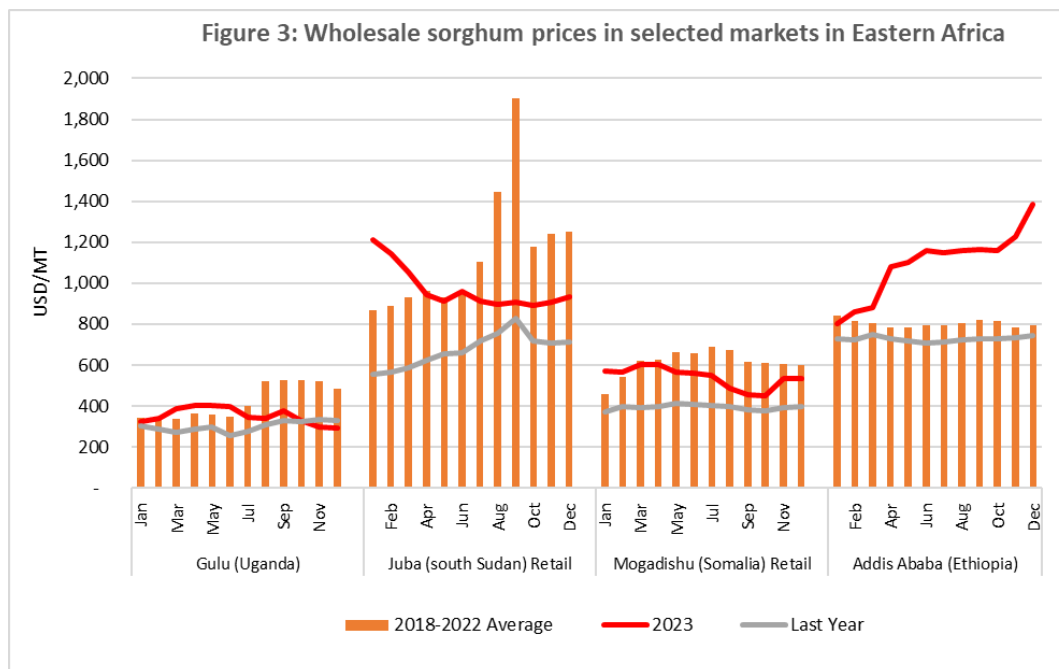
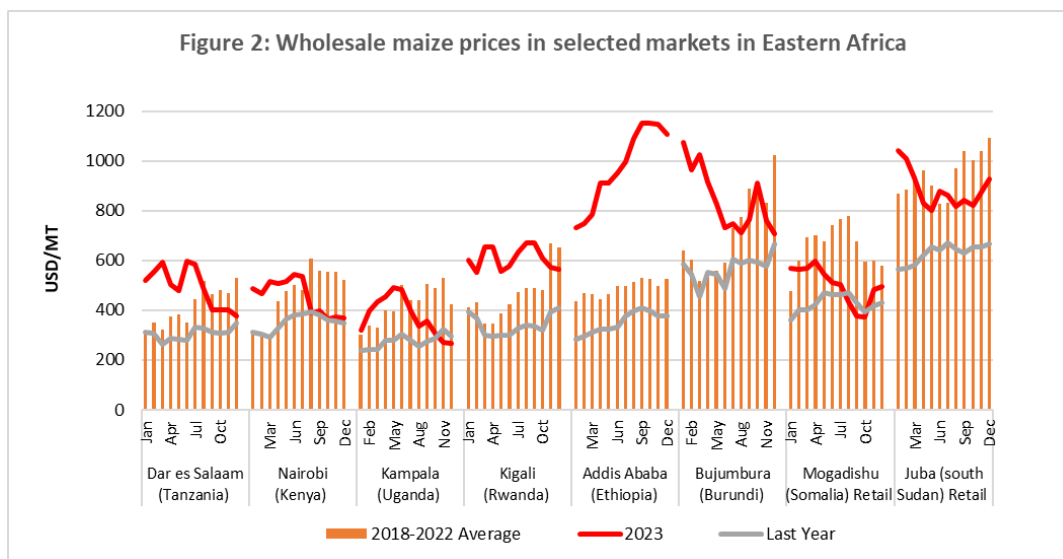
Informal trade represents commodity flows outside of the formal system, meaning that activity is not typically recorded in government statistics or inspected and taxed through official channels. These flows vary from very small quantities moved by bicycle to large volumes trucked over long distances. This report does not capture all informal cross-border trade in the region, just a representative sample.

Key Commodities & Cash Crops by Country

	Maize & Maize Flour: Ethiopia, southern Somali, South Sudan, Kenya, Uganda and Tanzania
	Beans: Consumed throughout East Africa
	Wheat & Wheat Flour: Consumed throughout East Africa and is particularly important in urban areas
	Rice: Consumed throughout East Africa
	Sorghum & Sorghum Flour: Sudan, South Sudan, Northern Ethiopia, Central and Northern Somalia
	Sesame: An important cash crop for certain livelihoods in Ethiopia and Sudan

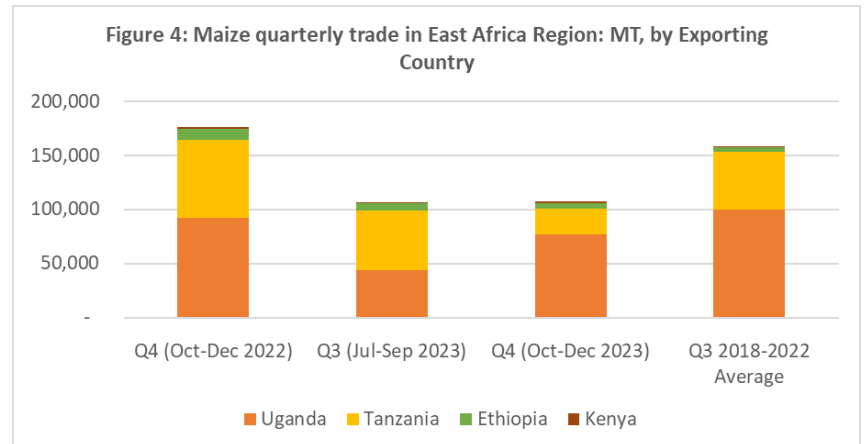
*Additional products may be covered in the annexes.

In East Africa, maize (**Figure 2**) and sorghum (**Figure 3**) prices were above average across most regional markets in the first half of 2023. This was due to below-average harvests in 2022/23 in most countries and conflict-related production and market supply disruptions. In the second half of 2023, maize grain and sorghum prices dipped below average across most markets due to prospects for above-average harvests. They fell below the recent five-year average levels by the end of the year, driven by average to above-average harvests across most countries, with a significant surplus in Tanzania and reduced shortfalls in the deficit-producing countries of Kenya, Somalia, South Sudan, Rwanda, and Burundi. Due to El Niño-related below-average harvests in many areas, except the primary producing western region, food prices in Ethiopia have been trending above the previous year and the recent five-year average. Elevated food prices and associated reduced imports were driven by a lack of hard currency, inadequate delivery of planned food aid, localized conflict-related trade disruptions, persistent currency depreciation, and high fuel prices.

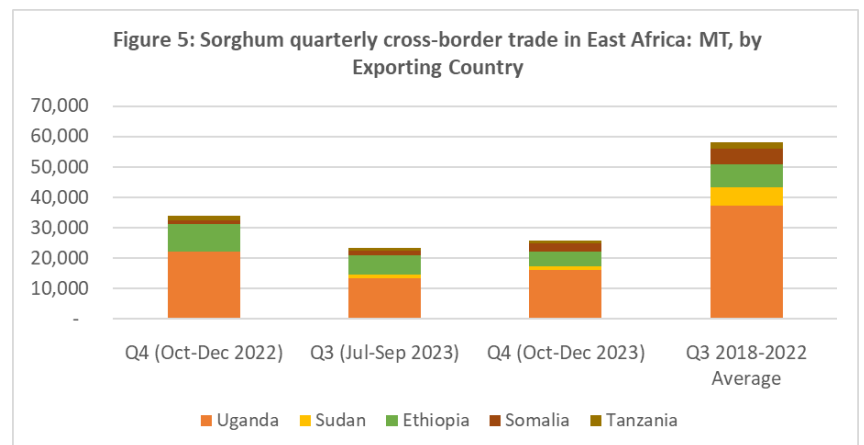


CROSS BORDER TRADE OUTLOOK JANUARY TO SEPTEMBER 2024

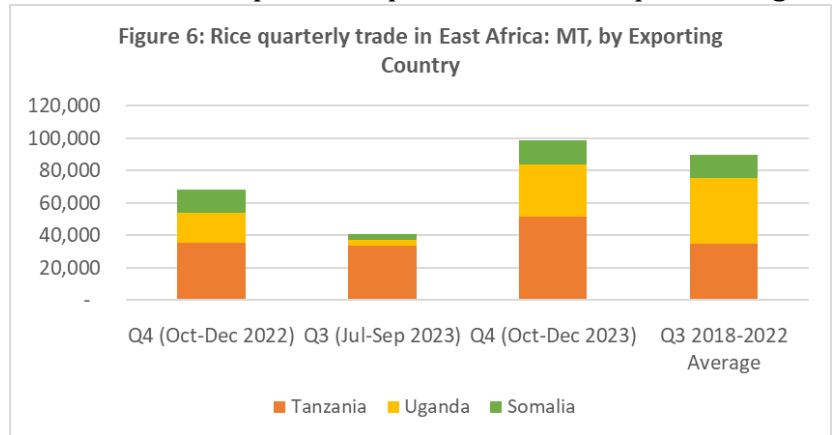
In the fourth quarter (October to December) of 2023, around 106,000 MT of **maize** was traded in East Africa. The volume traded was similar to the third quarter of 2023 but 39 and 47 percent lower than the 2022 fourth quarter and the recent five-year average of the fourth quarter due to El Niño-related ample rains that led to above-average production across Kenya, parts of South Sudan, Rwanda, and Burundi, reducing shortfalls in and imports into these countries (**Figure 4**). Uganda and Tanzania accounted for 71 and 22 percent of the total exports, while Kenya, Rwanda, and South Sudan represented 60, 21, and nine percent of the total imports. The main driver for the below-average trade was a significant reduction in exports from Tanzania to Kenya because of increased supply in Kenya. In contrast, the lower exports from Uganda to South Sudan were attributed to recent changes in customs payments that increased the costs of transactions and transport. Exports from Uganda to Kenya were above average as traders tried to offload maize before prices dropped as Kenya's October to December harvest saturated the markets between January and February 2024. The above-average exports from Uganda to Rwanda were attributed to the return of traders to a closer source market than Tanzania following the opening of borders in January 2022, reinforced by lower prices because of the average harvest in Uganda and reduced demand in the region. Above-average Ethiopia to South Sudan exports were ascribed to improving the import supply chain following conflict-related uncertainty along the Ethiopia and Sudan borders and ad hoc closures of Uganda to the South Sudan border post because of policy differences.



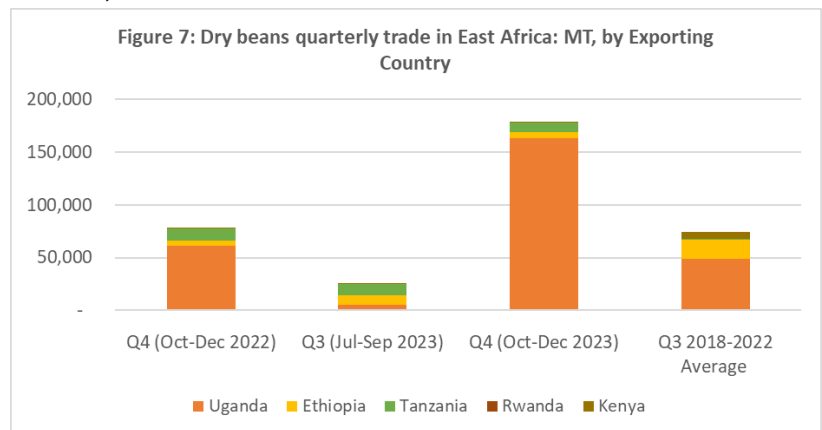
Around 51,000 MT of **sorghum** was traded in East Africa in the fourth quarter of 2023. The amount traded was 10 percent higher than in the previous quarter because traders were trying to offload to maximize on higher prices, which were expected to drop from January because of increased supplies, including substitutes like maize, following El Niño enhanced rains and average to above-average harvests in the region. Still, the amounts traded were 24 and 50 percent lower than the fourth quarter of 2022 and the recent five-year average of fourth quarters due to conflict-related disruptions of supply from Sudan and expectations of El Niño-induced drought and below-average harvest in parts of Ethiopia (**Figure 5**). Uganda, Ethiopia, and Somalia accounted for 63, 19, and 10 percent of the exports, while Rwanda, South Sudan, and Kenya imported 30, 27, and 25 percent of the total trade. Exports from Ethiopia to Northern Somalia and re-exports of the same to Djibouti were above average, driven by below-average production and high demand. In addition, exports from Uganda to Kenya and Rwanda were above average due to expectations of lower prices and as traders sourced closer home following the opening of borders in January 2022, respectively.



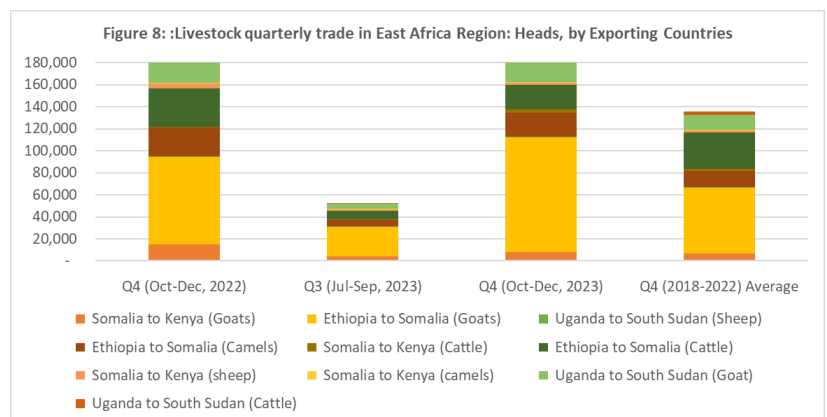
Approximately 101,000 MT of **locally produced rice** and re-exports from overseas were traded in East Africa in the fourth quarter of 2023. The volumes traded were similar to the previous quarter, 45 and 94 percent higher than the fourth quarter of 2022 and the recent five-year average of the fourth quarter (**Figure 6**). Tanzania, Uganda, and Somalia accounted for 52, 32, and 15 percent of rice exports during this period. South Sudan, Uganda, and Ethiopia represented 33, 30, and 14 percent of total imports, respectively. The above-average trade was attributed to increased imports by Uganda from Tanzania as production declined after banning production in wetlands in Uganda. Also, lower and competitive prices of Tanzanian rice following above-average harvest and high demand boosted exports to Burundi and Rwanda and the re-exports of Tanzanian rice to South Sudan by Uganda. Re-exports of rice from overseas by Somalia to eastern Somali areas of Ethiopia were above average because of high demand reinforced by a pause in food aid distribution, which has since resumed.



In the fourth quarter of 2023, around 178,000 MT of **dry beans** were traded in the East Africa region, which was 570, 124, and 100 percent higher than the last quarter, the fourth quarter of 2022, and the recent five-year average of fourth quarters (**Figure 7**). Uganda accounted for 90 percent of the imports due to average to above-average harvests, although parts of the crop were damaged by heavy El Niño-enhanced rainfall. Kenya imported 90 percent of the total traded beans because the El Niño enhanced rainfall damaged a significant portion of the crop, and traders imported beans anticipating higher prices in the first half of 2024. Hence, Uganda’s exports to Kenya were above average. Similarly, exports from Tanzania and Ethiopia to Kenya were above average due to expected high demand amid low production. Increased production and competitive prices resulted in above-average exports from Uganda to northwestern Tanzania, while exports from western Tanzania to Burundi were above average to meet the lower shortfall despite average to above-average production in Burundi.



Livestock trade in East Africa was above average in the fourth quarter of 2023 due to better rainfall, improved rangeland, and animal body conditions. Exports of goats and camels from Ethiopia to Somalia were 19 and 47 percent higher than the recent five-year average of fourth quarters (**Figure 8**), as traders rushed to acquire livestock for fattening for re-exports to the Middle East during the religious festivities that start in March. Goat exports from Uganda to South Sudan were estimated to be 48 percent above the recent five-

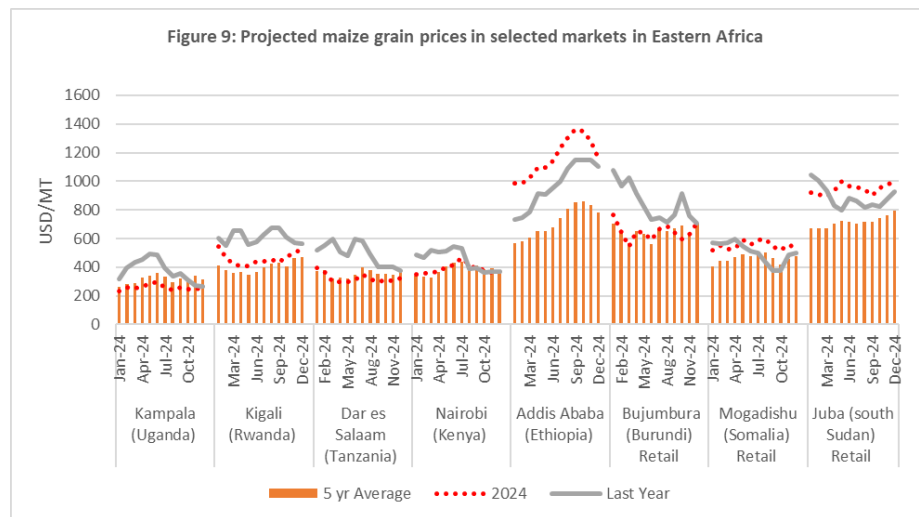


year average, attributed to feed and water availability, better animal body conditions, and reduced security operations in northern Uganda.

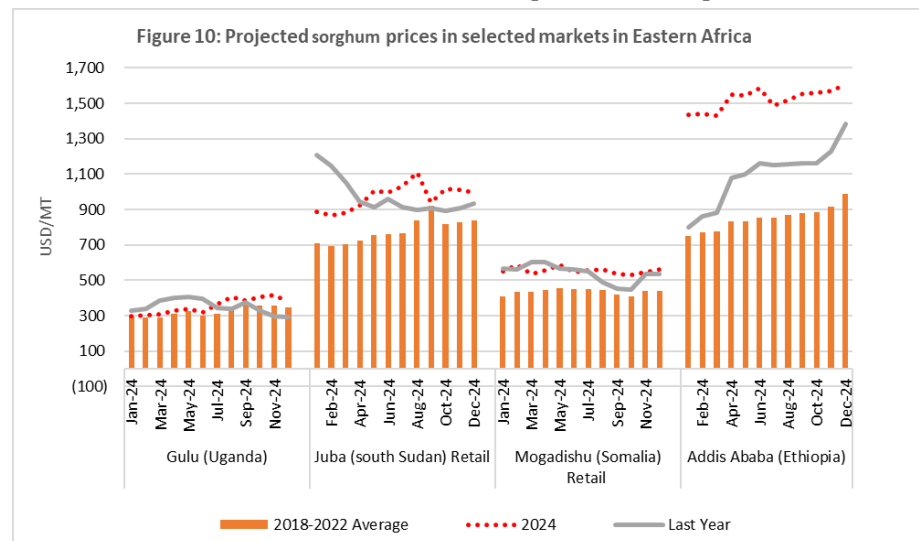
CROSS BORDER TRADE OUTLOOK JANUARY TO SEPTEMBER 2024

The analysis in this section uses staple food commodity parity price trends (expressed in US dollars per MT), which may be different when analyzed in local currencies. According to [FEWS NET Maize Supply and Market Outlook for November 2023](#), the East Africa region is expected to have a net surplus of 1,700,000 MT of maize in MY 2023/24, which is 119 and 46 percent higher than last year and the 2018 to 2022 average. The surplus is driven by reduced shortfalls in the deficit-producing countries, estimated at 67 and 49 percent below last year and the recent five-year average, because of El Niño enhanced rainfall and above-average production. The excess in maize production in the surplus-producing countries is 21 and 15 percent higher than last year and the recent five-year average.

The deficit-producing countries of Kenya, South Sudan, Somalia, Rwanda, and Burundi are expected to import **maize**, albeit at a lower level, from Uganda, Tanzania, and Ethiopia to meet their deficit. Competition for the tradable surplus within the region will likely direct more flows to Kenya and the eastern parts of the Democratic Republic of Congo, where the purchasing power and prices are relatively higher. Still, proximity to major producing areas will incentivize flows from western and southwestern Uganda to Rwanda, northern Uganda to South Sudan, and eastern Tanzania to Burundi. Maize prices are expected to follow



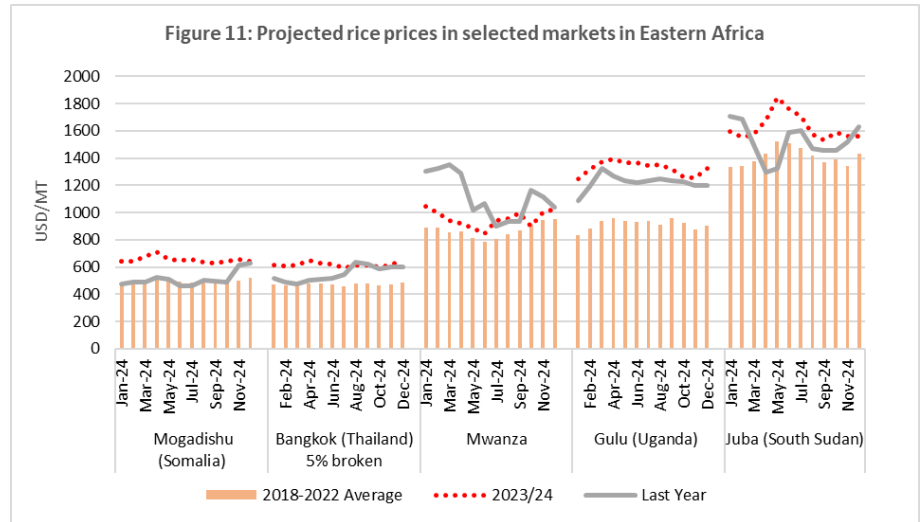
seasonal trends across all countries but generally remain lower than last year due to increased domestic supply, except in Ethiopia, South Sudan, and Somalia, because of localized areas of below-average production, conflict-related disruptions in supply, and persistent inflation. The prices are expected to remain higher than average in most countries because of high production, fuel, and transport costs. The prices are expected to be lower than average in Uganda and Tanzania because of increased domestic supply and lower shortfalls in deficit countries. (Figure 9).



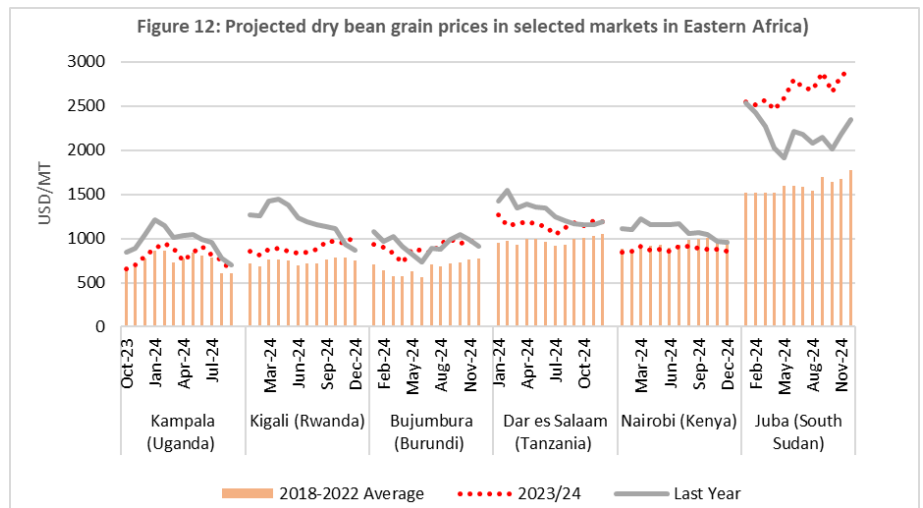
Conflict-related disruption of **sorghum** inflows from Sudan to South Sudan will likely exert upward pressure on prices. However, increased inflow from Uganda and Ethiopia will probably compensate for lost trade with Sudan, keeping prices near last year's level. The expanded market for Ethiopia's sorghum, high domestic demand, and inflation will likely heighten prices within Ethiopia (Figure 10). Similarly, high domestic and regional demand will likely keep prices slightly higher than average in Uganda. Increased domestic supply in Somalia is expected

to keep prices around last year’s level. The prices are expected to remain above average because of high transport costs and ad hoc conflict-related supply disruptions, except in Uganda, where average production will keep prices around average levels.

Tanzania is expected to remain the primary source of **locally produced rice** exports to Kenya, Rwanda, Burundi, and Uganda due to a sizeable tradable surplus, well-developed supply chain, and aromatic rice with high water absorption. In Uganda, locally produced rice is expected to be significantly below average since the total ban on rice production in the Wetlands in February 2022. While prices have increased correspondingly, they have been heightened by price speculations by traders following evolving structural changes in the market in Uganda. The higher prices are expected to attract inflows from Tanzania. Re-exports of rice from Somalia to eastern Ethiopia are expected to continue at a higher level because of high demand. Global rice prices are expected to remain at current high levels or slightly increase above 2023 in 2024 as below-average stocks and tighter global economic conditions offset increases in global production. Hence, prices in Thailand, a significant producer, are expected to be above average, as are prices in importing Somalia. The East Africa prices are expected to trend seasonally but remain above last year's and the recent five-year average level because of high demand and increased production and marketing costs, except in Tanzania, where the prices will likely be below last year and slightly above average levels because of the above-average harvest. **(Figure 11).**

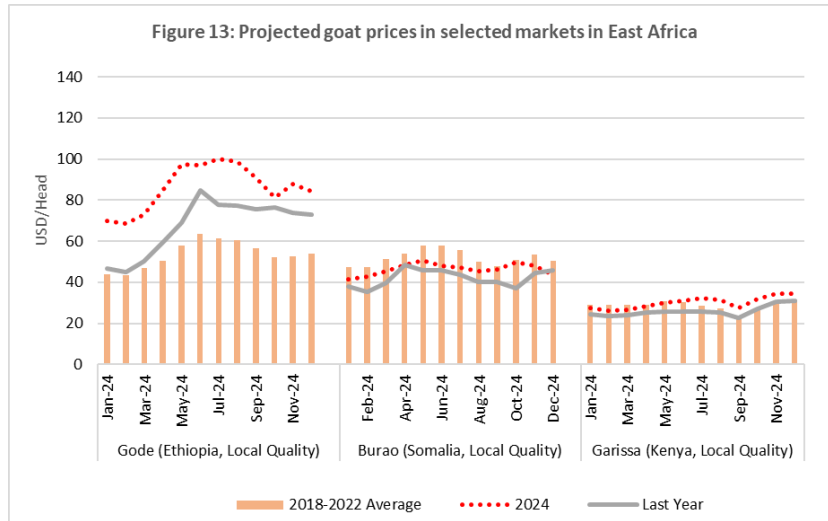


The dry **bean** trade will likely be concentrated between Kenya, Uganda, Rwanda, Burundi, and Tanzania. Tanzania and Uganda are expected to be the primary exporters as better rainfall in 2023 increased production and lowered prices despite localized crop damage. The exports of broad beans from Ethiopia to Sudan will likely continue to be constricted by the domestic strife and depreciating currency in Sudan. In most trade routes, prices are expected to follow seasonal trends **(Figure 12)** and be lower than last year because of increased supply but remain above average due to high production and transport costs. The exception is South Sudan, where prices are expected to be significantly higher than last year and the 2018-2022 average levels because of enduring currency depreciation.



Livestock trade in the East is expected to follow seasonal trends throughout 2024, peaking in June following the end of the religious festivities in the Middle East, which is expected to drive exports from Ethiopia to Somalia for

re-exports to the Middle East. Generally, the prices are projected to be above last year due to the availability of water and feed, moving higher to around average levels in Somalia and Kenya but above average in eastern Ethiopia, where there is high export demand amid reduced livestock size from the previous droughts. **(Figure 13).**



ANNEX

Table 1: Cross-border trade between October and December 2024 among selected country pairs:
Key staple food commodities.

Commodity	Trade Flow Corridors (source destination)	Trade Volumes in MT (Livestock in Heads)	% Change			Historical Comparison		
			Last Quarter	Last Year	5 Year Average	Last Quarter	Last Year	Average
Maize	Uganda - South Sudan	6,323	-64%	-45%	-83%	▼	▼	▼
	Uganda - Kenya	45,898	90%	-38%	16%	▲	▼	▲
	Tanzania - Kenya	19,136	-62%	-69%	-53%	▼	▼	▼
	Tanzania - Rwanda	130	-92%	-96%	-100%	▼	▼	▼
	Ethiopia - Kenya	3	0%	-100%	-100%	▶	▼	▼
	Ethiopia - Somalia	1,928	-2%	-63%	-10%	▶	▼	▼
	Kenya - Tanzania	1,607	377%	2%	-46%	▲	▶	▼
	Sorghum	Uganda - South Sudan	2,821	-67%	-61%	-91%	▼	▼
	Uganda - Kenya	6,342	113%	-49%	28%	▲	▼	▲
	Uganda - Rwanda	6,968	271%	183%	369%	▲	▲	▲
	Ethiopia - Djibouti	3	0%	-47%	-5%	▶	▼	▶
	Ethiopia - Somalia	2,095	212%	-59%	22%	▲	▼	▲
	Somalia - Djibouti	2,685	101%	130%	38%	▲	▲	▲
	Sudan - South Sudan	1,181	-7%	39267%	-78%	▼	▲	▼
	Sudan - Eritrea	3	0%	-81%	-99%	▶	▼	▼
Rice	Uganda - South Sudan	31,982	794%	78%	-6%	▲	▲	▼
	Tanzania - Kenya	1,441	82%	-73%	-90%	▲	▼	▼
	Tanzania - Rwanda	197	-70%	-84%	-99%	▼	▼	▼
	Somalia - Kenya	1,297	130%	-39%	-24%	▲	▼	▼
	Somalia - Ethiopia	13,656	322%	10%	27%	▲	▲	▲
	Tanzania - Burundi	19,762	6%	680%	1034%	▲	▲	▲
Beans	Uganda - South Sudan	2,312	561%	-64%	-89%	▲	▼	▼
	Uganda - Kenya	147,947	3073%	501%	230%	▲	▲	▲
	Uganda - DRC	761	565%	-72%	-56%	▲	▼	▼
	Tanzania - Kenya	6,676	-15%	-39%	70%	▼	▼	▲
	Ethiopia - Kenya	6,295	-12%	129%	89%	▼	▲	▲
	Ethiopia - Sudan	131	-91%	-94%	-96%	▼	▼	▼
Camels	Somalia - Kenya	541	96%	-25%	-17%	▲	▼	▼
	Ethiopia - Somalia	21,376	273%	-18%	47%	▲	▼	▲
Cattle	Somalia - Kenya	3,106	200%	-65%	-17%	▲	▼	▼
	Ethiopia - Somalia	22,505	217%	-36%	-31%	▲	▼	▼
Goats	Somalia - Kenya	8,045	96%	-46%	25%	▲	▼	▲
	Ethiopia - Somalia	104,285	288%	32%	74%	▲	▲	▲
Sheep	Somalia - Kenya	0	-100%	-100%	-100%	▼	▼	▼
	Uganda - South Sudan	0	-100%	-100%	-100%	▼	▼	▼

Figure 14: cross-borders points monitored by FEWS NET and East Africa Grain Council in Eastern Africa

