



Project Partners
Collaborating Centre on Sustainable Consumption and Production (CSCP) gGmbH and WWF Kenya

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Background and Objective

The adoption of sustainable consumption and production (SCP) practices by agricultural micro, small and medium enterprises (MSMEs) in sub-Saharan Africa is still not widespread due to inadequate SCP know-how, limited access to agri-finance, over-reliance on rain-fed agriculture as well as weak and non-transparent value chains with informal and fragmented local markets involving middlemen.

As agriculture in the Lake Naivasha Basin is mainly focused on the cultivation of fresh fruit and vegetables (FFVs), there is an urgent need to:

- provide adequate infrastructure to promote SCP not only in the upstream but also downstream of the supply chain

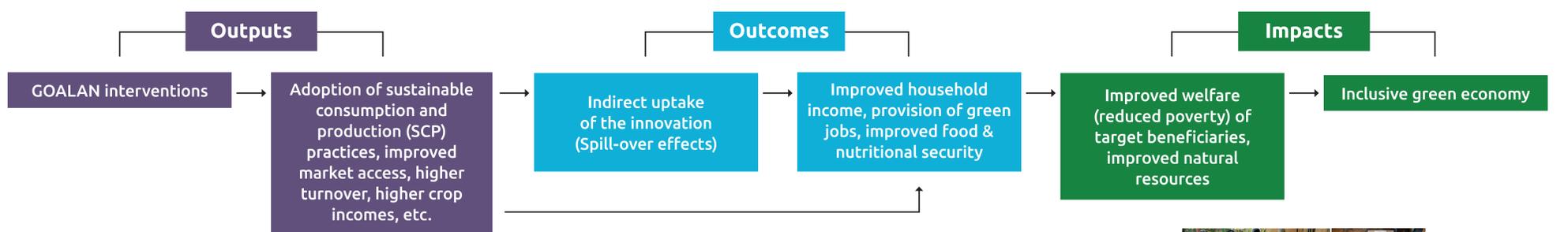
- ensure that fresh produce reaches the end consumer safely

- pay attention to the challenges and opportunities of a well-managed supply/value chain to understand the requirements for a successful market introduction of sustainable FFVs



Green Horticulture at Lake Naivasha (GOALAN) project (2018 – 2021)

Timeline



Funding: EU's SWITCH Africa Green programme

Implementation: The CSCP and WWF-Kenya

Aim: to equip farmers with adequate knowledge and skills to advance sustainable horticulture while improving their access to markets and financial opportunities

Main objective: to support the transformation of horticulture sector in the Lake Naivasha Basin and beyond, into an inclusive green economy by promoting the adoption of SCP practices by horticultural MSMEs



Strategic partnerships with key players in the value chain is essential

Applied Research Methods

Mixed-method approach

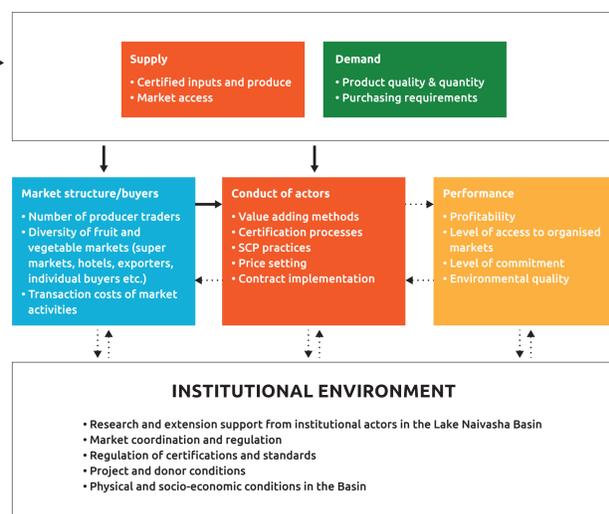
Secondary data:
desk review of relevant scientific papers and reports

Primary data:

Qualitative methods:
participatory self-evaluation interviews and key informant interviews

Quantitative methods:
semi-structured interviews with beneficiary and non-beneficiary MSMEs

Main Actors' Objective



Adaptation of the structure, conduct and performance framework for FFV value chain actors in the Lake Naivasha Basin

Challenges

Roles of MSMEs in the value chain

Producer traders (MSMEs)

- Planting material selection
- SCP practices
- Looking for formal and informal markets
- Harvesting, grading, sorting, weighing, packaging, transportation

- **Lack of supply chain infrastructures**, such as cool storage for the perishable produce, grading & sorting facilities, modes of transportation (e.g., trucks)
- **Lack of market access:** absence of appropriate and reliable means of transportation due to MSMEs being remotely located; high rejection rates by exporting companies and "costly orders" in small quantities by high-end hotels at the Lake Naivasha Basin
- **Lack of public infrastructure:** access to tarmac roads is still relatively limited in the interior part of the country and this limits the ability of MSMEs to timely reach the markets leading to post harvest losses

- **Lack of knowhow and skills** by MSMEs and their continued reliance on traditional ways of marketing (e.g., middlemen define prices due to lack of information on market prices by MSMEs)
- **Limited access to finance (credit)** by MSMEs to buy farm inputs due to lack of skills to keep financial records, lack of collaterals and relatively high interest rates

Findings

Are beneficiaries more likely to have supply contracts with buyers?

Beneficiaries



Non-Beneficiaries

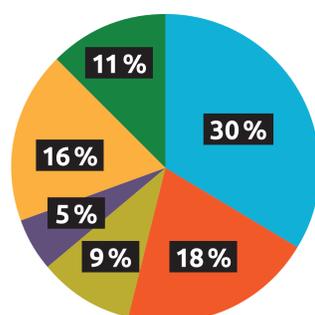


■ Supply contracts with buyers
■ No supply contracts

What challenges do GOALAN project participants expect after SCP compliance?

Concerns of Beneficiaries

- Financial concerns, e.g., additional costs for tools, seeds, etc.
- Market and marketing concerns, e.g., access to market
- Environmental concerns, e.g., due to climate change
- Other, e.g., lack of land or equipment
- No concerns
- No answer



Project interventions

- **Training and capacity building** of MSMEs on SCP practices and the Kenyan Standard (KS) 1758 for horticulture industry
- **Facilitating supply contracts** between strategic buyers and MSMEs
- Facilitated business plan development and increased **access to credit**
- Contribution to MSMEs receiving higher prices for their produce due to higher quality, **improved negotiation skills and bargaining power**
- **Supporting green public procurement (GPP)** as a policy instrument to promote sustainable consumption locally

Conclusion & Recommendations

- Government of Kenya should:**
 - invest in building and maintaining public infrastructures (a network of cool storages with solar PVs, tarmac roads, aggregation hubs, etc.)
 - invest in strengthening the capacity of producers / MSMEs through existing yet underfunded agriculture training centres and support them on the path toward achieving KS 1758 certification
 - consider implementing GPP policy as a strategy to realise SCP (SDG 12) in the country
- Food / post-harvest losses can be reduced or avoided by:**
 - establishing FFV aggregation hubs closer to the location of MSMEs
 - facilitating digital marketing platforms to improve the link between producers and buyers
 - improving access to finance to enable MSMEs acquire machinery to process FFVs into added value products (in case of harvest surplus or second-class produce)