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MEDIA WATCH

KENYA NATIONAL FARMERS' FEDERATION

CONNECTING, TRANSFORMING AND SUSTAINING LIVELIHOODS

Homa Bay signs farming deal with Chinese firm

May 5th 2018

The Star

The Homa Bay county government has signed an MoU with a Chinese company to promote agriculture and build infrastructure.

Governor Cyprian Awiti inked the deal with Wenke Chen, the director of One Belt and One Road.

The Chinese firm will invest in cassava farming and processing.

"We are ready to work with Homa Bay government to undertake development projects. This partnership will ensure Homa Bay realises its development goals," Chen said. The director said the county has many resources for the projects. "The feasibility study we did revealed that we can undertake development projects fast. That's because China was in a similar situation as Homa Bay," Chen said.

While China is now famous for its industry, it began as underdeveloped agricultural economy. Governor Awiti said the Chinese company will begin work in four months. He said his administration will create an enabling environment for investors. "The Homa Bay government's duty in this deal is to collaborate with the national government in creating enabling environment for investors to undertake their projects," the governor said.

Awiti, who was with members of the county cabinet, expressed confidence the projects will transform lives. Industrialisation in Homa Bay will add value to agricultural produce and create jobs. He asked residents to be patient while the projects are implemented."These development projects cannot be started and completed at once. They need time," the governor said.

Kenya among countries to get agricultural investment fund

May 7th 2018

The Star

Kenya is among 10 countries in East Africa set to benefit from Sh130 million investment project that targets to increase production in the agriculture sector.

Yesterday, the East African Farmers Federation in partnership with the International Fund For Agriculture Development unveiled the EAFF-IFAD Youth project workshop.

The project intends to reach about 10,000 youths across the 10 East African countries within the next three years.

Uganda, Burundi, Rwanda, South-Sudan, Tanzania, Djibouti and Ethiopia are some of the countries set to benefit from the project.

The federation has received Sh100 million of the funding from IFAD and has contributed the remaining Sh30 million.

Speaking to the press during the launch of the project, EAFF chief boss Steve Muchiri said they intend to use the capital for training of the young farmers with a long term goal of achieving Food and nutrition security which is among Kenya's government big four agenda.

“The intention of this project is to help the young people in the agriculture sector to develop business and investor ready kind of plans by presenting them opportunities available in the public, private and investment sectors,” Muchiri said.

He further explained that the project is targeting 15 rural areas groups of about 10 to 30 people in the 10 countries.

After a successful pitching by the end of this year, Muchiri said only 10 of the 15 groups will be selected in the first approach dubbed the competitive process while the remaining five will be absorbed in the second approach labeled the purposeful selection process.

The training process will include mentorship, follow ups by industry experts and exchange visits in major agricultural institutions across the 10 countries. At the end of the training set to end in 2021, EAFF intends to look for funders to invest in the youth groups.

Let's make agriculture attractive to the youth

May 10th 2018

Standard Newspaper

Many Kenyan youth find themselves with few employment prospects at the end of their formal education. But even though agriculture has been a mainstay of Kenya's economy for as long as the country has existed, unlike Irene, very few youths consider turning to agriculture as a source of livelihood. The key challenge, therefore, is how to get our youth into an industry as old as civilization itself, a sector so critical that President Uhuru Kenyatta recently pronounced agriculture and food security as one of the four pillars of his platform to continuing Kenya's emergence as a middle-income country. The solution to this challenge lies in our appreciation of a few salient facts. Most notable is that over 60 per cent of Kenya's estimated population of 48 million are below the age of 30. Of this considerable cohort, an overwhelming majority are either unemployed or underemployed, and this despite being well-educated.

Several challenges, real or perceived, dissuade the youth from getting involved in agriculture. Chief among them is market access restrictions. In addition to not always having a ready market, infrastructure to markets is often lacking or wanting. Then there is the risk of losses due to lack of storage facilities. Moreover, most youth don't have access to the most basic agricultural resource; land. And even if they did, lack of basic knowledge and skills makes most youth shy away from this sector.

Finally, the youth have difficulty getting access to non-collateralised loans. All these facts and challenges mean that, even though Kenya has always been a heavily agrarian economy, it's most potent, competent demographic is giving agriculture a pass.

"Serikali saidia!" is a cry that, although many would like to ignore, poignantly shows that in many instances, the Government is the only recourse for most Kenyans to securing their well-being. The Government should, therefore, look for solutions to some of these challenges to reposition the sector for the youth. To start with, education is the best bet to get more young people involved in agriculture.

Involving youth

Respected agriculture ambassadors could leverage youth and media partnerships to change perceptions, especially to show that there is money to be made in agriculture - and also make agriculture look 'cool'. The youth should also be educated on farming techniques and technology, while the school curriculum should strive to paint agriculture positively. Innovative land tenure systems that give youth farmers access to idle or community land should also be explored.

Finally, the Government would do well to facilitate access to collateral-free credit through the Uwezo/ Youth funds. Also, given that agriculture is a devolved function, it is obvious that while the central government can only do so much to make agriculture attractive to and viable for the youth, counties have a major role to play.

Counties can do this by creating agribusiness strategies that provide markets for local produce, aggressively pursuing markets - even using ICT solutions such as mFarm, where farm produce is readily sold - creating storage, packaging, and processing facilities close to farmers and reviving extension services.

New coffee regulations likely to give government monopoly in marketing

May 10th 2018

Standard Newspaper

Uproar has greeted the publication of new coffee rules that critics argue create a bureaucracy that increases operational costs and eat into earnings. Some farmers, millers and marketers, have resisted the Coffee Regulations 2018, arguing it was an attempt by the national government to monopolise marketing of the once lucrative crop that is the mainstay of a large section of Mt Kenya region.

Among radical proposals contained in the regulations, currently being subjected to public participation, is strengthening of Nairobi Coffee Exchange (NCE) and the establishment of Directs Settlement System (DSS). Direct settlement system is a clearing and settlement system for payment of coffee proceeds by appointed commercial banks to farmers and will be managed by NCE. Banks and other financial institutions approved by the Capital Markets Authority (CMA), the rules says, will be appointed by the NCE to establish and operate a direct system for settlement and payment of coffee proceeds to growers. Already, an association of commercial coffee millers and marketing agents have raised their objections, saying the rules as framed would not solve the problems bedeviling the sector.

"The proposed rules tackles the process of sale of coffee and subsequent settlement of the sale proceeds. The proposals introduce loopholes which will be exploited to the detriment of the sector," the association says in a protest note. They are questioning the strengthening of NCE, saying the move is likely to cause more confusion in the sector. "The proposed rules have placed numerous roles on NCE most of which are ill-suited. Placing all these functions under one body will create a mega bureaucracy as witnessed before," they said.

Among other functions, NCE will be tasked with taking, or acquiring, holding, charging and disposing of both movable and immovable purchasing properties. "It will be capable of borrowing and lending, entering into contracts, doing or performing all such other things or acts necessary for the proper performance of its functions," the rule further explains. It will be licensed by the Capital Markets Authority and shall be managed by a board of directors comprising of chairman appointed by the members of the Board. The regulations, the committee notes, will come into operation upon publication in the gazette.

But Speaking in Nyeri during regulations validation forum yesterday, committee chair Prof Joseph Kieyah defended the proposal, saying there was no need to fear the regulations since the committee was interested in ensuring that farmers reap from their sweat. He said NCE was only being restructured and modernised to have a legal status and align it with the coffee rules 2013 constitution. “It will eventually be upgraded to a fully-fledged commodity exchange (CE) under CMA to allow farmers to sell coffee at lower cost,” said Mathew Mkisu of Capital Markets Authority.

Kieyah denied claims marketers were being edged out of the value chain at NCE. “Restructuring is aimed at streamlining it to make it more effective and respond to the needs of farmers,” Kieyah said. He said proposals were being subjected to public participation as ordered by the High Court after the Council of Governors (COG) went to court to challenge the Coffee Regulation, 2016, citing lack of consultations. He said regulations were aimed at benefiting farmers and will be gazetted before being taken to Parliament for approval. “We met all millers and marketers on May 5, and explained to them about the issues, millers and marketers are one and the same,” he observed. It is, however, the proposal to create the Direct Settlement System among others that has raised concern among key stakeholders.

The DSS will need a secretariat to be able to function properly and the costs of this has not been properly explained in the new rules, millers and other agents say. Once in place, farmers will receive their pay from DSS through their respective banks account one month after cherry delivery. The issue of interest has not been properly explained on the proposed rules or who will finance the operations of the society, society overheads, inputs and the existing loans currently with banks, marketing agents, Saccos, suppliers and others.

Societies participating in the programme will be required to open and maintain accounts with DSS where proceeds for coffee sales will be deposited to recover advance payment at source. Jackson Ngari from Gikanda Coffee Society questioned the criteria that will be used to elect member to DSS and whether they will it will be answerable to growers or (co-operatives). ” In what currency shall DSS pay to farmers, currently marketers deposit the money in form of USD dollars. We fear of losing money in the process of exchange,” Ngari added. Wachira Njogu also, sought an assurance from the committee that banks acting as DSS will not exploit farmers in terms of interest charges. “All these bodies are not farmers’ counter parties. Instead they add costs to the growers, bring too much bureaucracy, and increased players in the supply chain,” Njogu stated.

According to Ms Wambui, only buyers from Tanzania are offering better prices. “They visit the area once in a week, that is when we sell the produce at Sh2,500 per crate. The local buyers are exploiting us. We are now considering quitting the business,” she said. The situation has left leaders in the area scratching their heads for a solution. At the weekend, Agriculture Cabinet Secretary Mwangi Kiunjuri and Laikipia West MP Patrick Mariru came face to face with the dire situation the farmers are in and promised to find a solution. Governor Ndiritu Muriithi has said his administration is seeking the support of the private sector to set up a tomato processing factory.

Tomato factory

“We are ready to partner with any private company so that a factory can be established to end this rot. It is regrettable that the only tomato factory nearby is Kabazi, many kilometers away,” said the governor. Whether a private company will come in and partner with the county on the tomato processing factory idea is not certain for now. What is certain is, that King’ori has lost the Sh500,000 he invested in his tomato farm.

80,000 coffee farmers to be paid promptly

May 1st 2018

Standard Newspaper

More than 80,000 coffee farmers will next week receive payments for last month’s produce after a bank allocated Sh200 million. The prompt cash payment is part of reforms being implemented to improve the sub-sector, where farmers have suffered long wait for payments.

A total of 47 coffee cooperative societies in Meru are expected to receive payments for their April deliveries from next week, at Sh20 per kilogramme of cherry. On Wednesday, Cooperative Bank Managing Director Gideon Muriuki and Meru Governor Kiraitu Murungi, launched the cash model that will save farmers' long waiting for payments for cherries delivered.

Dr Muriuki said the bank had committed an initial capital of Sh200 million to make the model, which was borrowed from Ethiopia where farmers enjoy the advantage of prompt payments, successful.

Save millions

The Government is piloting the system in Meru and it is hoped it will save millions of farmers the trouble and challenges of delayed payments. “This model is important for Kenya. I have no doubt if this works in Meru then other counties will replicate it for the benefit of coffee farmers. The national Government is eager to see how it is implemented,” Muriuki said.

Addressing farmers and officials of coffee societies, Muriuki said the system of disbursing payments to farmers had been meticulously studied and found to be watertight. He said the bank had initially been worried on how the money would reach the intended beneficiaries, but they were now convinced that implementing the model would be smooth. “We agreed to support the cash model. This cash model must succeed,” he said.

Using sun to desalinate water for irrigation

May 5th 2018

Standard Newspaper

Water efficiency in farming and food production, whether for traditional rural irrigation, arid regions or urban farms, represents a key metric in the face of global population growth and climate change. As it is, 71 per cent of the Earth's surface is covered in water.

A big percentage of this water is salt water – in world's oceans and seas. Scarcity of freshwater resources therefore makes a compelling argument for desalination. However, the process of desalinating sea water consumes large amounts of energy that some scientists have argued that more energy is lost than gained in the long term – relative to agricultural profit margins.

Sundrop Farms in Australia thus solved the problem by coming up with a solution that draws on one of the few renewable resources in even more abundant supply than seawater – sunlight. Sundrop Farms harvests solar power to generate energy for desalination to supply hydroponic greenhouses. Requiring no freshwater, farmland or fossil fuels, this potential game-changer for sustainable farming is creating 300 jobs in Port Augusta, South Australia.

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