LINKAGES BETWEEN COUNTIES AND THE COFFEE RESEARCH INSTITUTE - A COUNTY’S PERSPECTIVE

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A tour of Kenya: Its land and its People
Devolution in Kenya

The promulgation of the Constitution of Kenya 2010 marked a major milestone in the way the country is governed today.

The devolved system has given considerable autonomy over public service management to the 47 Counties in Kenya.

Devolution brings government closer to the people, with county governments at the centre of dispersing political power and economic resources to Kenyans at the grassroots level.

The country remains one unitary state with two levels of Government.
Agriculture in Kenya

- In Kenya, an estimated 80% of the rural population depends on Agriculture for their livelihood.
- The sector contributes directly to 24% of the national GDP and 27% indirectly. Depended on for food security and poverty reduction.
- The sector accounts for 65% of the country’s total exports, thus being the most significant contributor.
- The sector embraces four major sub-sectors including industrial crops, food crops, horticulture, irrigation, livestock and fisheries.
- Coffee is one of the important industrial crops and the most traded crop globally.
Agriculture in the Constitution of Kenya, 2010

Fourth Schedule

• Part 1-National Government
• 1-Foreign affairs, 2, 3, 4, 5, 6, 7…….
• 16 Universities, tertiary educational institutions and other institutions of research ……..

29- Agricultural Policy
30- Veterinary Policy
Agriculture in the Constitution of Kenya, 2010

Part 2-County Governments

Functions and powers of the county are

1-Agriculture, including-

(a) Crop and animal husbandry
(b) Livestock sale yards
(c) County abattoirs
(d) Plant and animal disease control
(e) Fisheries
In Kenya there are 26 coffee growing counties where Arabica Coffee is grown. The major ones include, Kiambu, Murang’a, Nyeri, Machakos, Embu, Bungoma and Kisii while others are up-coming in the Rift region.
COFFEE PRODUCTION IN KENYA

• The combination of good altitude, latitude, mountainous climate, rich volcanic soils and well defined seasons in Kenya provides ideal conditions for the production of the finest Arabica coffee in Kenya.

• Production at 2 kgs/tree/year against a potential of 30 kgs under small scale

• In the large scale private estates the production ranges between 15kgs-30kg per bush per year

• The varieties grown in most farms in the country are the ancient low yielding varieties SL 34 and SL 28 which are susceptible to diseases like leaf rust and coffee berry disease.
Coffee production and marketing challenges

- Marketing of coffee is a challenge where there are so many middlemen in the value chain decreasing growers final pay.
- There is serious competition from other profitable enterprises like the dairy and real estates esp. Kiambu, Murang’a, Nyeri)
- Minimal youths involvement- enterprise for the aged who do not want to let it go.
Challenges cont’

• High cost of Inputs
• Delayed payments of cherry deliveries
• Poor governance in marketing cooperatives
• Lack of value addition due to poor pre and post harvest technologies and inadequate agro-processing industries
• Frequent theft of cherry from factories.
Interventions by CRI Towards Coffee Agribusiness Improvement in Kenya

• Training of extension staff, empowerment of the coffee farmers on marketing of their coffee
• Expansion of area under coffee in counties such Uasin Gishu, Bomet, Siaya, Bungoma, and Nandi where there is potential for introducing coffee.
• Increasing the access of the new varieties planting materials and timely availing the same to the farmers through establishment and maintenance of more nurseries or grafting materials
• Soft loans for rehabilitation of the old coffee bushes as most of it have been neglected
Disseminate Modern coffee production strategies.

• Develop and Upscale the top grade varieties.
• Revitalize the abandoned coffee bushes through facilitation of soft grants for purchase of inputs to the farmers and essential machineries in the coffee factories
• Revive and introduce Coffee nurseries and demonstration plots in the counties.
• Train exte
Interventions on Modern Techs’

- Research on the type of crops to integrate with the coffee bushes to diversify their income.
- CRI to make continuous and regular visits to the coffee growing counties and conducting a need assessment to ensure that the interventions recommended are county specific as each county is unique.
Counties and CRI collaboration

• Involve the youth in the coffee value chain through information technology and youth friendly enterprises such as processing small quantities for local consumption, supporting the youths to open coffee houses which will make coffee sector vibrant enough to attract more youths

• The aged to allow the youth involvement in coffee
Protection from shoddy marketers

• The Institute to safeguard Counties from dealers who buy coffee in cherry form. CRI should validate such processes before they are licensed.
COFFEE PRODUCE MARKETING

• Reverse the take over/control of the farmers coffee and cash from commercial marketing agents. This function should be contracted to the Central Depository & Settlement Corporation (CDSC).

• To provide an independent guarantee scheme to enable coffee traders/roasters contract with growers – the global practice is that exchanges guarantee the sellers and buyers.
Providing Guidance on Marketing

To guide the Counties to generate county brands to increase the proportion of Kenya coffee serving the premium (specialty segment).
To establish transparent pricing & trading operations of the Nairobi coffee exchange (NCE) by amending the trading rules with the support of Capital Markets Authority (CMA).
To modernize the Nairobi Coffee Exchange infrastructure and trade coffee held in county-based warehouses such as Meru, Sagana, Kisii, Bungoma;
Coffee Policies and Legislations

As an Institute of the National government CRI is mandated to support the Counties in policy development. This must be done in consultation with County Government Agriculture Department and sector stakeholders. Since involvement of implementers is key in clarification of the roles and ownership of the policies.

There is urgent need for coffee policies that are informed by those who are affected by the problems.
DEVELOP COFFEE POLICY DOCs

• To standardize the transaction fees, shift the burden of pay to the trade (as an exchange fee), and establish a fair formula for sharing of these fees to cover trading costs (warehousing, brokers & exchange fees, County Government, Regulator). The Institute should contribute heavily in development of Coffee policy docs.
Lobby for adequate Budgetary allocation for Agriculture

• Kenya is a signatory of the Maputo declaration, 2003, that commits nations to fund Agriculture at a minimum 10%. However, allocation for Agriculture is yet to hit that minimum target in the National and many County budgets ranging from 0-24 (FY2014/2015)

• With this trend, the right to food and descent livelihood stands threatened unless Agriculture is given its rightful share
Market Access

• Farmer training to prevent violations of sanitary and phytosanitary compliance which restrict market access and impacts on socio-economic sustainability of many smallholder families involved in agricultural farming (MRLs and Food safety concerns).

Farmer sensitization to comply with Good Agricultural Practice.
Enhance Climate Smart Agriculture.

• Common observations give a collective picture of a warming world and other changes in the climate system. **Plant and animal range shifts** and population changes to other areas

• Climate change induced **increases in temperature** and changes in rainfall have **aggravated pests and disease incidence**.

• Build capacity for climate change **mitigation**, generation and utilization of irrigation research, innovation and technology
Introducing organic carbon payments

- Carbon payments could provide incentives for producers in the counties to adopt productivity-enhancing practices and technologies.
- Soil carbon sequestration could directly increase crop yields in highly depleted soils. Enhancing organic carbon contents of soils can improve productivity of land and raise economic growth at the county level.
Pest Surveillance and Management

- Invasive pests proven more difficult to manage eg Maize lethal necrotic virus, *Tuta absoluta*, Coffee mealybug
- CRI to work closely with KEPHIS, Counties to improve proactiveness in pest surveillance rather than being reactive.
Inter-County business caucus

- County governments in Kiambu, Meru, Nyeri, Muranga and Kirinyaga working to market and source inputs for coffee together.
- Inter-County caucus to fasttrack drafting of legislations
Dissemination of production and market information
Acknowledgement

• The Governor, County Government of Kiambu
• The Director Coffee Research Institute
• Agriculture staff of the County Government of Kiambu
• Organizers and participants of the 2\textsuperscript{nd} National Coffee Conference

Thank you and God bless you all