

WRS LUSAKA CONFERENCE

- One of the original objectives in the formation of Eastern Africa Grain Council, and which is embodied in the “Eastern” component of the name, was the creation of maize without borders.
- We were aptly reminded of this by the Head of Compete, Mr. Steve Wall

- “Cover Change:” An example of the private sector operating on unregulated trade: i.e. the absence of legal regulation. No legislation hence we must cover our entire costs.

- Lack of legislation governing the operation of warehouses. Gentlemen’s agreements will only go so far...
- EAGC partially addressed this issue by trading arbitrators.

- NCPB presentation set the scenario for operation.
- Act of Parliament an absolute necessity.

WRS LUSAKA CONFERENCE

30.09.2009-02.10.2009

Warehouse receipting presupposes constant production and a steady market. Should there be a slack in the market, advertising is a tool we are all too familiar with for triggering that aspect of the chain. What about production? Most sectors of the population, that we aim at addressing in the development of the WRS are small and have limited access to capital. They run a rain fed system of agricultural production.

The irregularity of the seasons, which makes us wander right into climate change, makes production wobbly at best and frequently the absence of rain lead to a complete halt in the leg of the supply chain.

If we accept that the most effective operators of the WRS are the private sector, since we all know that governments are very ineffective business operators, we are constrained to address, with particularly heavy emphasis, the production stabilization aspect of the supply chain.

I venture into the management of rain water. This must be harvested and stored for stabilization of agricultural production. I go that far back in the chain on account of drying up rivers and the steady lowering of the underground water table.

The lowering water table which in some sense directly follows from the same courses as the drying up of rivers, makes sinking boreholes an expensive venture since they get dipper and less reliable.

The concept of harvesting rain water and storing it in expansive water pans, for instance, must be our best and, maybe, the only workable tool at the moment, for assuring constant production of both crops and animals.

Planning and resources must be channeled into that area urgently. And I dare suggest rather boldly, that the actualization of that process will solve many other issues.

If you allow your imagination to see a man-made lake in the middle of North Eastern, or Northern Kenya which has been created by pumping runoff water from the Kano Plains, you are now close to solving one major constraint in the production chain that will support the warehousing receipting system.

And we are not inventing the wheel. We, in East Africa, have for many centuries now watered a thriving agricultural economy in the desert, hundreds of miles away. We have supported the centuries old Egyptian Economy.

Thank you,

**Wainaina Kung'u,
Export Trading Company Ltd, Nairobi.**

Lusaka, Zambia 30th September, 2009.