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Report Name: Barley - The Alternative Lifeline for Kenyan Wheat Farmers

Country: Kenya

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Report Highlights:

Kenyan wheat farmers are increasingly switching to barley to escape high costs, rigid pricing, and import competition. The transition is seamless because both crops share identical soil and climate requirements across the Narok-Nakuru-Meru belt. Although the local private sector offers guaranteed pre-planting prices that shield growers from market volatility, increased barley demand in the regional markets has rallied prices, accelerating the pivot towards the crop.

Summary

An increasing number of Kenyan wheat producers are shifting toward barley cultivation to mitigate high production costs, intense import competition, and government-controlled pricing. This transition is accelerating across the Narok-Nakuru-Meru corridor, where both crops share identical soil and climatic requirements. While barley offers a high-value alternative historically anchored by domestic contract farming, expanding regional demand has driven export prices upward, triggering a contraction in supply to local buyers. Despite the apparent viability of this transition, farmers continue to face challenges such as recurring droughts and volatile input prices. In addition, the prevalent short-term land-lease arrangements limit tenure security and discourage long-term investments in sustainable soil health.

Production

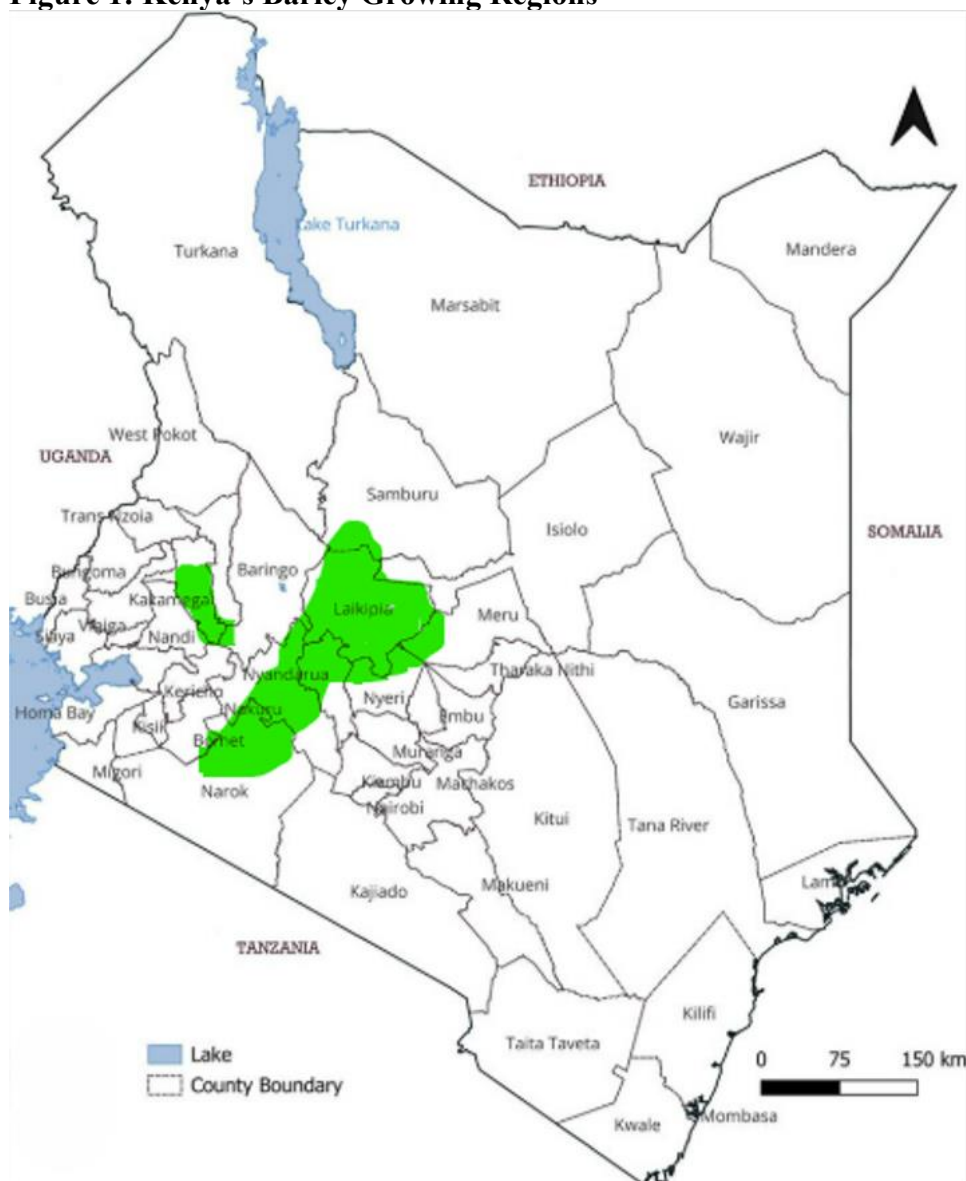
Barley production in Kenya is heavily concentrated across high-altitude regions characterized by cool climates, adequate volcanic soil, and reliable rainfall. Narok County in Southwestern Kenya acts as the anchor production region, commanding a dominant 60 percent national production through large commercial operations centered in Mau Narok, where average annual rainfall spans 800 to 1,200 millimeters and typical farm sizes range from 20 to over 200 hectares. Meru County contributes a substantial 15 to 20 percent share, utilizing highly mechanized corporate and family estates between 40 and 400 hectares in the high-altitude Timau region. Nakuru County captures 10 to 15 percent of national output, anchored by medium-scale contract farmers cultivating farms of 8 to 60 hectares in traditional zones like Molo. Emerging hubs like Uasin Gishu account for 5 to 10 percent of production through mid-to-large field conversions in Moiben and Soy, while Laikipia County maintains a minor 2 to 5 percent share using flatter landscapes for light mechanization. Wheat farmers in these regions are increasingly switching to barley to capitalize on more stable contract production and marketing arrangements. This transition is seamless, as both crops share identical soil and climate requirements.

Table 1: Kenyan Barley Production: Regional Share, Rainfall, and Farm Sizes

County	National Production Share (%)	Average Annual Rainfall	Typical Barley Farm Size (Hectares)	Key Growing Regions & Characteristics
Narok	~60%	800 mm – 1,200 mm	20 to 200+ ha	Leading national "grain basket" dominated by large commercial operations in Mau Narok.
Meru	~15% – 20%	700 mm – 1,000 mm	40 to 400+ ha	Characterized by large, highly mechanized corporate and family estates in high-altitude Timau.
Nakuru	~10% – 15%	1,000 mm – 1,400 mm	8 to 60 ha	Traditional production zones (Molo, Mau Narok) where medium-scale contract farmers dominate.
Uasin Gishu	~5% – 10%	900 mm – 1,100 mm	16 to 160 ha	Emerging hub centered around Moiben and Soy, where farmers are converting mid-to-large fields.
Laikipia	~2% – 5%	600 mm – 900 mm	4 to 40 ha	Smaller, viable medium-altitude cultivation zone utilizing flatter landscapes for light mechanization.

Source: FAS/Nairobi

Figure 1: Kenya's Barley Growing Regions



Source: FAS/Nairobi

Following a severe weather-induced downturn in 2023—when yields bottomed out at 2.47 metric tons (MT) per hectare—Kenya's barley sector has experienced a strong multi-year recovery. Output surged by 64.6 percent in 2024 and expanded by an additional 19.8 percent in 2025, culminating in a record production volume of 64,800 metric tons. This historic high was propelled by favorable weather patterns, particularly in the critical Mau Narok region, alongside a 7.7 percent year-on-year increase in cultivated land, which expanded from 13,929 hectares to 15,000 hectares.

Table 2: Barley Production Data (2020–2025)

Year	Cultivated Area (Ha)	Production (MT)	Average Yield (MT/ Ha)
2020	11,051	34,953	3.16
2021	13,319	33,117	2.49
2022	7,512	20,079	2.67
2023	13,292	32,876	2.47
2024	13,929	54,100	3.88
2025	15,000	64,800	4.32

Sources: Kenya National Bureau of Statistics & Ministry of Agriculture

Industry sources anticipate that this upward production trend may accelerate as more wheat farmers actively shift their land use toward barley.

Marketing

Barley marketing in Kenya represents one of the country's most vertically integrated agribusiness value chains. Historically, East African Breweries PLC, Kenya's dominant brewing company, dominated this landscape by securing the entire crop under pre-arranged buy-back contracts. Under a tightly managed framework, the firm acted as an all-in-one resource provider, directly supplying farmers with certified seeds, inputs, and agronomic extension services. In exchange for adhering to cultivation guidelines, growers benefited from a pricing mechanism that guarantees a pre-planting floor price.

Since the product must satisfy strict brewing standards, the contracting firm maintains rigorous quality control at the post-harvest handling stages. At centralized collection depots and silos managed by agents, inspectors deploy automated testing equipment to instantly evaluate deliveries. Agronomists enforce a strict maximum moisture ceiling of 13.5 percent to prevent storage mold, demand excellent grain plumpness for high-yield starch extraction, and test for total nitrogen content, which must remain strictly within a mandatory 1.7 to 2.2 percent brewing window. In recent years, however, the entry of export-bound off-takers has disrupted this traditional single buyer dynamic, providing local growers with a market leverage.

Pricing

The Kenyan barley market is characterized by a stark pricing divide between premium malting-grade grain and lower-tier feed-grade yields. This valuation gap reflects the divergence between corporate-backed contract farming and a highly volatile, uncontracted open market. Contracted growers who successfully meet stringent quality standards secure a guaranteed baseline price of up to \$0.46 (Ksh 60) per kilogram—a rate approximately seven percent higher than the 2026 domestic price of \$0.43 (Ksh 55.47) per kilogram for top-grade local wheat. Conversely, lower-grade barley that is diverted to the local livestock feed industry commands a much lower threshold of \$0.27 to \$0.31 (Ksh 35 to 40) per kilogram. Although this alternative market functions as a critical financial safety valve for producers with lower quality barley, it remains highly volatile, continuously influenced by localized supply dynamics including the availability and pricing of alternative feed components like corn. Transcending these domestic price-points, the regional export market has demonstrated substantial economic potential, outbidding local buyers by reaching a historic high of \$0.62 (Ksh 80) per kilogram in 2025.

Table 3: Barley Pricing Structure in Kenya (2026)

Metric	Malting-Grade Barley	Feed-Grade Barley	Regional Export Markets
Market Segment	Structured corporate contracts	Open/spot market	Cross-border regional trade
Primary Buyer(s)	Local brewing companies	Local feed millers	Export aggregators
Price per Kilogram	Contract price: \$0.46 (Ksh 60)	Open market price: \$0.27 to \$0.31 (Ksh 35 - 40)	Up to \$0.62 (Ksh 80)
Price per 90kg Bag	\$37.08 to \$39.40 (Ksh 4,800 - 5,100)	\$24.33 to \$27.81 (Ksh 3,150 - 3,600)	\$55.80 (Ksh 7,200)
Price Volatility	Low (insulated by pre-planting floor prices)	High (driven by harvest and corn supply)	Medium (subject to exchange rate and trade policies)

Source: FAS/Nairobi

Consumption

Barley utilization in Kenya is highly stratified and split unevenly between beverage production and animal feeds. Large-scale beer manufacturing acts as the dominant force, consuming over 90 percent of the total domestic consumption volume in 2025. The primary engine driving this demand is Kenya's malted beverages market – a demand that is buttressed by deep-seated beer-drinking culture, especially in urban centers - engrained in a hospitality-network of over 3,800 licensed restaurants, bars, and tourist lodges. In recent years, higher prices in the regional market have triggered significant exports of locally produced barley, leaving just about a quarter of local production available for local malting and downstream brewing operations.

Conversely, the secondary market captures lower-grade barley or grain damaged by unseasonal harvest rains. This residual consumption channel is linked to the economic performance of Kenya's intensive dairy and poultry sectors, particularly across the Rift Valley and Central regions, where feed millers blend the lower-grade barley into high-energy livestock feed rations.

Trade

Kenya has firmly positioned itself as the dominant East African supplier of raw barley. In 2025, Kenya's total barley exports climbed to an estimated 39,997 metric tons of grain, with the distribution showing an overwhelming concentration within the East African Community, primarily in Uganda and Tanzania. This trade flow is driven by intense cross-border demand from regional breweries, some of which are affiliates of breweries in Kenya. Uganda functions as the undisputed lead export market, absorbing 38,342 metric tons—or 93 percent of all Kenyan exports—to support its commercial malting and brewing industries. Tanzania maintains a minor share of 2.9 percent (1,150 metric tons) to balance its domestic supply deficit. Beyond these two destinations, a tiny 1.2 percent of the market (505 metric tons) comprised of micro-scale sample shipments to Burundi and the United Kingdom.

Table 4: Kenya Barley and Processed Malt Exports (2020-2025)

Destination	Unit	Year						
		2020	2021	2022	2023	2024	2024	2025
Uganda	MT	19,722	25,362	34,498	28,099	30,902	30,902	38,342
Tanzania	MT	-	200	-	140	-	-	1,150
Burundi	MT	-	-	-	-	-	-	504
United Kingdom	MT	-	-	-	-	-	-	1
Canada	MT	1	1	-	-	-	-	-
Seychelles	MT	100	-	-	-	-	-	-
Rwanda	MT	350	960	-	-	-	-	-

Source: Trade Data Monitor

Trade metrics captured by the Trade Data Monitor Inc. indicate that Kenya imported about three metric tons annually in 2025. This small volume is primarily sourced from regional sources such as Ethiopia, Tanzania, and from India. Industry sources indicate that rather than importing raw barley, domestic processors instead would favor a strategy of "malt substitution." - importing pre-processed malt whenever there is a local supply shortfall.

Stocks

Barley stock management in Kenya is fully privatized, operating entirely outside the public grain storage that is managed by the National Cereals and Produce Board. Beverage companies and industrial aggregators handle their own supply chains through advanced storage hubs clustered across Nairobi, Nakuru, and Kisumu. These specialized facilities utilize climate-controlled aeration systems to preserve grain viability for malting. Inventory levels fluctuate continuously based on the harvest calendar, malting demand, and production outlook. According to industry contacts, malting units maintain a steady operational buffer estimated at 10,000 to 15,000 MT of barley at any given time.

Challenges

The Kenyan barley sector faces significant challenges that span climate variability, volatile input prices and land tenure. Erratic rainfall and frequent droughts disrupt production and compromise grain quality, making it difficult for farmers to meet strict malting standards. These farming risks are further compounded by weak land tenure systems, where short-term leases discourage long-term investments in soil health and farm infrastructure. Additionally, macroeconomic pressures cause price volatility for inputs like fertilizers, fuel, and seed treatments. Despite these hurdles, barley maintains a competitive advantage over wheat due to relatively higher prices and superior post-harvest logistics. Crucially, barley is less vulnerable to *Quelea quelea* birds, which can devastate up to 40 percent of wheat harvests. Furthermore, improved, early maturing varieties - such as *Propino*, *Laureate*, *Aliciana*, and *Planet* - have innate tolerance to fungal diseases, significantly reducing fungicide expenses.

Attachments:

No Attachments.