

“Business Opportunities in East Africa; Exploring Agro Processing and Value Addition Potentials.”

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Why Invest in EAC?

- The second largest single market in Africa with population of 140 million
- Growing middle class and demand for fairly sophisticated products
- Diversified economy offering a variety of business and investment opportunities
- Business-friendly environment: world's fastest reforming region
- Stable economic and political environment
- Harmonized tariff within the EAC
- Great market access to EAC, Africa, Middle East and Asia
- Preferential market access to the U.S, E.U and some other developed countries
- English as an official business language
- Relatively large pool of educated and skilled workers

AGRO-PROCESSING



Investors are invited to tap the potential in the region for vegetables oils, beef, fruits, beverages, dairy, nuts, grain milling, and plantation produce. Investment in agro processing also spurs opportunities in related sectors like fertilizer and agro-chemicals, agro-machinery and machine tools, energy, packaging transportation, financial services, education and business support services. There is a strong base for upgrading the largely primary processing base as well as providing vocational training in agro processing.

Tea, Rice

- **Tea:** is a major export commodity in the EAC. It is also a major employer particularly in farming, marketing, transport and retailing
- **Rice:** Opportunities exist in large-scale rice production, processing, packaging and branding for the local and regional markets. The Lake Victoria Basin offers potential for rice production.

Beans, Wheat, Banana

- **Beans:** Annual demand for common beans exceeds 1,600,000 MT across East Africa.
- **Wheat:** Opportunities exist in production, milling, flour packaging and marketing of wheat.
- **Banana:** Opportunities abound in banana production, banana wine processing and packaging and introduction of new varieties in the region

SISAL

- **Sisal:** Opportunities exist in the region in sisal spinning and weaving, production of alcohol, particle boards, biogas and electricity, citric acid, pharmaceuticals, animal feeds, organic fertilizer, handicrafts (various items like bags, dart boards, rugs, doormats, tablemats, curtains), sisal mattresses and padding for furniture and car seats, sisal polishing cloth, buffing cloth for polishing metals in industrial settings; sisal composites in automotive, boat furniture, and in establishment of pulp factories.

Sugar

- Production of industrial refined sugar;
- Provision of loans or credit to the small and medium-scale out growers;
- Rehabilitation of sugar plantations and factories; and,
- Use of bagasse for electricity generation, production of charcoal briquettes, writing paper & particle board,
- Use of molasses for ethyl alcohol production, vinegar & acetic acid production, fertilizer production, livestock feeds supplement, rectified spirits, rum and yeast.

Pyrethrum

- Investment opportunities exist in seed production, plantation farming, and processing of pyrethrin insecticides and pesticides.
- Pyrethrum extracts refineries can be established for production of paints, medicinal and pharmaceutical preparations such as vaccines, antibiotics and vitamins.

Tobacco

- Opportunities exist in the establishment of tobacco farms, fuel-efficient central curing barns and furnaces, construction of processing factories and production of fertilizers, insecticides and sprayers.

FORESTRY AND FORESTRY PRODUCTS

- EAC Partner States have large areas of forests and woodlands. Some of these have been gazetted as forest reserves. Some are under plantation forestry while others are under water catchments. Softwood and hardwood plantations offer good opportunities for the establishment of wood-based industries like saw-milling, partial boards, furniture and joinery.

Apiculture

- Across the region bee keeping plays a major role in socio economic development through production of honey, pollen and brood, beeswax candles, lubricants, and income for communities living close to forests and woodlands beekeepers and other stakeholders as a whole.

Apiculture cont...

- Natural forests, with their indigenous fauna and flora, offer great potential for the development of a organic honey-processing industries and related products, manufacturing of beekeeping equipment, beeswax processing, the development of bee-pollination based industries and the promotion of lesser-known bee products such as royal jelly, which have a demand in Japan and other developed countries. Opportunities also exist for the provision of services for the certification of organic honey production and development of frame hives across the region.

LIVESTOCK AND DAIRY SECTOR

- Construction of abattoirs that meet international hygiene standards;
- Processing of leather;
- Processing of meat and its by-products;
- Provision of veterinary services;
- Rearing of wild animals and the production of game meat (such as ostrich and crocodile farming);
- Supply of processing equipment for both small and large scale processors; and.

LIVESTOCK AND DAIRY SECTOR

- Provision of financial services, including credit and banking services, in areas where livestock keeping is a major activity.
- Cattle reared in East Africa comprise of exotic and traditional-exotic crossbreed. Investment opportunities exist in the following areas:
 - ❑ Processing of dairy products such as powdered milk, ultra-heat-treated (UHT) milk, cheese, butter, yoghurt, ice-cream and flavored condensed milk;

Poultry

- Investment opportunities exist in development of hatcheries for the production of chicken for both regional and international markets; commercial poultry production farms; broiler processing plants; production of chicken feed, feeding facilities and pharmaceuticals.

Fisheries

- The East African region is endowed with some of the largest freshwater lakes in the world, which harbour substantial resources for fishery. Lake Victoria, shared by three EAC partner States: Kenya (6%), Tanzania (49%) and Uganda (45%), covers a surface area of 68,000 km² and the shoreline length is 3,400 km.
- Ample opportunity in fishing, fish processing and fish by-product processing, as well as in the supply of fishery-related equipment and storage infrastructure such as fishing nets, cooler transporters, processing equipment, packaging materials, and freighters and cargo planes.
- The EAC coastline extends for 2,104 km, including some 680 km in Kenya and some 1,424 km in Tanzania.

HORTICULTURE

- Production and export of horticultural produce (fruits, flowers and vegetables);
- Production of propagation materials;
- Establishment of soil-analysis services;
- Manufacture of greenhouse plastics;
- Production of inputs such as fertilizers, herbicides and pesticides;
- Production of packaging materials;
- Provision of cold-storage facilities as well as air-cargo transport to foreign markets;
- Provision of accreditation services to meet market and regulatory requirements.

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