

Africa's Sugar investment frontier: Trade flows, market opportunities and why East Africa matters

By Nick Kwolek, Founder & MD - Kulea

Mauritius

Kulea Services

Saudi Arabia

Kenya

Data

- Prices
- Vessels and Ports
- Sugar Production Quantities & Milling Seasons
- Factory Details

Analytics

- Port Waiting Times
- Sugar Production & Consumption Trends
- Export & Import Trends
- Import Parities & Trading Tools

Insights

- Reports (Weekly, Monthly, & Quarterly)
- Bi-monthly soft commodity consultation
- Agri-feasibility studies

Malawi

United Arab Emirates

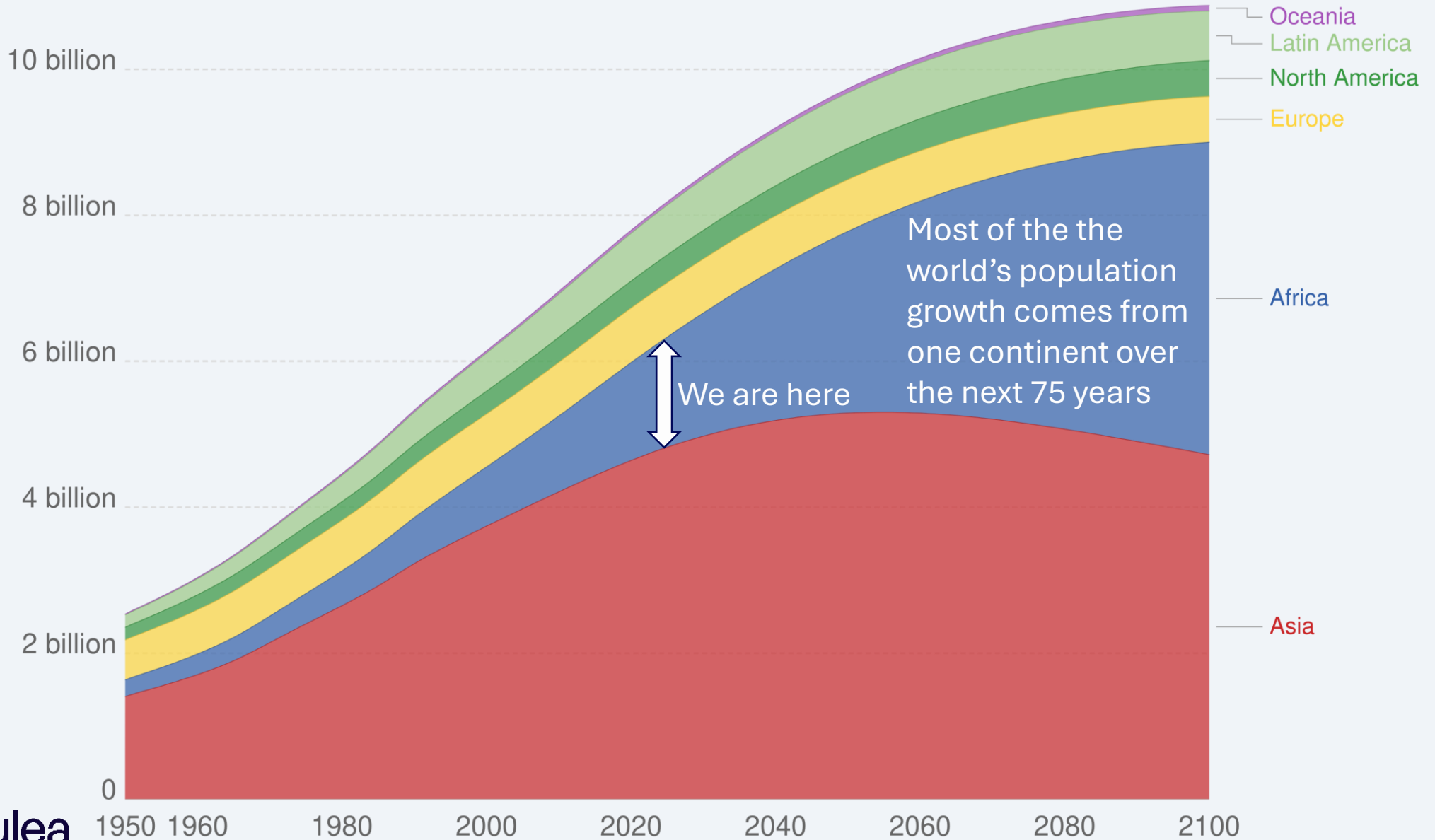
Poland

Netherlands

Sweden

World population by region projected to 2100

Projected population to 2100 is based on the UN's medium population scenario.



Sugar

Africa Europe CIS

- Dashboard
- Trade Flows
- Price Benchmark
- Prices
- Trading Tools
- Vessel Tracking
- Port Analytics
- Container Tracking
- News & Reports
- Downloads

Workspace: Overview **Map** Sankey Sugar Summaries Crop Calendar

Tanzania	Uganda
North Africa 6 Deselect All	
Algeria	Egypt
Libya	Morocco
Sudan	Tunisia
Southern Africa 11 Deselect All	
Angola	Botswana
Eswatini	Madagascar
Malawi	Mauritius
Mozambique	Namibia
South Africa	Zambia
Zimbabwe	
West Africa 16 Deselect All	
Benin	Burkina Faso
Cameroon	Côte D'Ivoire
Gabon	Gambia
Ghana	Guinea
Liberia	Mali
Mauritania	Niger
Nigeria	Senegal
Sierra Leone	Togo



Flows	Hubs	Mills
Intra Continent Export / Import	Domestic	Operational
Smuggling		Mothballed
Transit		Under Construction
Re-Export Official		Project
World Market Import		Defunct
World Market Export		

East Africa is where most of the African Sugar investment is taking place, but why?



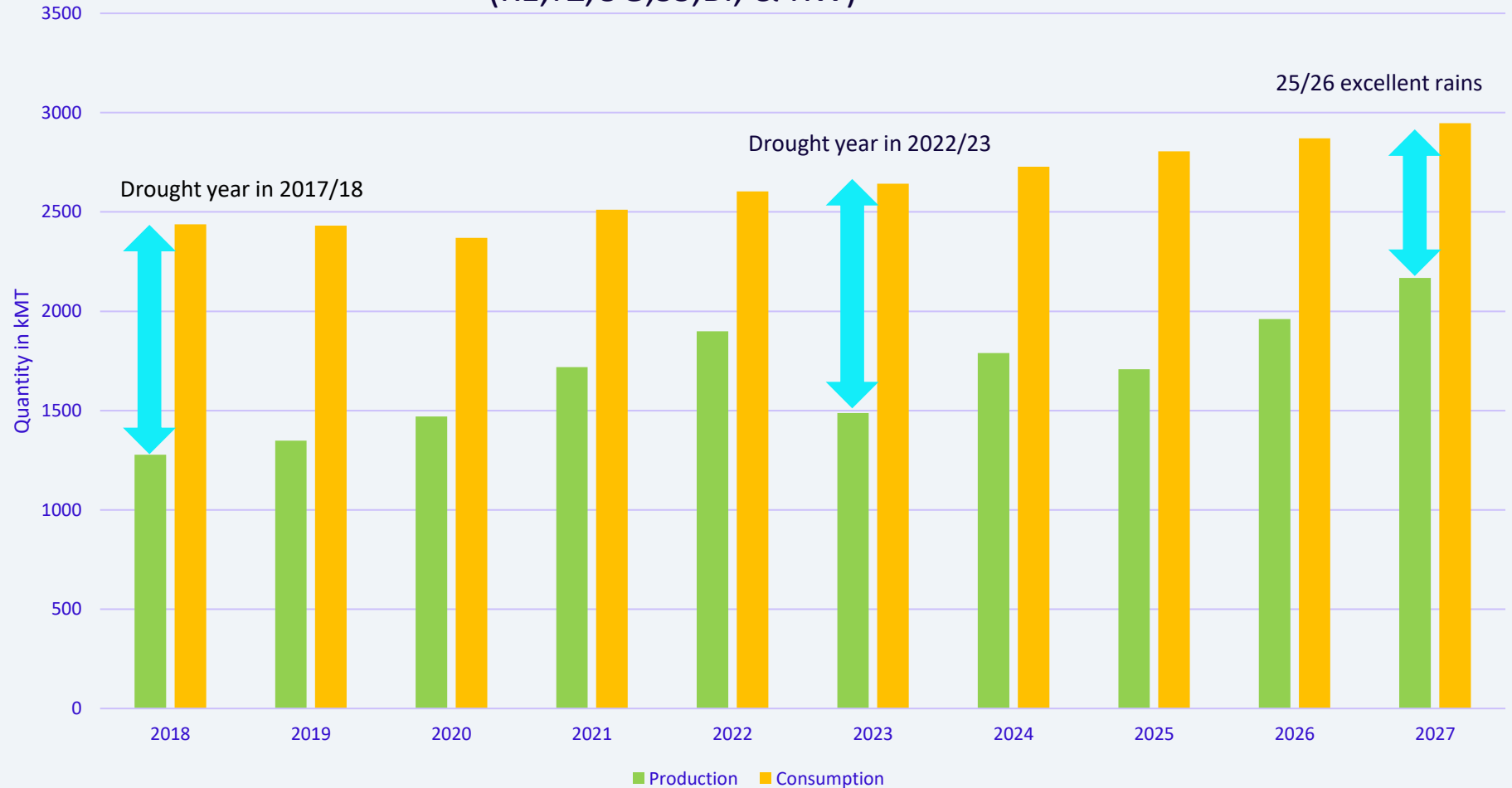
East Africa

Kenya, Uganda, Tanzania, Rwanda, Burundi, & South Sudan.

EA Production vs Consumption

- The region has a population of 225 million people, growing at about 3% per annum.
- East Africa a predominantly a brown sugar market with nearly all the production being brown sugar.
- Sugarcane is mainly produced by small-scale growers and is overly dependent on rainfall.
- Total sugar production in 2025 was 1.6 million MT, against an estimated consumption of 2.80 million MT.
- The region has a deficit of 1 million MT, split evenly between brown and refined sugar.
- Drought affects the crops significantly in Eastern Africa, especially in Kenya.

East Africa Sugar Outlook (KE,TZ,UG,SS,BI, & RW)

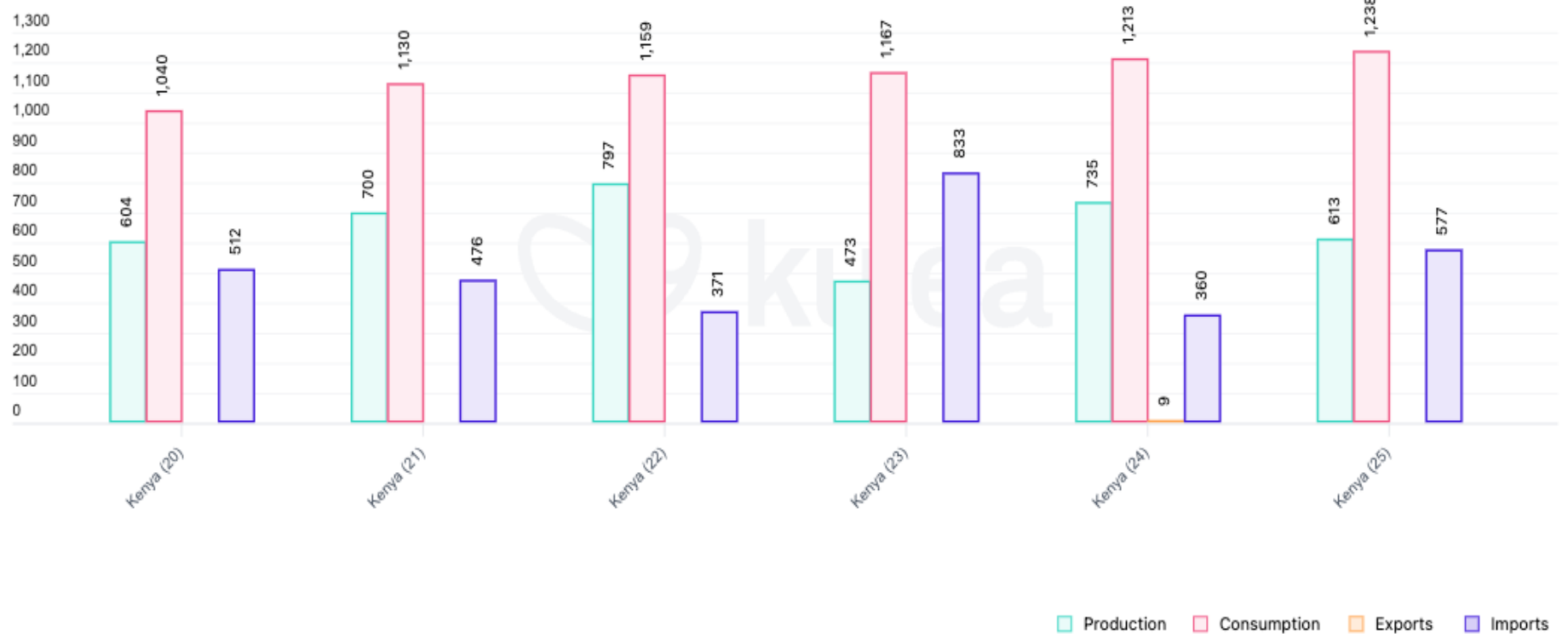


Kenya

- The only surplus brown sugar producer in East Africa.
- Expected output in 2025 is about 630kMT; up from 623kMT in 2024.
- Exports its surplus to EAC countries.
- Ugandan brown sugar export price is usually higher than COMESA producers but benefits from geographical proximity.
- Refined sugar production started in 2021 but the country still import most of its refined sugar.

Aggregated Production, Consumption, Exports & Imports (2020-2025)

(kMT)



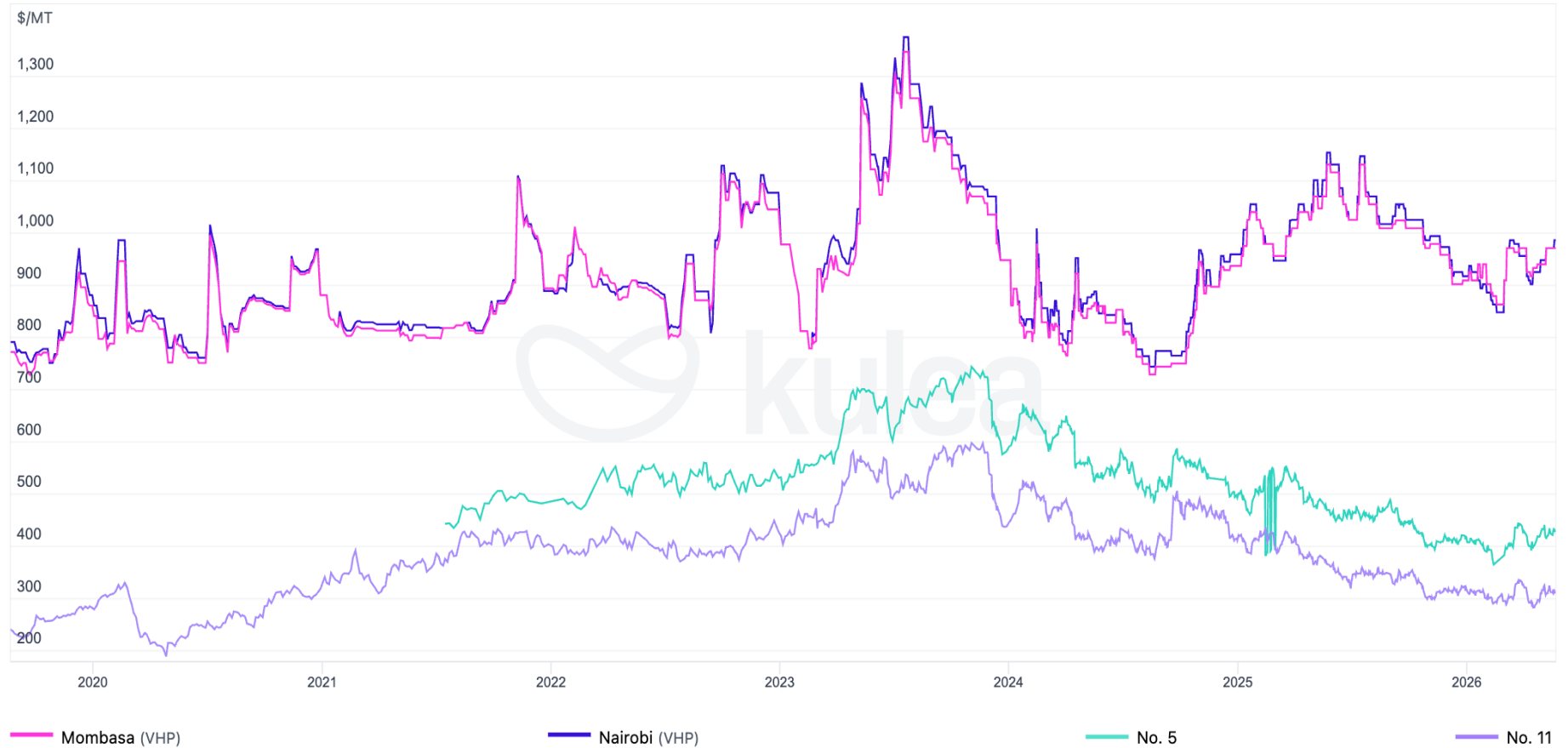
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Kenya

- Has 16 operational factories with an installed milling capacity of 50,750 TCD.
- There are two mega factories in early stages that will change the face of Kenyan sugar!
- Several factories coming up or concluded over the past 5 years.
- Highly volatile sugar production total that create huge import demand in some years.
- Sugar prices also highly volatile.
- Imports brown sugar from the EAC, COMESA, and occasionally from the world market.
- Refined sugar imports are mainly from the UAE, Saudi Arabia, India, Thailand, Egypt, and Mauritius.

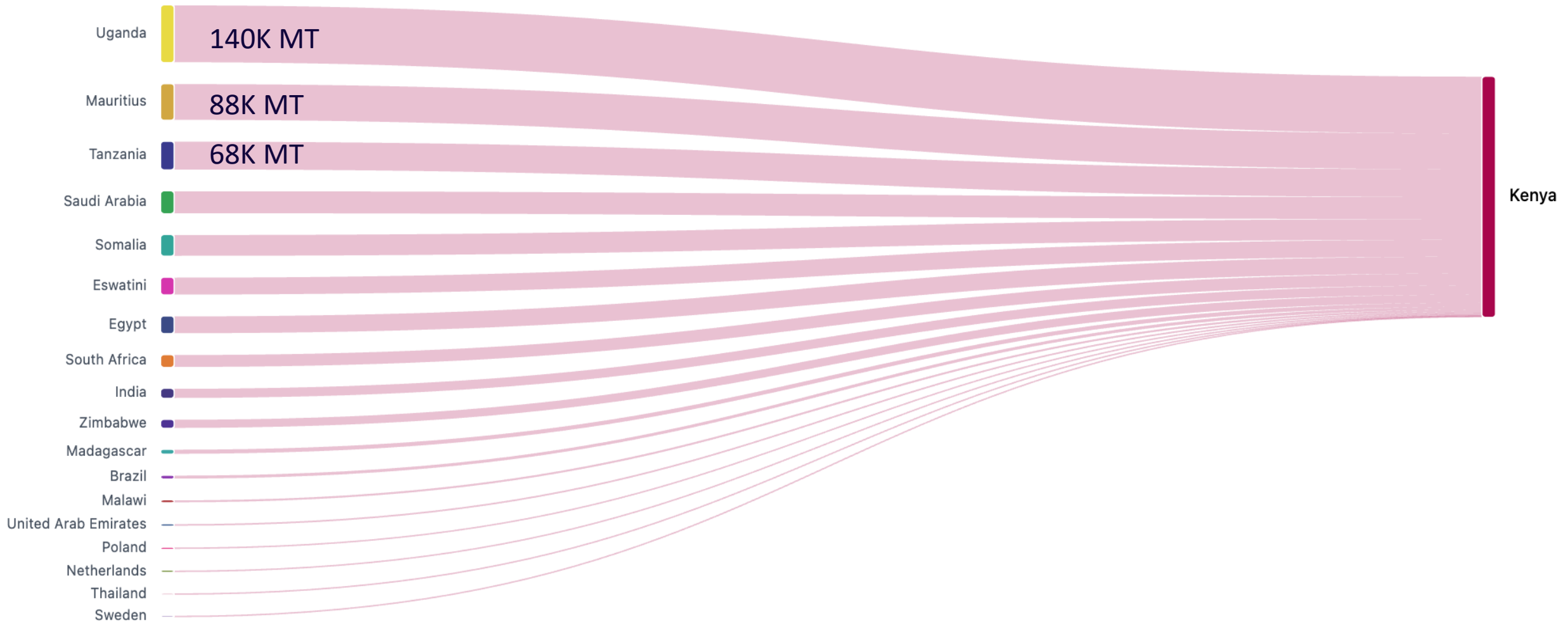
Wholesale Sugar Prices (VAT included) vs No. 5 and No. 11 sugar contracts (22/08/2019 - 24/05/2026)



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Combined Trade Flows (2025)



Year **8** ^

2025 2024 2023 2022
2021 2020 2019 2018

Filter by Asset **2** Deselect All ^

Flows
 Mills

Countries **45** ^

Central Africa **2** Select All v

Eastern Africa **10** Select All ^

Burundi	Djibouti
Eritrea	Ethiopia
Kenya	Rwanda
Somalia	South Sudan
Tanzania	Uganda

North Africa **6** Select All v

Southern Africa **11** Select All v

West Africa **16** Select All v



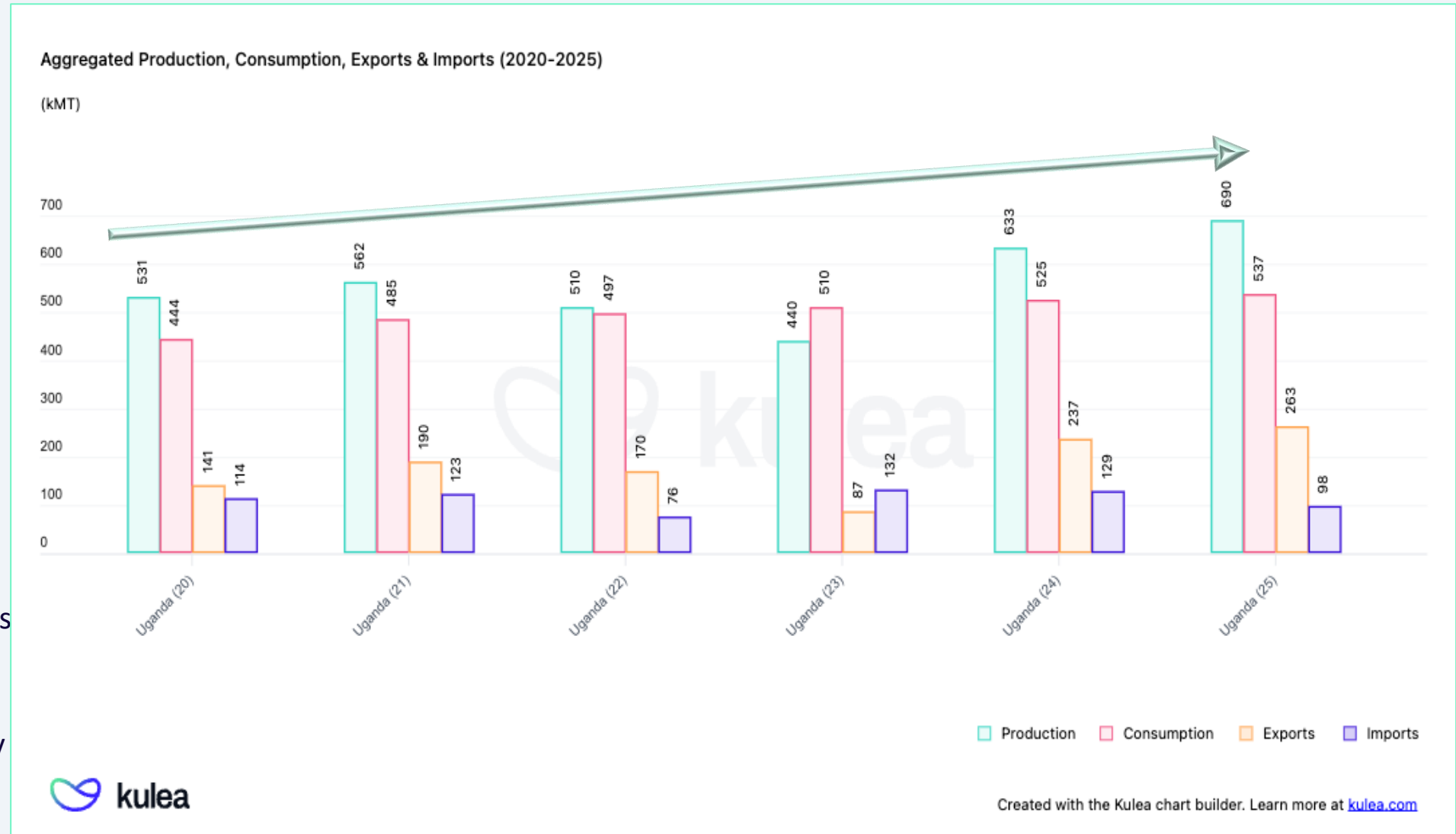
Showing data for 1 countries 2025

Country	Production (kMT)	Consumption (kMT)	Exports (kMT)	Imports (kMT)
Kenya	613	1,238	0	577



Uganda

- The only surplus brown sugar producer in East Africa.
- Output in 2025 surged from 633 in 2024 to 690kMT.
- 2026 should top 770KMT production in Uganda is exploding.
- Exports its surplus to EAC countries.
- Ugandan brown sugar export price is usually higher than COMESA producers but benefits from geographical proximity.
- Refined sugar production started in 2021 and the country is now almost totally self sufficient in white sugar production.



Uganda

- Has 46 factories and thus a massive over capacity, but only 15 factories really contribute to Uganda's sugar output.
- 6 factories contribute to around 70% of Uganda's output.
- Prices remain volatile and track Kenyan prices. The world market is becoming more and more important to Ugandan ex factory prices as it starts to compete more and more vs cheap rebagged Brown Brazilian Raw sugar imports from India.

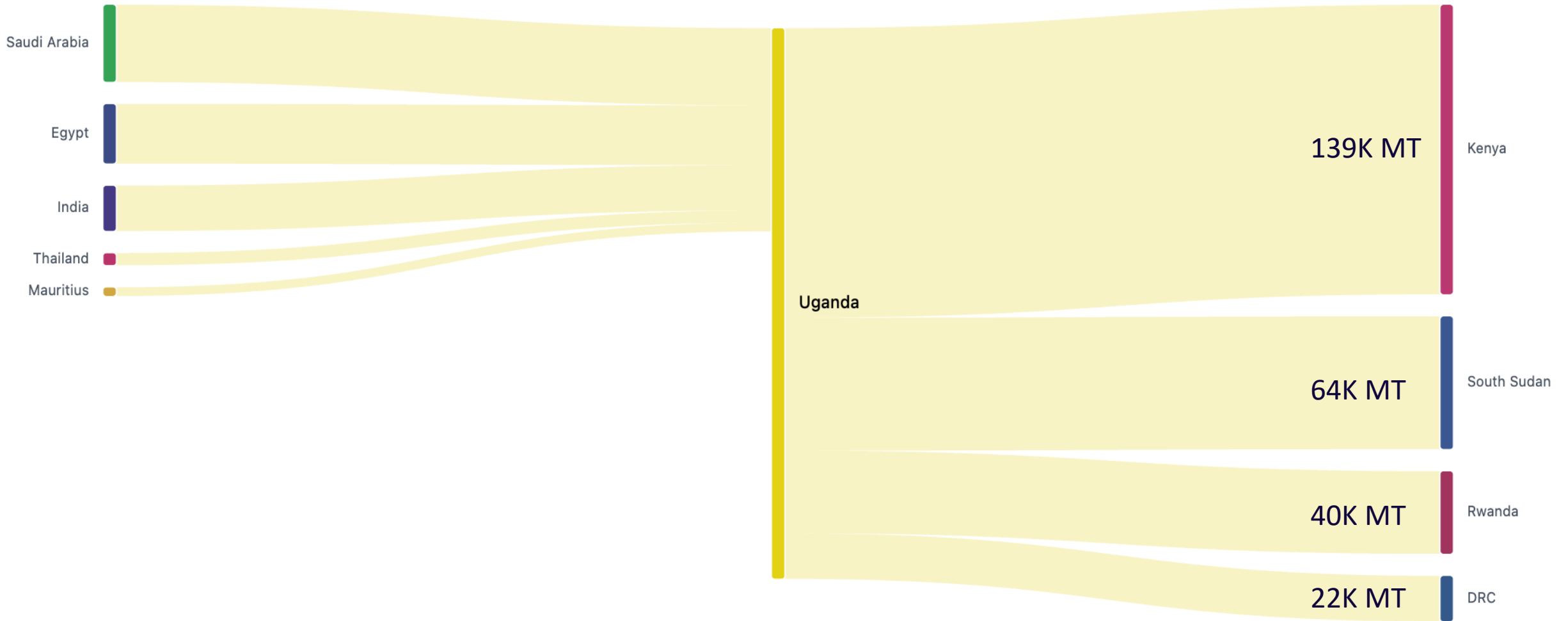
Wholesale Sugar Prices (VAT included) vs No. 5 and No. 11 sugar contracts (22/08/2019 - 24/05/2026)



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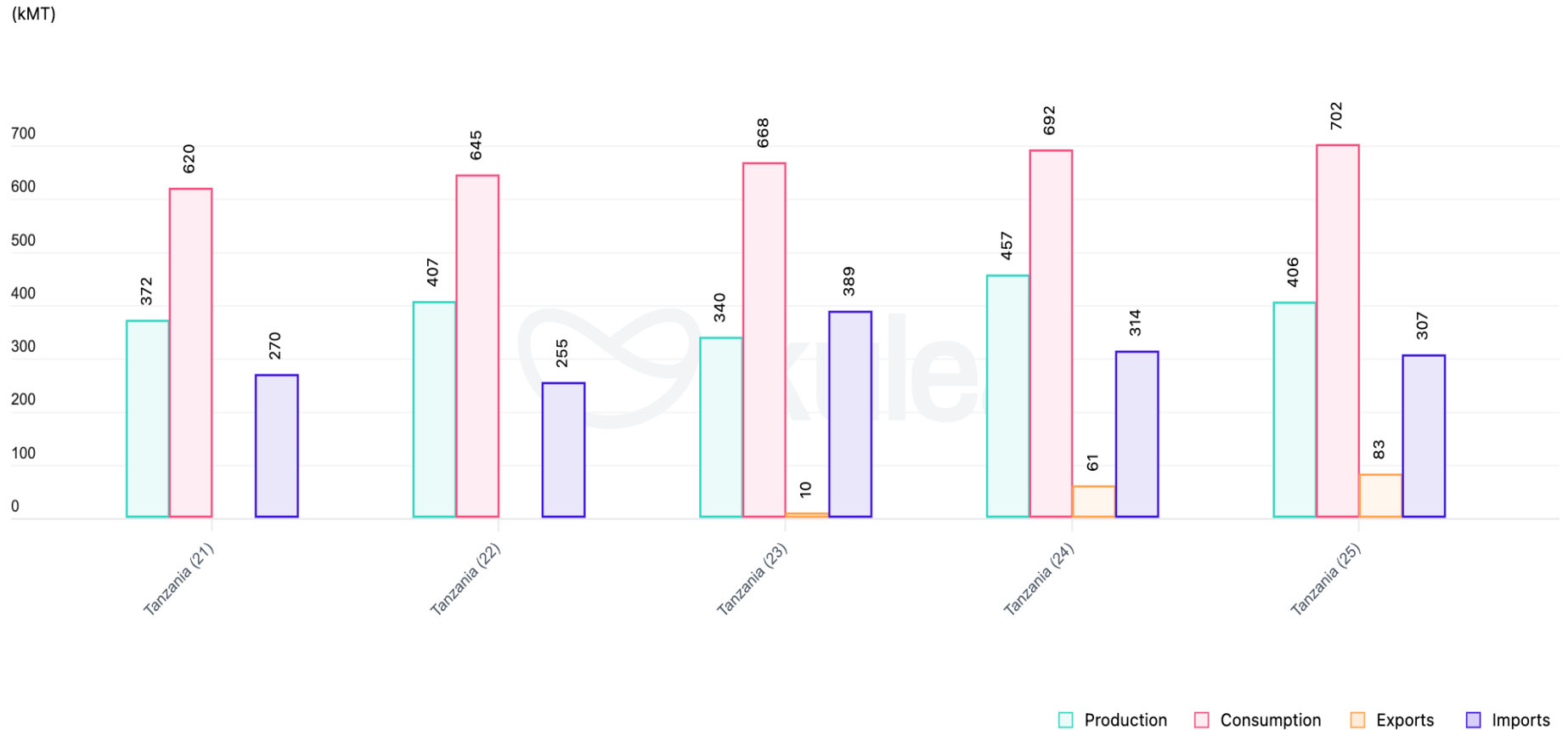
Combined Trade Flows (2025)



Tanzania

- Sugar Production has been erratic over the last 5 year despite significant investment.
- Overall sugar deficit of about 270kMT, expected to be narrower in the next 4-5 years, with many new projects under construction.
- Sugar consumption and population is growing rapidly. TZ deficit will rise again in 7+ years.
- Bagged VHP sugar imports had been strictly in millers control. Current regime has changed the trend, leading to excess imports.
- TZ imports all its refined sugar and majority of brown sugar from outside Africa despite being a SADC state.
- Domestic market brown sugar wholesale price is usually about double the world market.
- Tanzania has been forced to export in recent years due to over import by traders.

Aggregated Production, Consumption, Exports & Imports (2021-2025)



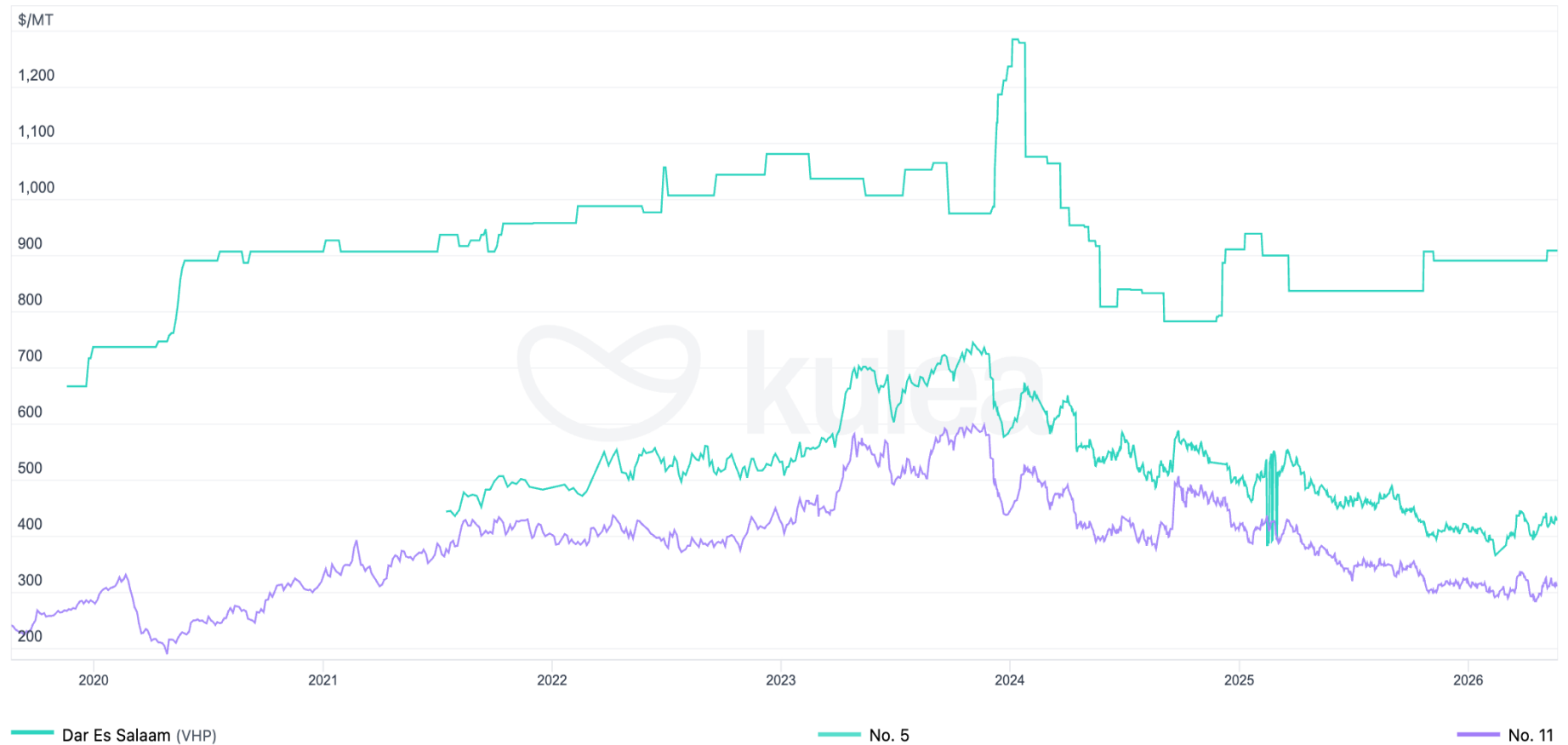
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Tanzania

- Prices in Tanzania remain firm in regional terms.
- Tanzania has the least sugar factories of the main East African producing counties and has the largest tracts of viable agricultural land left available.
- Huge new investment is taking place across the country, to address the violent population explosion happening in Tanzania. The cat is out of the bag!

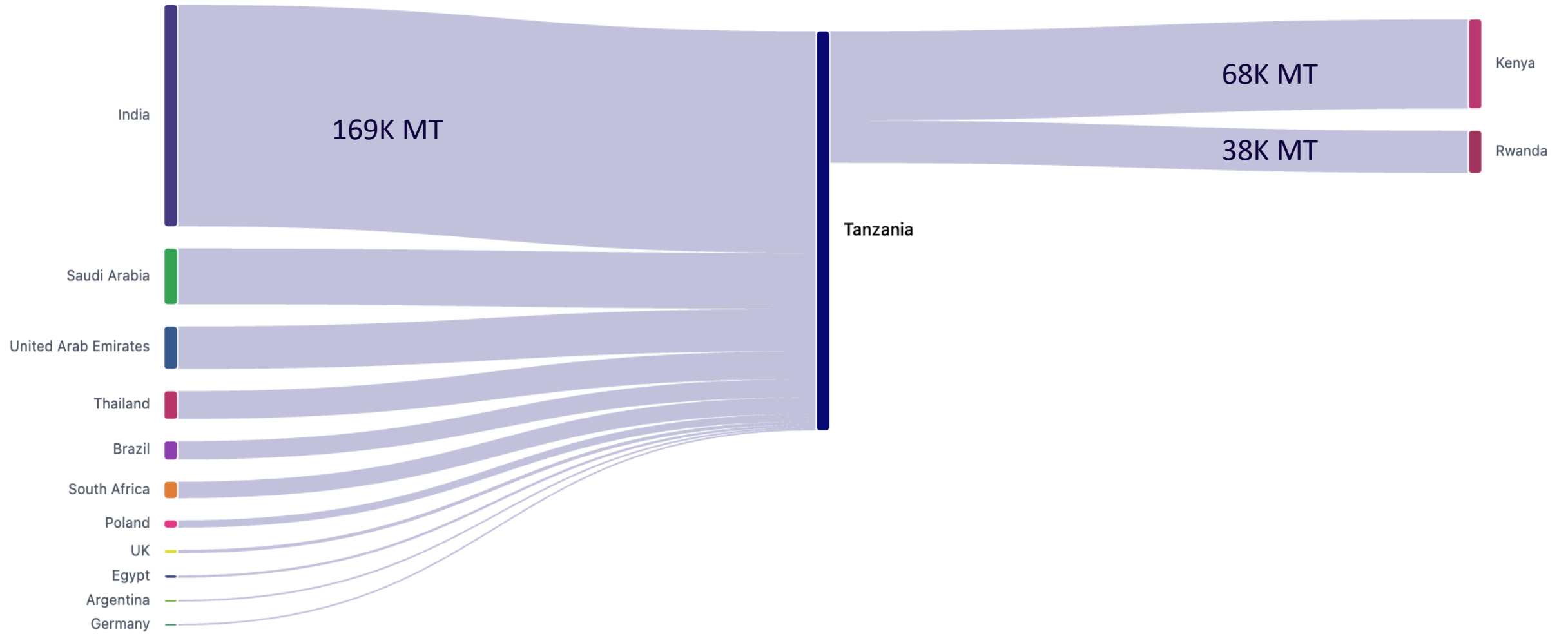
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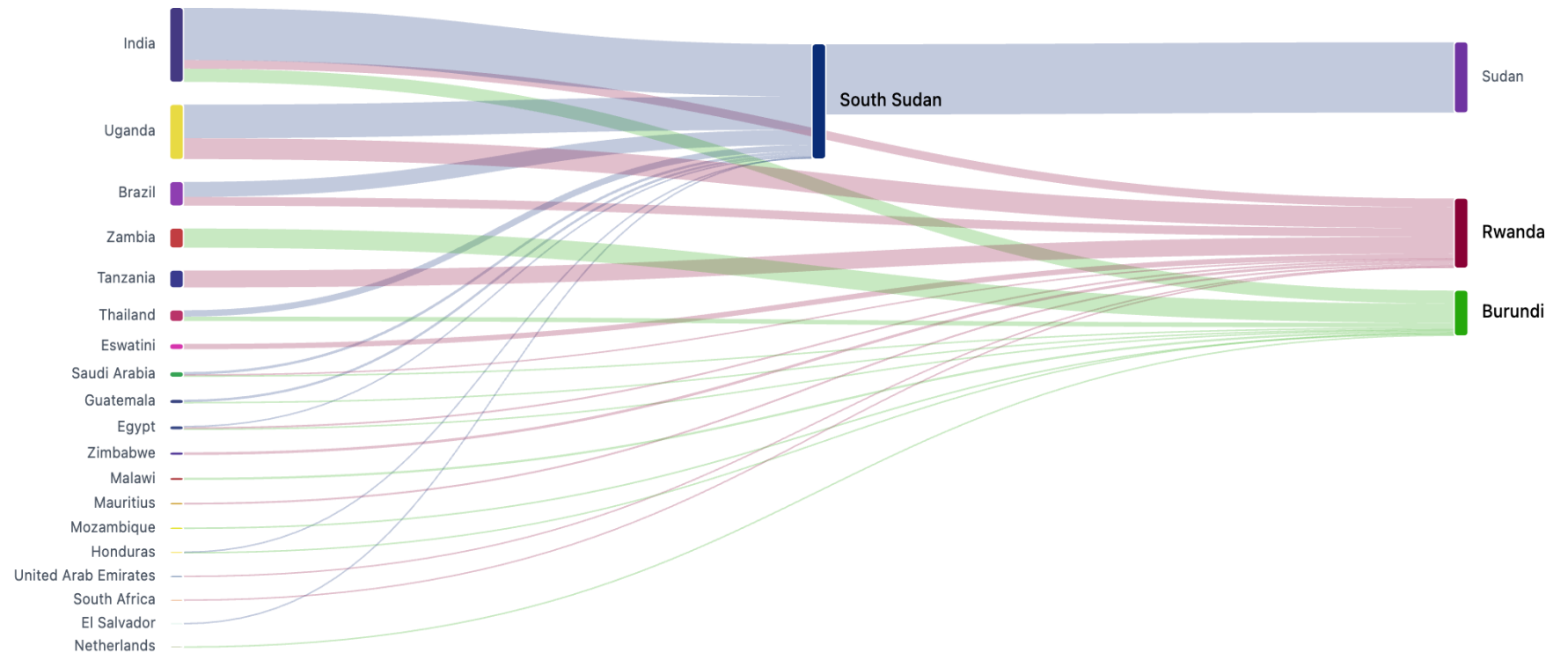
Combined Trade Flows (2025)



Rwanda, Burundi, & South Sudan

- The battle ground between the world market and regional sugars mainly Uganda
- Uganda has been prolific to South Sudan and Rwanda this year, but the low world market price has meant it has stiff competition from rebagged Brazilian raws from India.
- High inland freight to destination give Uganda, Malawi, and Zambia a competitive advantage. Higher today due to fuel prices
- Rwanda: No duty on COMESA and EAC origin sugar but charges 25% on world market brown sugar.

Combined Trade Flows (2025)



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EAC Sugar Import Duty Structure

- Refined sugar and bulk raws for refining are classified as an intermediate product (raw material), therefore, charged 10% duty.
- Bagged VHPs (brown) sugar fall under sensitive good, with countries allowed to alter set duty rate (35% of CIF value) as per need to protect local factories.
- Burundi exempts industrial buyers from paying import duty on both refined and brown sugar.
- Kenya & Tanzania change world market brown sugar import duty rates during period of dire shortage.

Table xx: EAC countries sugar import duty rates

COUNTRY	EAC	COMESA FTA	COMESA NON-FTA	SADC	WORLD MARKET
Kenya	0%	0%	10%	N/A	100%
Tanzania	0%	N/A	N/A	0%	100% or USD 460 per tonne (whichever is higher)
Rwanda	0%	0%	0%	N/A	25%
Burundi	0%	0%	0%	N/A	25%
DRC	0%	0%	0%	0%	0%
South Sudan	0%	0%	0%	N/A	0%
Somalia	0%	N/A	N/A	N/A	0%

The Horn of Africa

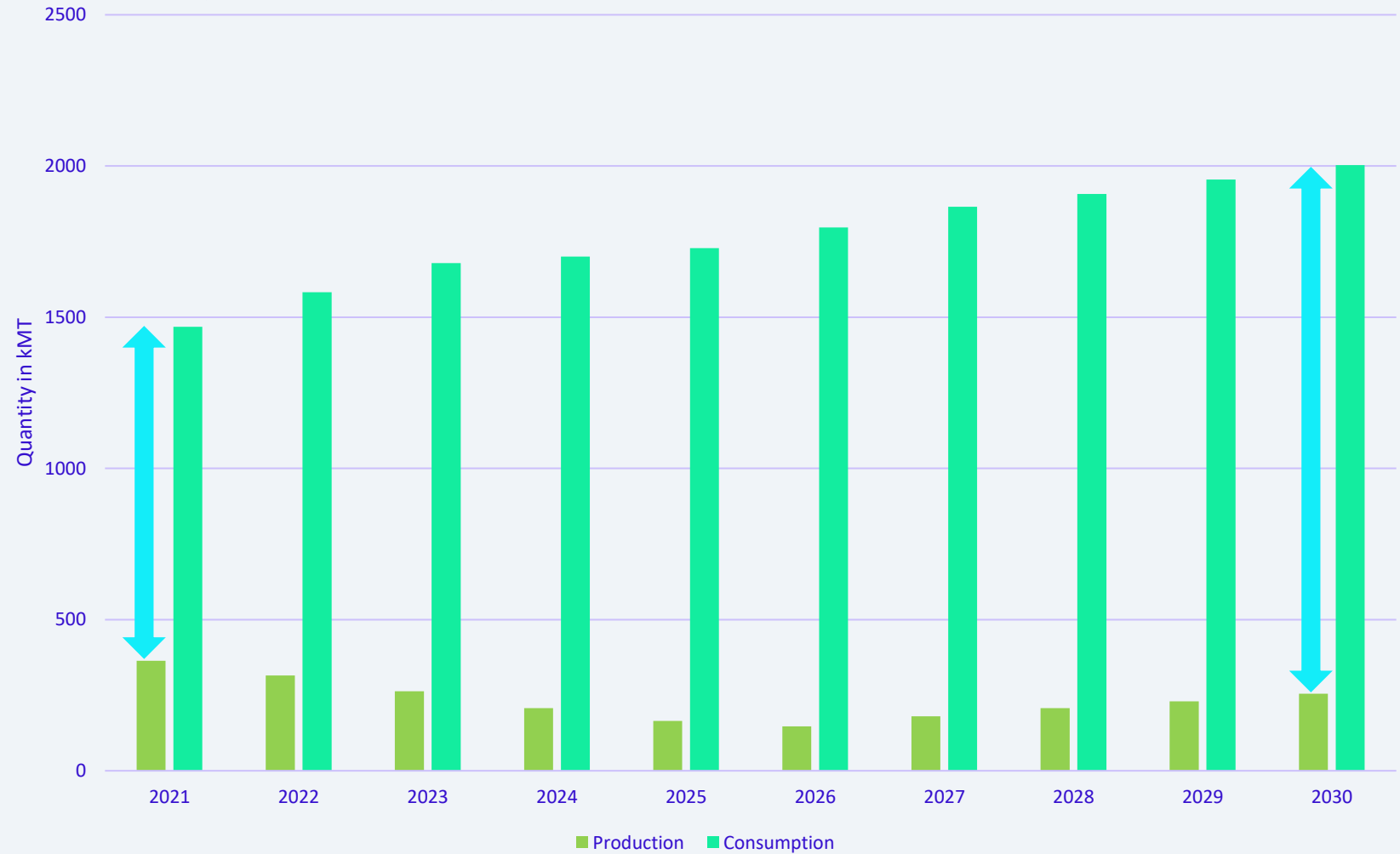
The big deficit on the Eastern Coast

Horn of Africa

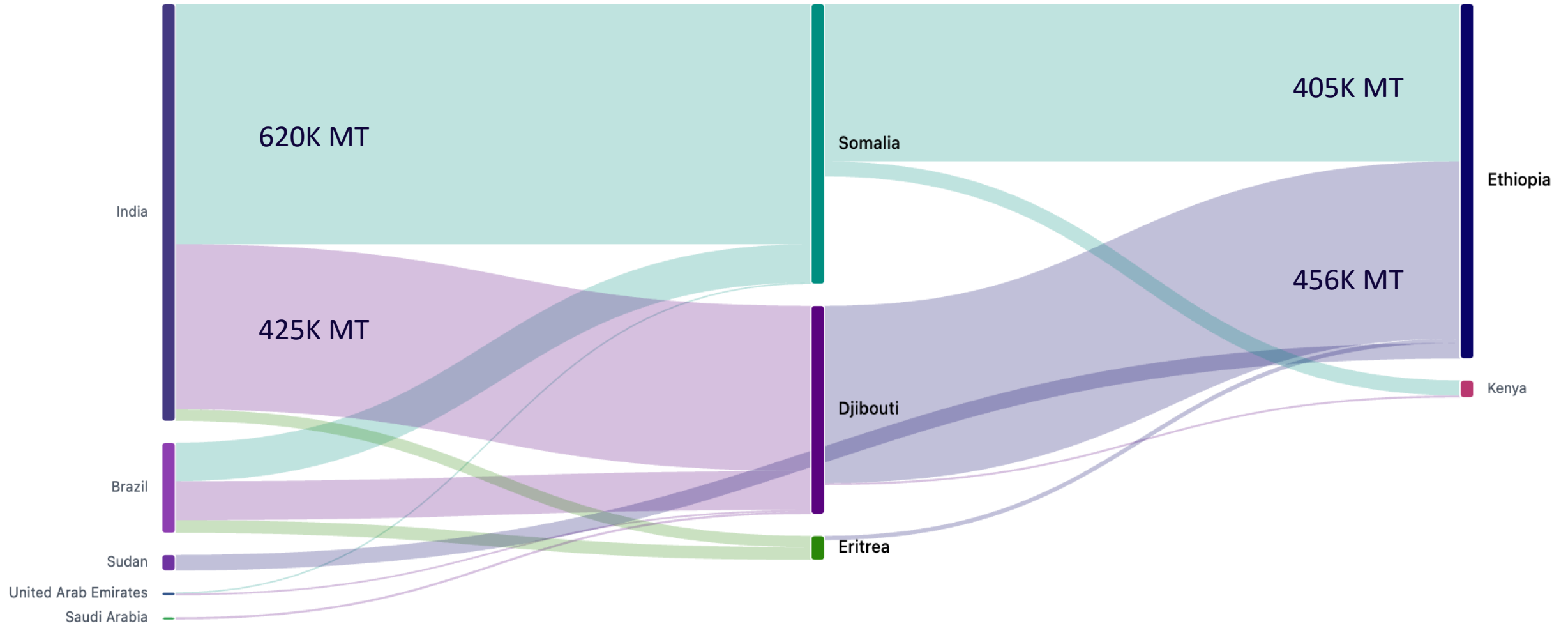
- The region is a mostly dependent on imports, especially due to the declining sugar production in Ethiopia. No operational sugar mills in Djibouti & Somalia.
- Horn of Africa is a price sensitive market, consuming mostly refined and low-quality white sugar from the world market.
- With more refineries coming up in the GCC and India restricting domestic sugar exports, the Horn of Africa will be dominated by refined sugar in the foreseeable future.
- The deficit in the Horn is exploding as the Ethiopian and Somali populations grow rapidly.

Sugar Production vs Consumption in the Horn of Africa

(ET, DJ, & SO)



Combined Trade Flows (2023)

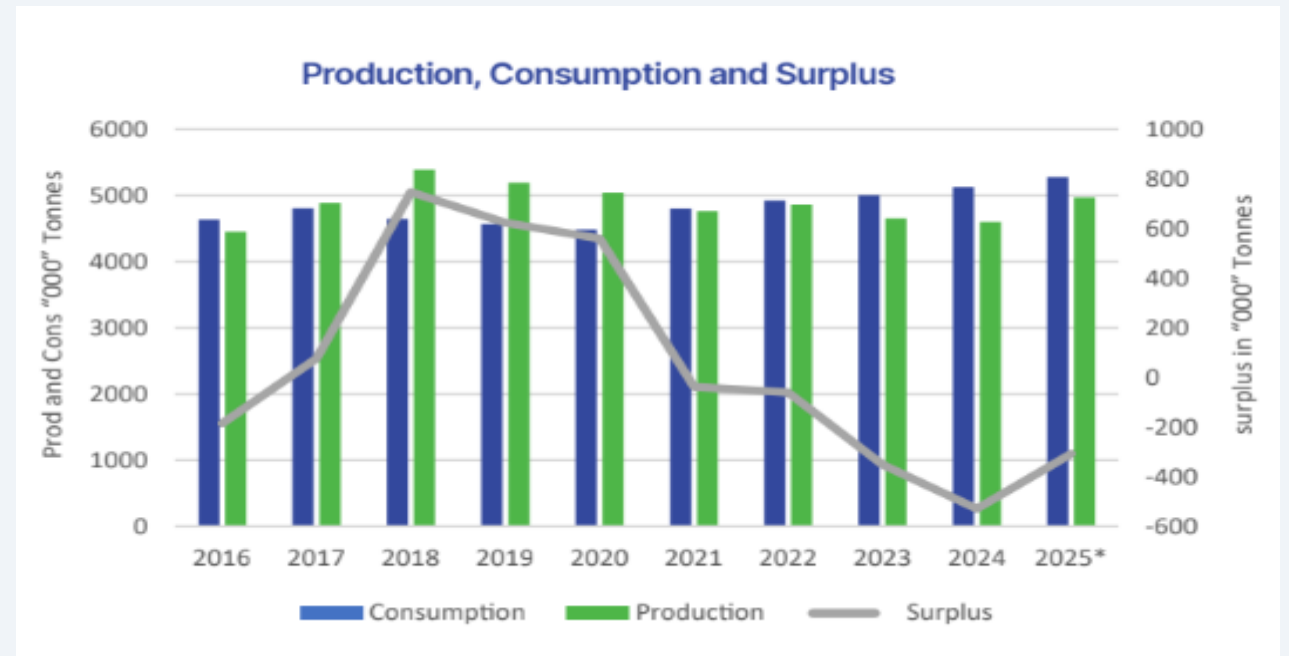


SADC Sugar Industry

The trade bloc has 16 states, but with little cohesion.

SADC Sugar Production & Consumption

- Production of 4.6 million MT against consumption of 5.1 million MT as of 2024/25.
- Leading sugar producing states are South Africa, Eswatini, Zimbabwe, Zambia, Tanzania, Malawi, and Mauritius
- Predominantly deficit countries (not considering Lesotho) are Angola, Tanzania, DR Congo, Botswana, Namibia, and Madagascar.
- Where SADC differs significantly to Eastern Africa is the slower rate of consumption growth.
- The one large surplus in Southern Africa is however disappearing as the industry struggles for presence on the global stage vs cheap imports from the world market specifically in South Africa.

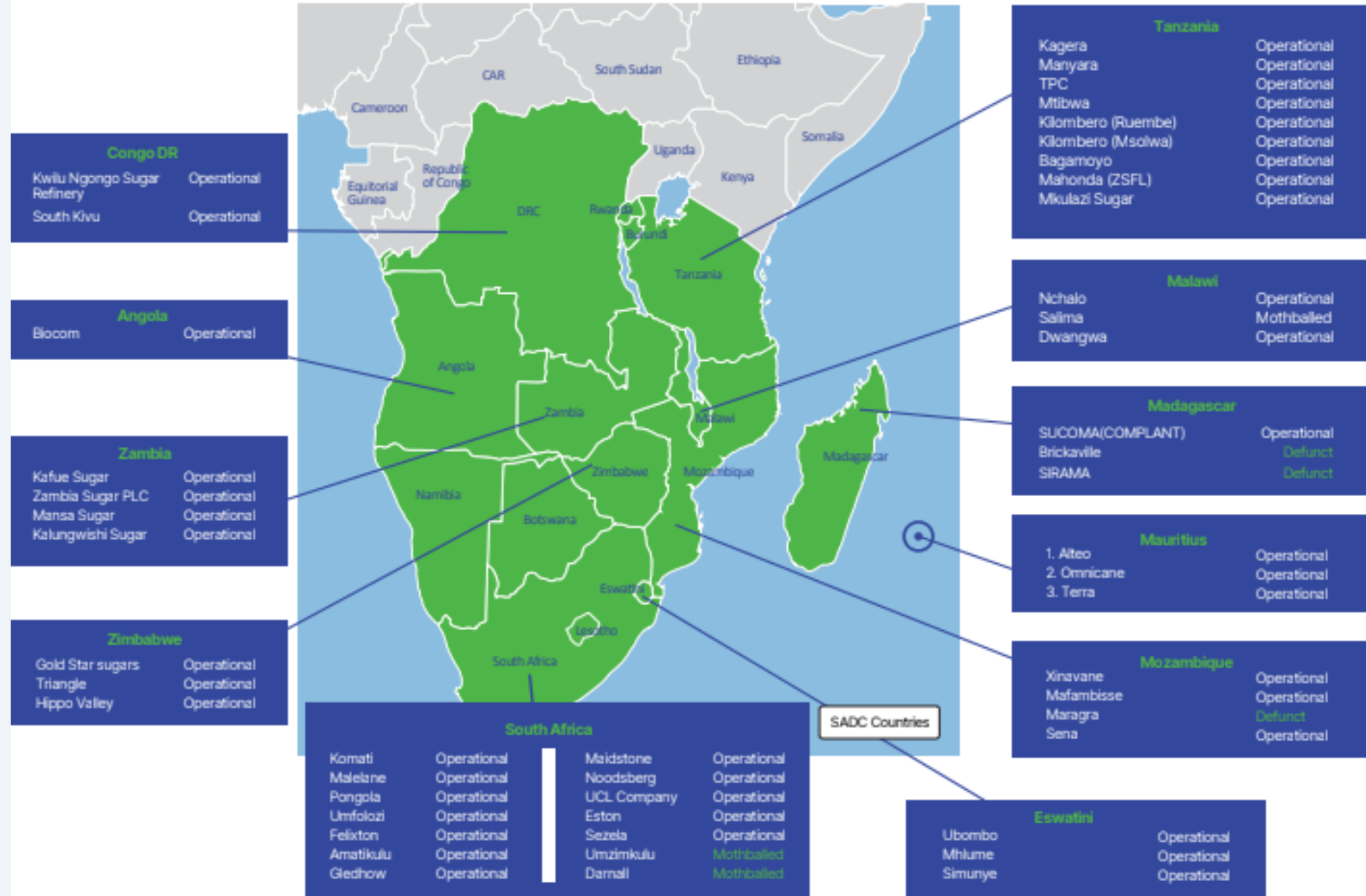


Country	Production	Consumption	Surplus/deficit
Zambia	360	272	88
Zimbabwe	360	398	(38)
Mozambique	210	205	5
Malawi	220	206	14
Mauritius	226	56	170
South Africa	1868	1898	(30)
Eswatini	644	36	608
Angola	120	442	(322)
DR. Congo	81	496	(415)
Tanzania	420	692	(272)
Madagascar	95	245	(150)
Botswana	0	75	(75)
Namibia	0	112	(112)
Totals	4604	5133	- 529

SADC Sugar Production & Consumption

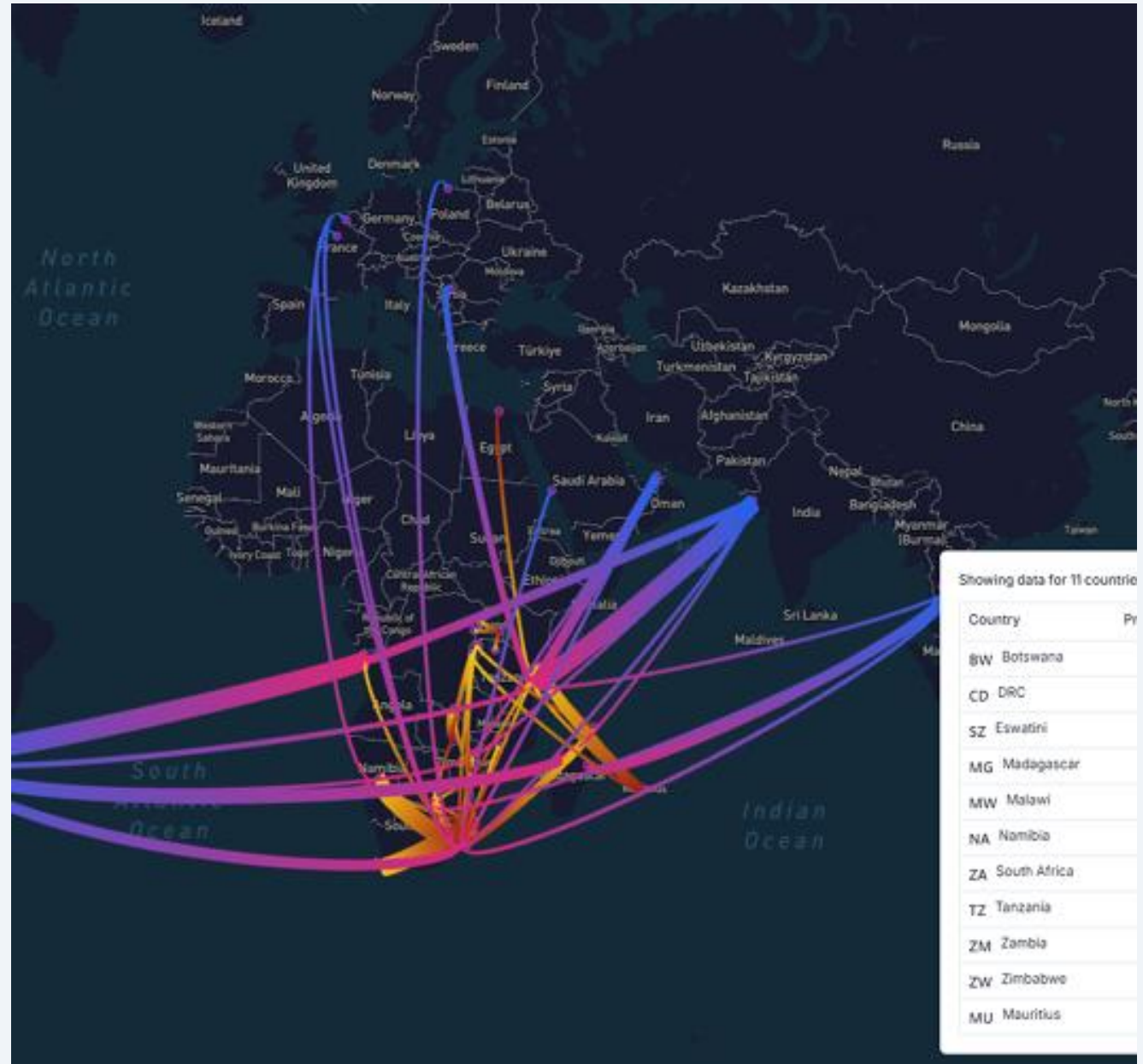
- Total refining capacity 10,830 TCD spread across South Africa, Eswatini, Malawi, Mozambique, Mauritius, Zambia, & Zimbabwe.
- Stand-alone refinery capacity is 2,600 TCD (South Africa – Tongaat Hulett; Zimbabwe – Star Africa).
- Fuel ethanol production only in Angola, Mauritius and Zimbabwe.

43 Sugar Mills in Southern Africa in Eleven Countries



SADC Sugar Exports and Imports

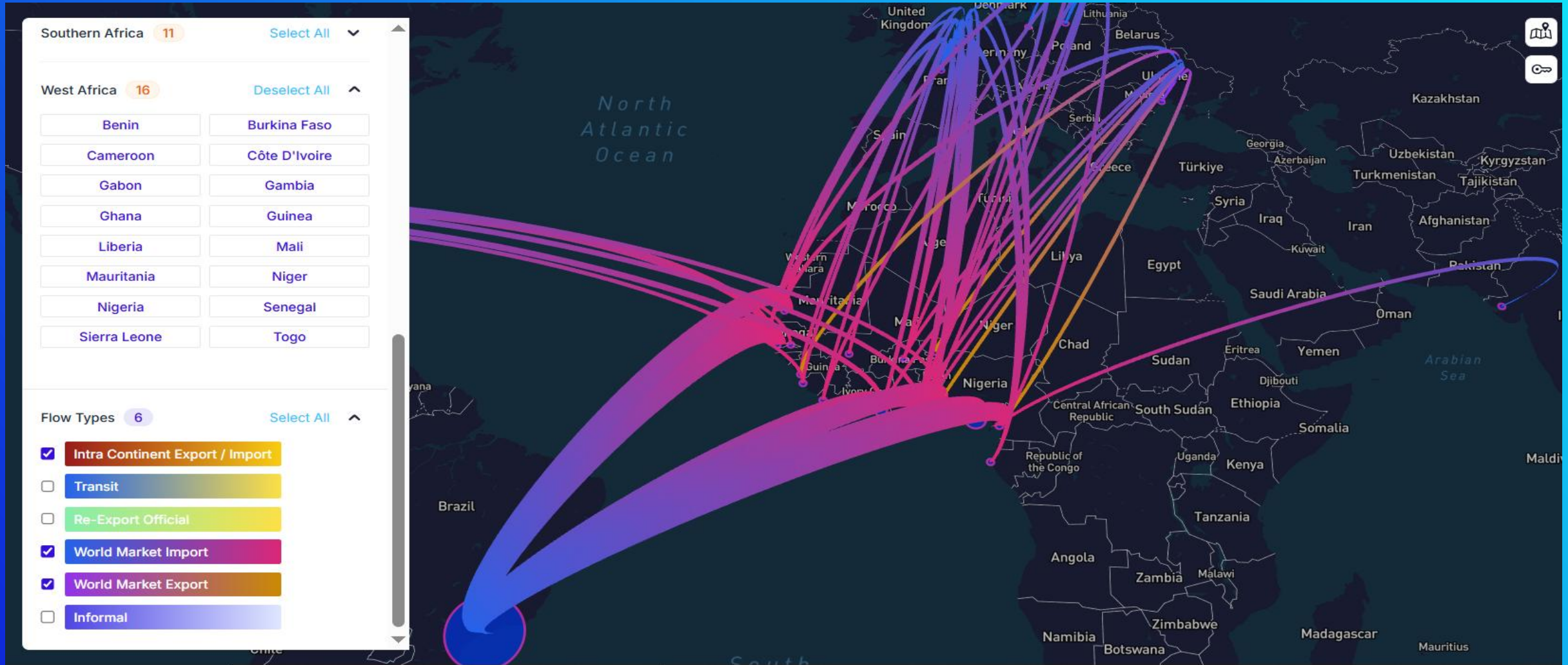
- The bloc is not cohesive as most of the sugar trade happens within SACU. The non-SACU SADC states import mostly from world market.
- Total exports 1.1 million MT; Imports – 0.9 million MT.
- Major exporters – South Africa, Eswatini, & Mauritius.
- Key sugar export destinations – Asia (46%), EU (22%), the UK(16%), Africa (13%), & the US(4%).
- Major importers – Tanzania, Angola, DR Congo, and Madagascar.



West African Sugar Industry

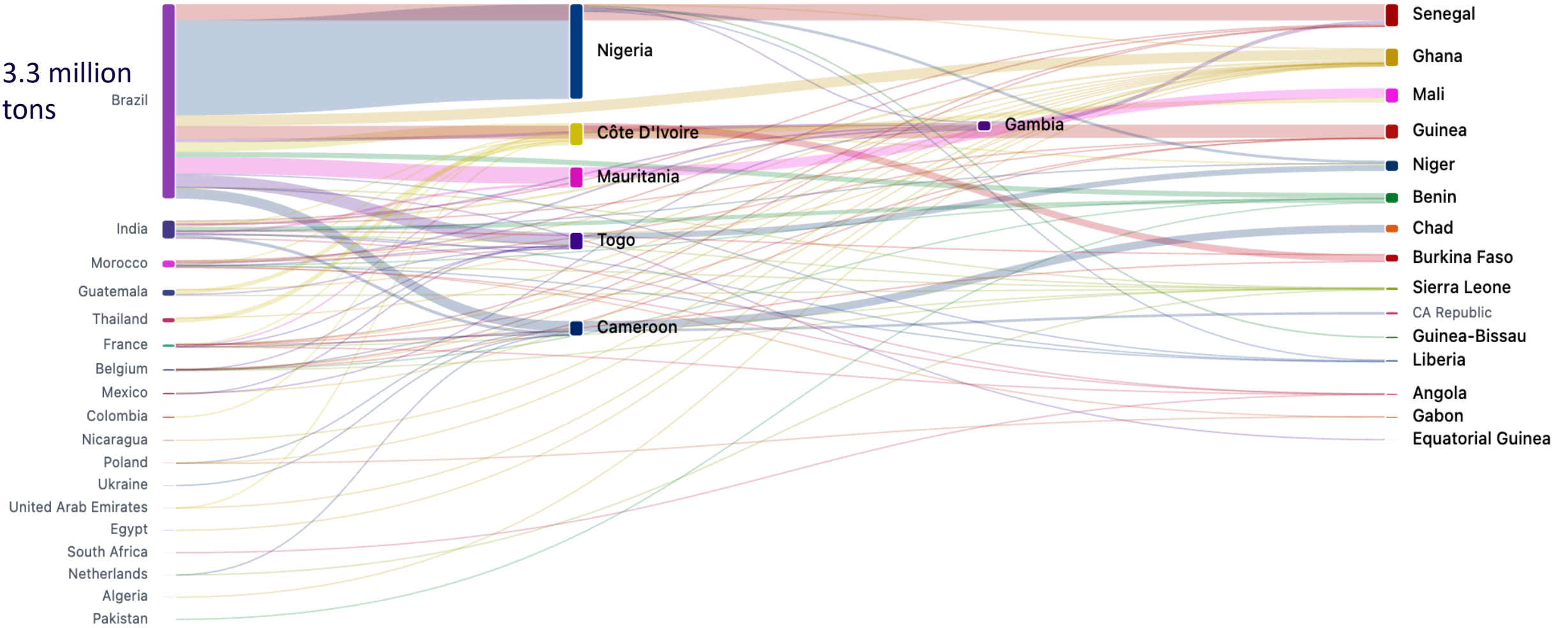
Brazil's playground

West Africa



Combined Trade Flows (2023)

3.3 million tons



Recent Sugar Factory Projects in Sub-Saharan Africa

- A recap of recent factory projects clearly shows where all of the investment in Africa is taking place.
- East Africa in particular is where most of the new faculties are being built
- There are many more EastAfrican projects coming up behind these mentioned here.

Name	TCD	Refining Capacity	Country	Comments
Kilombero Sugar expansion	add 7440		Tanzania	
Rufiji Sugar (Rufiji)		5,000	Tanzania	
Mufindi Paper Mills		9,000	Tanzania	
Golden Sugar Mill Ltd		800	Tanzania	
Mkulazi		500	Tanzania	Has been operational for over two years started in 23/24
Soit		1,250	Kenya	Started trial production in April 2026
Angata		2,000	Kenya	Started trial production in May 2026
Kipenzi Sugar		1,250	Kenya	Ongoing project
Bhura Sugar (Gulf Energy)			Kenya	Ongoing project
Ole Pito, Mumias 2021, Naitiri, West Valley, and factory expansions at Kibos & Busia.				Installed milling capacity in Kenya has expanded by over 15,000 TCD (more than 30%) in less than 5years.
Justin Sugar			200Cameroon	
Carrinho Group			1,000Angola	
Cevital (Ghardaia)			Algeria	Announced in May 2026
Amuru Sugar Works			Uganda	Ongoing project
Kiryadongo, Kjenjojo, plus four others			Uganda	Most of the mills started operations in the last 3-4 years

Conclusion: So why does East Africa matter in the global context?

- East Africa both produces and imports sugar
- The EAC is a cohesive block that supports sugar production with punitive import tariffs
- Prices are high internationally allowing for sugar companies to actually make money
- The risk reward is worth it
- Brazil is not on our doorstep
- We are brown sugar consumers not white sugar – this adds a huge protective layer. Although Brazilian rebagged raws have pervaded our markets taking away some of that protection.
- East Africa is experiencing the highest population growth on earth presently. Across Kenya, Tanzania and Uganda a new sugar factory of 100,000 tons is needed every two years to 2100 just to keep up with population growth.
- Governments are largely supporting sugar production growth, reducing dependence on imports and improving balance of trade.

Thank you for listening

Contact us at:

nick@Kulea.com

phidis@kulea.com

+254728292929

