Required Report: Required - Public Distribution

Date: March 18, 2026

Report Number: KE2026-0006

Report Name: Grain and Feed Annual

Country: Kenya

Post: Nairobi

Report Category: Grain and Feed

Prepared By: Kennedy Gitonga

Approved By: Bret Tate

Report Highlights:

FAS Nairobi forecasts a recovery in Kenya's grain production in marketing year (MY) 2026/27 as the country rebounds from a year of significant drought. In the forecast year, corn production is expected to surge by 32.4 percent to 4.5 million metric tons (MT), wheat output is projected to rise 27.3 percent to 280,000 MT, and rice production is slated to reach 225,000 tons. The large increases are driven by an expected return to normal rainfall, which will expand acreage to pre-drought levels and improve yields. Imports are forecast to decrease as domestic production fills the supply gap.

Corn:

Table 1: Production, Supply, and Distribution (PSD)

Corn	2024/2025		2025/2026		2026/2027	
Market Year Begins	Jul 2024		Jul 2025		Jul 2026	
Kenya	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	2100	2100	2300	1900		2300
Beginning Stocks (1000 MT)	418	418	256	252		97
Production (1000 MT)	3800	3800	4400	3400		4500
MY Imports (1000 MT)	440	436	250	800		200
TY Imports (1000 MT)	470	464	300	950		250
Total Supply (1000 MT)	4658	4654	4906	4452		4797
MY Exports (1000 MT)	2	2	5	5		5
TY Exports (1000 MT)	3	3	5	5		5
Feed and Residual (1000 MT)	400	400	450	350		450
FSI Consumption (1000 MT)	4000	4000	4050	4000		4050
Total Consumption (1000 MT)	4400	4400	4500	4350		4500
Ending Stocks (1000 MT)	256	252	401	97		292
Total Distribution (1000 MT)	4658	4654	4906	4452		4797
Yield (MT/HA)	1.8095	1.8095	1.913	1.7895		1.9565
(1000 HA) ,(1000 MT) ,(MT/HA) MY = Marketing Year, begins with the month listed at the top of each column TY = Trade Year, which for Corn begins in October for all countries. TY 2026/2027 = October 2026 - September 2027						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Production

FAS Nairobi forecasts that Kenya's corn production for marketing year (MY) 2026/27 will increase by 32.4 percent over MY 2025/26, reaching 4.5 million metric tons. This recovery following a period of severe drought that devastated the February-March crop in central and eastern regions. A return to normal rainfall will lead to a rebound in harvested area to 2,300 hectares. Higher yields are also expected due to an increase in fertilizer usage. In the coming year, the Government of Kenya plans to distribute 12.5 million bags (625,000 MT) of fertilizer under the National Fertilizer Subsidy Program. This represents a significant increase from the nine million bags (450,000 MT) distributed in the previous year. Half of the distribution will benefit corn farmers.

Kenya's corn production is characterized by two distinct harvest seasons. The primary crop is planted in March in the Rift Valley region, with harvests occurring in October and November. Other regions experience bimodal rainfall patterns, allowing for two harvests per year. In those regions, the first harvest typically falls in late July or August, while the second harvest falls between January and March. Corn produced in the Rift Valley and western regions accounts for nearly 80 percent of commercial supply, while corn produced in the central and eastern regions supplies the remaining 20 percent. The

recent drought in central and eastern Kenya has had serious implications for household food security and local market prices.

In addition to the drought, Kenyan farmers suffer significant post-harvest losses due to inadequate storage facilities and inefficient drying methods. These losses further diminish the net supply of corn available for human consumption and animal feed.

Kenya's corn production potential also remains curtailed by slow seed certification processes and cultivation restrictions for genetically engineered (GE) products. While Kenya's High Court briefly removed a ban on GE imports in 2024, the Court of Appeal reinstated the ban in March 2025. Consequently, farmers cannot access pest and drought resistant corn varieties developed using modern agricultural biotechnology.

Changes to MY 2025/26

FAS Nairobi is adjusting the MY 2025/26 corn production estimates downward to 3.4 million MT, a 22.7 percent drop from the earlier forecast of 4.4 million metric tons. The sharp decline in production is the result of a drought that affected the 2025 short-rains season. According to the Kenyan government's Meteorological Department, cumulative rainfall reached only 30-60 percent of long-term averages. Of the estimated 614,000 hectares planted in corn during the short-rains season, approximately 402,000 ha (65 percent) was lost to drought.

In late January 2026, FAS Nairobi visited central Kenya and confirmed the massive crop failures and low production. Corn at that time was severely stunted, with much of the crop already withered. In many areas, farmers faced a total loss of grain harvest. The situation was compounded by persistently high temperatures, that accelerated moisture loss, and crop failure. In a bid to mitigate financial loss, many farmers were harvesting withered crops and converting them into livestock feed.

Figure 1: Drought-damaged Corn, Kirinyaga County

Source: FAS Nairobi

Marketing
Post anticipates a downward correction in corn prices for MY 2026/27 relative to the record highs observed in MY 2025/26. This anticipated decrease hinges on a return to normal growing conditions, which are expected to increase yields and replenish depleted commercial supplies.

MY 2025/26 saw a surge in corn prices due to decreased supplies and government intervention to prop up prices. In July 2025, farmgate prices were approximately KSh 3,200 ($24.60) per 90kg bag. In January 2026, the Kenyan government intervened through the National Cereals and Produce Board (NCPB), establishing a floor price for maize at KSh 4,000 (approx. $31.00) per 90kg bag. As the marketing year progressed, tightening supply triggered a price rally. By February 2026, prices had surged to KSh 4,500 ($34.61), representing a 41 percent increase in just seven months.

Table 2: Kenyan Corn Price Evolution (per 90kg Bag)

Period	Market Phase	Price (KSh)	Price (USD)	Key Driver
July 2025	Initial Season Baseline	3,200	~$24.60	Start of marketing cycle
Peak 2025	Harvest Season Average	3,000 – 3,500	~$23.00 – 26.90	Typical post-harvest supply peak
Mid-Jan 2026	NCPB Floor Price	4,000	~$30.75	Government floor price to protect farmers
Early 2026	Market Price	4,500	~$34.61	Severe supply shortages from drought
MY 2026/27	Post-Harvest Forecast	Trend Down	TBD	Return to normal growing conditions

Source: Kenya Ministry of Agriculture and Livestock Development.

Consumption
Post projects MY 2026/27 consumption will increase slightly year-on-year reaching 4.5 million MT, up from 4.35 million MT in MY 2025/26. Corn is Kenya’s key dietary staple and an important energy source for the animal feed industry. Post anticipates that MY 2026/27 corn usage in feed will also increase due to higher uptake by feed manufacturers. The uptake will be driven by improved corn availability and lower prices, as well as the anticipated recovery of Kenya’s livestock sector following the drought.

Changes to MY 2025/26 Consumption
Post adjusted its MY 2025/26 consumption forecast downward by 50,000 MT, bringing the new estimate to 4.35 million tons. This revision stems from a tightening corn supply and diminished affordability, triggered by the reduced production and a corresponding rise in market prices. As corn

becomes less accessible, consumers are expected to shift their dietary habits toward more affordable or available alternatives, such as rice, potatoes, and bananas. Feed manufacturers are also expected to scale down production and therefore their corn uptake.

Trade

Post forecasts a significant reduction in MY 2026/27 corn imports, projecting a drop from 800,000 MT to 200,000 MT as domestic production recovers. The bulk of the imports will likely come from Tanzania and Zambia or other corn-surplus countries in the East African Community and Common Market for Eastern and Southern Africa (COMESA). Under the East African Community's (EAC) common external tariff, Kenya maintains a 50 percent ad-valorem import duty on corn from outside the region. Imports from EAC and COMESA benefit from duty-free access. At the time of writing, pricing levels for non-GE U.S. corn would be competitive in Kenya, if the import duty were waived.

Table 3: Key Corn Exporters to Kenya (Year Ending June)

Country	Unit	MY 2022/23	MY 2023/24	MY 2024/25
Tanzania	MT	412,755	261,769	410,009
Zambia	MT	64,513	14,963	12,721
Ethiopia	MT	17,031	-	4,231
South Africa	MT	88,050	70,881	1,974
Zimbabwe	MT	649	703	468
Argentina	MT	906	-	675

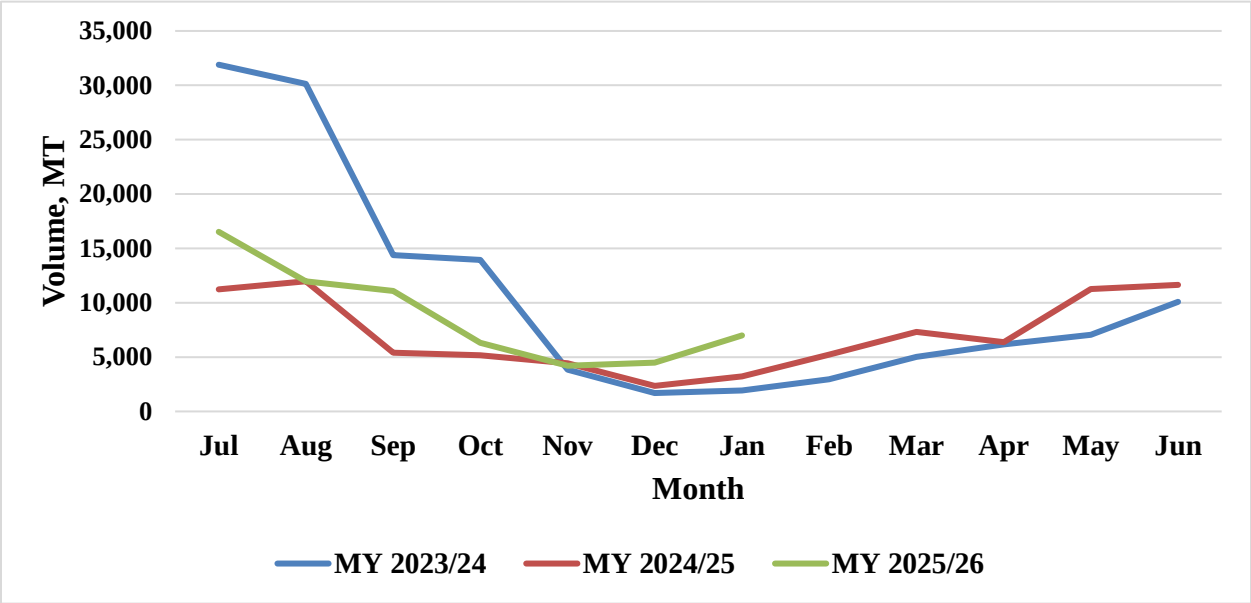
Source: Trade Data Monitor, LLC

Changes to 2025/26

For MY 2025/26 Post is increasing import estimates upward by 220 percent, from 250,000 MT to 800,000 MT to address the critical domestic shortfall following the drought-driven production decline. Import sourcing remains restricted by a persistent court injunction on genetically engineered products, which prevents Kenya from accessing global markets, where over 75 percent of exportable corn is produced using modern biotechnology. These restrictions force Kenya to source corn from Tanzania and other specific COMESA countries. The Government of Kenya has already announced a recent commitment by Zambia to supply up to one million 90-kilogram bags (approximately 90,000 MT) of corn.

In July 2025, the East African Community authorized a duty waiver for Kenya, permitting designated animal feed manufacturers to import a total of 185,000 MT of yellow corn duty-free. Approved under the EAC Duty Remission Scheme, these zero-rated imports are valid through June 30, 2026.

Figure 2: Kenya's Monthly Corn Imports



Source: Trade Data Monitor, LLC

Stocks

FAS Nairobi projects that MY 2026/27 ending corn stocks will increase from 97,000 MT in MY 2025/26 to 292,000 MT due to strengthened local supply. While most of these inventories will be held by farmers, traders, and millers, the National Cereals and Produce Board (NCPB) is also expected to maintain some limited reserves. Despite its mandate to manage the Strategic Food Reserve, industry sources suggest that NCPB is unlikely to hold significant volumes in MY 2026/27 due to persistent budget constraints.

Wheat:

Table 4: Production, Supply and Distribution (PSD)

Wheat	2024/2025		2025/2026		2026/2027	
Market Year Begins	Jul 2024		Jul 2025		Jul 2026	
Kenya	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	110	110	100	90		100
Beginning Stocks (1000 MT)	311	311	134	190		180
Production (1000 MT)	265	265	280	220		280
MY Imports (1000 MT)	2237	2286	2600	2500		2550
TY Imports (1000 MT)	2237	2286	2600	2500		2550
TY Imp. from U.S. (1000 MT)	56	11	0	90		100
Total Supply (1000 MT)	2813	2862	3014	2910		3010
MY Exports (1000 MT)	29	22	100	20		20
TY Exports (1000 MT)	29	22	100	20		20
Feed and Residual (1000 MT)	150	150	150	160		165
FSI Consumption (1000 MT)	2500	2500	2650	2550		2600
Total Consumption (1000 MT)	2650	2650	2800	2710		2765
Ending Stocks (1000 MT)	134	190	114	180		225
Total Distribution (1000 MT)	2813	2862	3014	2910		3010
Yield (MT/HA)	2.4091	2.4091	2.8	2.4444		2.8
(1000 HA) ,(1000 MT) ,(MT/HA) MY = Marketing Year, begins with the month listed at the top of each column TY = Trade Year, which for Wheat begins in July for all countries. TY 2026/2027 = July 2026 - June 2027						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Production

FAS Nairobi forecasts that Kenya's wheat production for MY 2026/27 will reach 280,000 MT, a 27.3 percent increase over the 220,000 MT recorded in MY 2025/26. This growth is primarily attributed to a recovery from severe drought conditions that previously impacted short-rains wheat in the Timau and Laikipia regions. Consequently, the total harvested area is projected to expand from 90,000 to 100,000 hectares, with a corresponding improvement in average yields.

According to industry sources, the expansion of wheat area is severely constrained by non-availability of suitable land. The scarcity is due to the rampant inheritance-driven land subdivision, which fragments viable farmland into smaller, less productive plots.

Kenya's primary wheat-growing regions remain concentrated in Narok, near the Tanzania border, and Timau, north of Mt. Kenya. These areas are largely managed by large-scale commercial farmers who possess superior mechanization, equipment, and access to finance. The wheat sector continues to face

long-term challenges, including periodic outbreaks of Ug99 wheat stem rust, a reliance on seed recycling, and a land tenure system of short-term leases that often discourages necessary long-term investments in soil

Changes to MY 2025/26
Post is downgrading the MY 2025/26 wheat production estimate to 220,000 MT, a 21 percent drop from the previously projected 280,000 metric tons. This adjustment primarily reflects drought-related losses in the Timau and Laikipia regions, which typically contribute approximately ten percent of Kenya's total wheat output. In contrast, the country's primary wheat-growing regions—Narok, Nakuru, and Uasin Gishu counties— experienced normal weather conditions during their main season, providing a critical buffer against the crop failure in the Timau and Laikipia regions. FAS Nairobi's field assessments in late January 2026 confirmed the drought-damage to the wheat fields, that forced many farmers to convert withered crops into livestock feed.

Consumption
Post anticipates that Kenya's wheat consumption will increase by 2.0 percent in MY 2026/27, reaching 2.765 million MT from 2.710 million MT the previous year. This upward trend is primarily driven by the country's expanding middle and upper-income demographics, who are increasingly shifting toward wheat-based diets.

According to World Bank data, Kenya's *per capita* income has grown reaching approximately $5,823 in 2024. As the disposable earnings rise, higher-income Kenyans are consuming greater quantities of convenient, food products, including pizza, pastries, cakes, and bread products. The Economist Intelligence Unit identifies bakery products as one of the most dynamic subsectors within Kenya's food processing industry. Sales in this category grew by an estimated 8.85 percent in 2024 and are projected to maintain a robust growth trajectory through 2026 and beyond.

Despite an estimated installed capacity of about four million metric tons per year, Kenya's wheat milling sector is crippled by chronic supply gaps, with most millers operating at only 30–60 percent of the capacity. Close to 90 percent of milling capacity is concentrated among 40 large-scale millers who operate under the Cereal Millers Association. The larger actors have the benefit of advanced milling technology and duty waivers for imported wheat. In contrast, smaller informal millers face significant logistical and financial barriers to sourcing raw grain.

Changes to MY 2025/26
Post is lowering the MY 2025/26 wheat consumption forecast to 2.710 million MT, a decrease of 0.7 percent or 30,000 MT from the previous post forecast of 2.730 million metric tons. This revision is largely due to the tightening of local supplies following drought damage in the first months of 2026.

FAS Nairobi assessed crops in the Timau region in late January 2026 and confirmed that the area was indeed suffering a serious drought, impacting crops. The lack of critical seasonal rainfall had decimated local yields, leading to a near-total collapse of the cropping cycle. Several producers reported total crop failure. In most farms, the wheat crop had reached a permanent wilting point before the grain-filling stage could occur. With no signs of recovery, the wheat stalks remained immature, preventing any viable harvests. To salvage value, farmers had begun repurposing their fields, with some releasing livestock to

graze directly in the failed wheat fields. Other farmers had opted to harvest the stunted stalks, bulking the residues into hay.

Figure 3: Drought Damaged Wheat, Timau, Kenya

Source: FAS Nairobi

Marketing

The Government of Kenya continues to intervene in domestic wheat prices through the government-run Wheat Purchase Program. In 2025, the Agriculture and Food Authority, following consultations with the Cereal Growers Association and the Cereal Millers Association, established the following pricing structure:

- Grade 1 Wheat: Ksh 52,777.78 (~$408.56) per metric ton.
- Grade 2 Wheat: Ksh 51,666.67 (~$397.33) per metric ton.
- Grade 3 Wheat: Negotiable based on "willing buyer, willing seller".

The pricing program requires millers to purchase local grain before accessing import licenses. Participating companies that have made the required domestic purchases are then permitted to import wheat at a reduced tariff rate of 10 percent, rather than the standard 35 percent. Wheat farmers are required to channel their produce through aggregators vetted and registered by the Agriculture and Food Authority, many of which face challenges with drying and storage infrastructure. Advocates argue that the program incentivizes farmers to maintain their wheat acreage. Wheat sourced from EAC member states continues to benefit from duty-free market access.

On the consumer side, prices are largely dependent on global trends. In December 2025, imported wheat at the port of Mombasa was trading at a rate of approximately $275–$285 per MT, down from an average of $408 per MT in 2024, largely due to lower prices for Russian wheat.

Trade

FAS Nairobi projects that Kenya's wheat imports will increase by two percent in MY 2026/27, rising from 2.5 million MT to 2.55 million MT to cover domestic supply deficits. Historically, Kenya relies on a diverse range of suppliers, with traders frequently shifting between origins such as Russia, Argentina, Lithuania, Canada, and Australia based on competitive pricing. For MY 2025/26, Russia maintained its position as the primary supplier. Two vessels of U.S. wheat exports for Food for Progress monetization are expected to enter the Kenyan market by the close of MY 2025/26.

Table 5: Top Wheat Exporters to Kenya (Year Ending June)

Country	Unit	MY 20222/23	MY 2023/24	MY 2024/25
Russia	MT	1,086,292	1,674,089	1,254,386
Argentina	MT	5,909	193,364	484,327
Lithuania	MT	157,413	1,071	0
Canada	MT	96,749	77,822	78,720
Australia	MT	113,910	64,138	393,155
Germany	MT	62,798	1	4

Source: Trade Data Monitor LLC

Changes to MY 2025/26

Post is revising the MY 2025/26 wheat import estimates up by two percent, from 2.45 million to 2.5 million. This adjustment is to offset the supply deficit caused by low production, amidst increased consumption.

Stocks

FAS Nairobi forecasts a 25 percent increase in Kenya's wheat stocks for the MY 2026/27 marketing year, rising from 180,000 MT to 225,000 metric tons. These stocks are held entirely by private traders and millers, as Kenya maintains no public wheat stocks.

Rice:

Table 6: Production, Supply and Distribution (PSD) Table

Rice, Milled	2024/2025		2025/2026		2026/2027	
Market Year Begins	Oct 2024		Oct 2025		Oct 2026	
Kenya	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	55	45	60	50		55
Beginning Stocks (1000 MT)	178	178	149	149		149
Milled Production (1000 MT)	185	185	205	180		225
Rough Production (1000 MT)	280	280	311	273		341
Milling Rate (.9999) (1000 MT)	6600	6600	6600	6600		6600
MY Imports (1000 MT)	736	736	750	780		750
TY Imports (1000 MT)	750	750	650	650		760
Total Supply (1000 MT)	1099	1099	1104	1109		1124
MY Exports (1000 MT)	0	0	0	0		0
TY Exports (1000 MT)	0	0	0	0		0
Consumption and Residual (1000 MT)	950	950	925	960		970
Ending Stocks (1000 MT)	149	149	179	149		154
Total Distribution (1000 MT)	1099	1099	1104	1109		1124
Yield (Rough) (MT/HA)	5.0909	6.2222	5.1833	5.46		6.2
(1000 HA) ,(1000 MT) ,(MT/HA) MY = Marketing Year, begins with the month listed at the top of each column TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2026/2027 = January 2027 - December 2027						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Production

FAS Nairobi expects Kenya's rice output to climb to 225,000 MT in MY 2026/27. This rebound follows a recovery in harvested area at the Mwea Irrigation Scheme, as local rivers and the Thiba Dam return to normal levels. In MY 2025/26, the National Irrigation Authority was forced to ration water due to drought conditions. With inadequate water the ratoon (volunteer) crop was limited.

The harvested area is projected to grow by 5,000 hectares, from 50,000 ha to 55,000 ha, as the National Irrigation Authority leverages the full capacity of the Thiba Dam in Mwea and brings rehabilitated schemes in Homabay, Busia, and Kisumu into production. While yields are expected to remain steady at the historical average of 6.2 MT per hectare, local reports highlight ongoing challenges with farm and storage pests, particularly rodents and the Golden Apple Snail. The rising costs of labor and pesticides required to manage these threats continue to reduce farmer profit margins.

Kenya's rice industry currently depends heavily on the Mwea irrigation scheme, which produces nearly 80 percent of national output and serves as the primary benchmark for production efficiency. To

diversify rice production regions, the Government of Kenya is rehabilitating and expanding schemes across the western Kenya circuit. In Kisumu County, the Ahero and Kano schemes are undergoing upgrades to their water distribution systems and canal desilting to bring more land under active irrigation. In Busia County the focus is on expanding irrigation infrastructure to harness the region's favorable hydrology. In Homa Bay, new irrigation schemes are being built to bring more farmers into rice production.

Figure 4: Ratoon (Volunteer) Rice Crop, Mwea, Kenya

Source: FAS Nairobi

Changes to MY 2025/26

Post is lowering its MY 2025/26 rice production estimate to 180,000 MT, down from an initial 205,000 metric tons. This revision accounts for yield losses triggered by severe drought, which limited irrigation water availability within the Mwea Irrigation Scheme and surrounding grower farms

Consumption

Post anticipates MY 2026/27 consumption to increase to 970,000 MT, a 1.0 percent above the 960,000 MT recorded in MY 2025/26, driven by improved supply and affordability. Rice is the third most important staple in Kenya, and consumption increasing rapidly alongside population growth, estimated at three percent per year since 2005. It easily substitutes maize-based meals as it is considered more convenient to prepare by households and institutions, especially in the growing urban populations.

The premium segment is defined by a strong consumer bias toward locally grown varieties, most notably Mwea Pishori. Widely regarded as the market's "gold standard" for its distinct aroma and texture, Pishori commands a significant price premium, typically retailing between Ksh 140 (~$1.09) and Ksh 200 (~$1.55) per kilogram. While this variety remains the preferred choice for consumers with higher purchasing power and celebratory events, domestic supply deficit necessitates a heavy reliance on the

non-aromatic segment to meet demand. Imports supply price-sensitive consumers by offering a more affordable product for Ksh 100–120 (~$0.78–$0.93) per kilogram.

Trade

Post forecasts that Kenya's MY 2026/27 rice imports will decline to 750,000 MT, representing a decrease of approximately 3.8 percent from the revised estimate of 780,000 MT in MY 2025/26. This downward trend is primarily driven by a significant rebound in domestic production, as local yields recover.

Kenya relies on international markets for most of its rice, drawing primarily from Asian producers to fill the gap in domestic production. In a notable shift in MY 2024/2025, India emerged as the leading exporter to the Kenyan market, reclaiming the top spot from Pakistan. Meanwhile, Tanzania maintained its position as the dominant regional source, providing the largest share of rice imports from within the East African community.

Since 2015, Kenya has maintained a recurring duty waiver from the EAC Secretariat to apply a reduced tariff on non-EAC rice, addressing the country's limited local production. While the standard EAC Common External Tariff is set at 75 percent (or $345/MT), Kenya currently utilizes a lower rate of 35 percent (or $200/MT). This waiver is reviewed annually, and local sources indicate that it will likely remain active through MY 2026/27. Kenya has justified the duty waiver based on the perennial local production deficit. Kenya is not a significant exporter of rice.

Table 7: Key Rice Exporters to Kenya (Year ending September)

Country	Unit	MY 2022/23	MY 2023/24	MY 2024/25
India	MT	694,085	137,320	375,756
Pakistan	MT	302,379	334,354	264,303
Thailand	MT	10,779	31,531	10,922
China	MT	1,205	274	2,056
Tanzania	MT	4,105	64,433	35,460
South Korea	MT	11,010	42,000	46,536

Source: Trade Data Monitor LLC

Changes to MY 2025/26

Post is revising Kenya's MY 2025/26 rice import estimates upwards from 760,000 MT to 780,000 metric tons. This adjustment comes as Kenya moves to bolster supplies and stabilize domestic prices to compensate for the decrease in local production. In July 2025, the Kenyan government authorized the duty-free importation of 500,000 MT milled rice. However, following a High Court challenge by local farmers, the court reduced this volume to a phased importation of 254,000 metric tons. This specific duty-free window closes in May 2026.

Stocks

FAS Nairobi forecasts MY 2026/27 stocks will increase marginally from 149,000 MT to 154,000 metric tons. All rice stocks in Kenya are held by farmers, cooperatives and private traders.

Attachments:

No Attachments