



MINISTRY OF AGRICULTURE AND
LIVESTOCK DEVELOPMENT

AGRICULTURAL MARKETING STRATEGY 2023 – 2032





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FOREWORD

The transformation and rapid growth of Kenya's agriculture remains central to ensuring the sector consistently contributes towards the 10% annual GDP growth envisioned in Vision 2030. This transformation agenda for the sector is anchored in the newly launched Agriculture Policy, the Agriculture Sector Transformation and Growth Strategy (ASTGS) and the Big Four development agenda. Previous approaches to development of agriculture have tended to focus on supply of agricultural produce through intervention measures that target improving on-farm productivity. The supply-biased approaches have addressed lower echelons of the agricultural commodity value chains such as supporting production through improved access to agricultural inputs and improved agronomic practices. Whereas this approach has provided the necessary push they need to be augmented by demand pull that is addressed by focusing on higher stages of the value chain such as marketing.

Achieving our potential in agricultural marketing will enhance food and nutrition security, improve farmers' incomes, equitably benefit various actors along the agricultural value chains and contribute to agricultural competitiveness. Marketing of agricultural produce and products has been identified as a priority area in contributing to the achievement of the transformation of the sector. This Strategy focuses on increasing market access and competitiveness of locally produced commodities in both the domestic and international markets. In addition, the Strategy aims at improving the income and livelihoods of value chain actors, through nine identified strategic areas with actionable strategies.

In this regard, I am pleased to share the Agricultural Marketing Strategy (AMS) with you as we seek to travel this journey of transforming the sector. Going forward, the government's focus is on the successful and inclusive implementation of the Strategy. In order to realize the goals of the Strategy we have developed a robust implementation framework with a detailed budget and identified the roles of key stakeholders.

The Strategy has taken into account the devolved functions of agriculture outlined in the fourth schedule of the Kenya Constitution 2010. Counties will be responsible for ensuring that county-specific strategies are implemented. Further, development partners and the private sector actors will be important in supporting the implementation of this Strategy.

Lastly, I call upon and invite all the relevant stakeholders to join forces to drive the important agenda of ensuring that the Agricultural Marketing Strategy is implemented

effectively for the realization of the transformation of our agricultural sector in line with our development goals and aspirations we all share.



Hon. Franklin M. Linturi

Cabinet Secretary

Ministry of Agriculture and Livestock Development

PREFACE

Efficient agricultural marketing is fundamental for economic growth and development. Agriculture is one of the most important sectors in Kenya, which contributes 22.4% of the Gross Domestic Product directly (Economic Survey, 2022). In addition, the sector accounts for 65% of total exports. Importantly, the sector contributes to food and nutrition security for the country's growing population, with over 80% of the 47.7 million Kenyans deriving their livelihoods directly or indirectly from the sector. It also provides more than 60% and 18% of employment in the informal and formal sectors respectively.

Smallscale agriculture is regarded as the engine for rural growth and development despite 46% living below the poverty line. As a consequence of poverty and food insecurity, a large proportion of smallscale farmers remain deeply engaged in crops, livestock and fishery production and seasonally rely on the markets to supplement their food requirements.

The Kenya Vision 2030 identifies agriculture as a key sector through which annual economic growth rates of 10% can be achieved. The Vision calls for proactive efforts to maintain existing markets and create new ones to increase Kenya's bargaining power in the global agricultural market. Further, the Kenya National Agribusiness Strategy 2012 emphasizes on the need to improve the physical market infrastructure in Kenya, including aspects as diverse and fundamental as sanitation and storage facilities. Efficient markets also serve to ensure faster distribution of food from surplus areas to deficit areas.

Agricultural marketing is identified as one of the significant challenges constraining the productivity of the Agricultural sector. According to the Food and Agricultural Organization 2009, any efforts towards the upgrading of rural markets should focus on; strengthening food safety by providing a healthier environment with basic infrastructure and facilities for safe handling of produce; preservation of fresh produce and their nutritional value and provision of appropriate shelters, storage and water facilities; improving marketing activities through the provision of appropriate trainings; ensuring that all stakeholders are represented in market management; and reducing the risk of women, youth and persons with disability being excluded by facilitating their participation and access to market facilities.

To address the above, this Strategy is divided into two segments. The first segment consist of five Strategic Pillars with emphasis on market infrastructure; agricultural produce and product standards; supply of agricultural produce and products; value-

addition of agricultural produce and marketing channels. The second segment is the Strategic Enablers, whose emphasis is on the transport infrastructure and logistics; agricultural market intelligence, technology and innovation; marketing capacity; and access to domestic and export markets.

This Strategy aims to improve competitiveness and market access for Kenyan agricultural produce and products in both domestic and export markets. This is expected to contribute to overall economic growth of the Agricultural sector, enhance livelihoods particularly of farmers as well as create more employment opportunities.

We therefore commit to support the implementation of the strategy and appeal to all our stakeholders to come together and support the Strategy's implementation as we collaborate and learn how best to implement it successfully.



Mr. Phillip Kello Harsama
Principal Secretary

State Department for Crop
Development
Ministry of Agriculture and Livestock
Development



Mr. Harry Kimtai, CBS
Principal Secretary

State Department for Livestock
Development
Ministry of Agriculture and Livestock
Development

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I wish to acknowledge the tremendous efforts of the technical experts from the public and private sectors, Non-Governmental Organizations and Research Institutes who actively participated in and contributed to the development of this National Agricultural Marketing Strategy. Special thanks go to Kenya Institute for Public Policy Research and Analysis (KIPPRA), Tegemeo Institute of Agricultural Policy and Development, the National Treasury, and State Department for Trade.

In particular, I appreciate the facilitating role played by the Ministry of Agriculture and Livestock, Development under the leadership of the Principal Secretary State Department for Crop Development, Mr. Phillip Kello Harsama; Principal Secretary, State Department for Livestock Development, Mr. Harry Kimtai; Director of Agricultural Policy Research and Regulations; Director Crops Resources, Agribusiness and Market Development and the Deputy Director Marketing and Agricultural Advisory Services and Deputy Director in charge of Livestock Marketing.

Special thanks goes to the team of experts under the leadership of Jacqueline Kii and Seline Bonyo. The coordinating role of the Micro-Reforms for Agriculture (MIRA) team led by Mr. David Ombalo and Peter Owoko is also highly acknowledged.

The Ministry expresses its immense gratitude to our development partners across the Agriculture and Rural Development Donor Group (ARDDG), with special thanks to the Alliance for a Green Revolution in Africa (AGRA) through their President, Dr. Agnes Kalibata, the Country Manager, Mr. John Macharia and the Programme Officer, Ms Rachel Shibalira. We thank you for the timely financial and technical support extended to this process.

As it is not possible to mention everyone and every institution individually, kindly take this acknowledgement as an expression of sincere gratitude.



Josphat Muhunyu
Agriculture Secretary

State Department for Crop Development
Ministry of Agriculture and Livestock Development

EXECUTIVE SUMMARY

Agriculture, the mainstay of Kenya's economy, plays a critical role in ensuring food and nutrition security for the Kenyan population. According to the 2022 Economic Survey, the sector contributed approximately 22.4% of total Gross Domestic Product (GDP) and an additional 17.1% to GDP through linkages to other sectors such as manufacturing, distribution and services in the year 2020. It contributes approximately 75% of industrial raw materials, 65% of export earnings and 60% of the total employment. The sector employs more than 40% of the total population, approximately 70% of the rural population and is the principal source of rural incomes and livelihoods.

Kenya's agriculture is predominantly small scale, accounting for 75% of the total crops output. The Kenya Vision 2030 emphasizes the transformation of small-scale agriculture from subsistence activities marked by low productivity and value-addition to an innovative, commercially oriented, modern and internationally competitive agricultural sector. Agricultural Policy 2021 seeks to promote and facilitate agricultural trade and marketing of high quality agricultural products in the domestic, regional and international markets at competitive prices, while the National Trade Policy 2017 aims at making Kenya an efficient domestic market and export-led globally competitive economy. The Agricultural Sector Transformation and Growth Strategy (ASTGS, 2019 - 2029), identifies agricultural marketing as a priority area for successfully transforming the agriculture sector. The marketing of agricultural commodities is critical to increasing agricultural productivity and commercialization of the sector enterprises.

The Agricultural Marketing Strategy (AMS) aims at contributing in the transformation of the agricultural sector into a vibrant, productive and efficient sector that is competitive both locally and globally. It is designed to bring about real and measurable changes, including increased market access and improved returns for agricultural producers; affordable prices for agricultural commodities for the consumers; remunerative returns to all market players; and, increased exports of Kenya's agricultural commodities and favourable balance of trade for the country. The strategy will help facilitate efficient trade and consequently energize small-scale farmers' move from focusing on subsistence farming to commercialization, while at the same time increasing the competitiveness of the country's produce and products in all segments of the marketing chain.

The AMS has identified thirteen (13) constraints along the marketing chain of agricultural produce and products that can positively change the landscape of agricultural marketing in the country if well addressed. These constraints include inadequate market infrastructure and associated facilities, noncompliance with

standards; inadequate supply of produce and products; high post-harvest losses; limited value-addition; underdeveloped marketing channels; poor access roads to physical markets; inefficient logistics for local and international trade; inadequate market information for decision-making; low adoption of technology and innovations in agricultural marketing; poor management of markets and marketing inefficiencies; inadequate access to financial services; and low Access to markets.

To address these constraints, AMS has outlined nine strategic areas to be addressed by actionable strategies in order to stimulate agricultural transformation. These include Market Infrastructure; Agricultural Produce and Product Standards; Supply of agricultural produce and products; value-addition of agricultural produce; Marketing Channels; Transport infrastructure and logistics; Agricultural Market Intelligence, Technology and Innovation; Marketing capacity; and Access to domestic and export markets.

The AMS outlines the institutional framework required to deliver the strategy; key stakeholders, their roles in the strategy implementation, and how they will be coordinated; risks that may affect the implementation of the strategy and measures for their mitigation are also included.

The Ministry will spearhead operationalization of this strategy in collaboration with County governments and other stakeholders in line with devolution and the Constitution of Kenya (2010).

The successful implementation of this Strategy will cost approximately KSh. 8.44 Billion over a period of 10 years. The Strategy will be reviewed during or at the end of the implementation period.

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ABBREVIATIONS AND ACRONYMS

AGRA	Alliance for a Green Revolution in Africa
AMS	Agricultural Marketing Strategy
ARDDG	Agriculture and Rural Development Donor Group
ASTGS	Agricultural Sector Transformation and Growth Strategy
AWM	Agricultural Water Management
CAADP	Comprehensive Africa Agriculture Development Programme
CBOs	Community-Based Organizations
CDA	Coast Development Authority
CoG	Council of Governors
CoK	Constitution of Kenya
COMESA	Common Market for Eastern and Southern Africa
EAC	East African Community
EMCA	Environmental Management and Coordination Act
EPAs	Economic Partnership Agreements
EU	European Union
FAO	Food and Agriculture Organization
FBOs	Faith based Organizations
GDP	Gross Domestic Product
GoK	Government of Kenya
IMF	International Monetary Fund
KALRO	Kenya Agricultural and Livestock Research Organization
KES	Kenya Shillings
KIPPRA	Kenya Institute of Public Policy Research and Analysis
KOMEX	Kenya National Multi Commodities Exchange
M&E	Monitoring and Evaluation
MDAs	Ministries Departments and Agencies
MIRA	Micro-Reforms for Agriculture
MoALF&C	Ministry of Agriculture, Livestock, Fisheries and Cooperatives.

MoALD	Ministry of Agriculture and Livestock Development
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NAS	National Agribusiness Strategy
NCPB	National Cereals and Produce Board
NGOs	Non-Governmental Organizations
O&M	Operation and Maintenance
PPP	Public Private Partnership
QSI	Production Similarity Index
RDAs	Regional Development Authorities
SDGs	Sustainable Development Goals
WTO	World Trade Organization

DEFINITION OF TERMS

Aggregation centres - Places where agricultural produce is delivered for bulking and collective marketing.

Agricultural Marketing- is a process that starts with a decision to produce sellable produce and includes pre- and post-harvest operations, assembling, grading, storage, transportation and distribution of agricultural produce and products.

Agricultural produce and products - include harvested or processed crops, livestock and fishery commodities.

Agricultural sector - Includes the crop cultivation, livestock husbandry, apiculture, fishery and related activities.

All-inclusive agricultural production and marketing clusters - include individual farmers (small, medium & large scale), members of farmer associations, cooperatives, buyers/brokers, processors, transporters and various service providers.

Balance of Trade (BOT) - is the difference between the value of a country's exports and the value of a country's imports for a given year.

Certification - is the process of certifying that an agricultural produce or product has passed performance and quality assurance tests, and meets criteria or parameters stipulated in contracts, regulations or set standards.

Commercialization - is the process of bringing new products or services to market. The broader act of commercialization entails production, product development, distribution, sales, and customer support, to achieve the commercial success in marketing of the new product or service.

Commodity exchange - an exchange licenced to undertake spot and futures commodity trading and derivatives trading, and includes any clearing or settlement or transfer services connected with the transaction. It also refers to legal entity/platform that determines and enforces rules and procedures for trading standardized commodity contracts and related investment products.

Common user facilities - structures, equipment, facilities, permits or any other property that are jointly owned, shared, used or operated by different users for marketing purpose e.g. for aggregation, value-addition, transport, etc.

Derivative markets - The financial market for financial instruments such as futures contracts or options that are based on the values of their underlying agricultural commodities.

Export Intensity is a measure of the percentage value of the exported national gross output

Export Sector Concentration Index a measure that reflects the degree to which a country's exports are concentrated around the sector (say Agriculture) and affirms its contribution to export earnings.

Farmer organizations - these include Marketing Cooperative Societies, Common Interest Groups, Aggregators, Associations, Beach Management Unit, Community Based Organizations, Kenya Livestock Marketing Council.

Import Penetration Rate shows to what degree domestic demand is satisfied by imports

Incubation centre - An institution that assists entrepreneurs in developing their business and solving problems associated with it, especially in the initial stages, by providing among others, an array of business and technical services, initial seed funds, lab facilities, advisory, network and linkages.

Kenya Integrated Agricultural Marketing Information System (KIAMIS) - An information management system that integrates information on input supply, production, marketing, and value chain actors.

Market - A place or platform where buyers and sellers meet to facilitate exchange or transact goods and services.

Market access - Ease with which goods and services can be traded in a particular market.

Post-harvest management - a system of handling, processing, storing and transporting agricultural commodities after harvest to ensure minimal or no physical and quality loss to the commodities.

Production Similarity Index (QSI) - is a measure of trade competitiveness that shows how agricultural production patterns between a given country and other countries in a trading block are dissimilar to the production pattern in the trading block.

Sanitary and phytosanitary Standards - Quarantine and biosecurity measures which are applied to protect human, animal or plant life or health from risks arising from the introduction, establishment and spread of pests and diseases and from risks arising from additives, toxins and contaminants in food and feed.

Small-scale producer - farmer producing relatively low output per unit input.

Traceability systems - the means to track the processes from procurement of inputs to production, consumption and disposal of agricultural produce to clarify “how, when and where the product was produced by whom”

Value chain actors - Those who are actually directly involved in value chain activities including farmers, traders, processors, transporters, wholesalers, retailers, final consumers, etc

value-addition - entails the process of increasing the economic value and consumer appeal of an agricultural commodities.

Warehouse receipt system - means part or the whole of the process of depositing commodities in a licensed warehouse, the issuance of a warehouse receipt reflecting the quantity and quality of the deposited commodity, the management of the transfer of the receipt as a document of title and includes, but is not limited to, the regulation of warehouses and actors associated in the processes.

1.1 Background Information

Agriculture, the mainstay of Kenya's economy, plays a critical role in ensuring food and nutrition security for the Kenyan population. According to the 2022 Economic Survey, the sector contributed approximately 22.4% of total Gross Domestic Product. Industry related activities and service activities accounted for about 17.0% and 60.6% respectively. The sector contributes approximately 75% of industrial raw materials, 65% of export earnings and 60% of the total employment. The sector employs more than 40% of the total population, approximately 70% of the rural population and is the principal source of rural incomes and livelihoods.

Kenya's agriculture is predominantly small-scale, accounting for 75% of the output of the total crops. The Kenya Vision 2030 emphasizes the transformation of small-scale agriculture from subsistence activities marked by low productivity and value-addition to an innovative, commercially oriented, modern and internationally competitive agricultural sector. Agricultural Policy 2021 seeks to promote and facilitate agricultural trade and marketing of high quality agricultural products in the domestic, regional and international markets at competitive price, while the National Trade Policy 2017 aims at making Kenya an efficient domestic market and export-led globally competitive economy. The Agricultural Sector Transformation and Growth Strategy (ASTGS, 2019 - 2029) identifies agricultural marketing as a priority for successfully transforming the agriculture sector.

Agricultural marketing is critical in improving the competitiveness and market access of Kenyan agricultural produce and products, both domestic and export. This will significantly increase the contribution of the agricultural sector foreign exchange earnings, improved livelihoods, incomes and food security. An efficient marketing system would stimulate increased production, leading to the progressive development of the agricultural sector.

1.2 Overview of the Agricultural Marketing in Kenya

Agricultural Marketing policies in Kenya has transformed into two distinct phases since Independence in 1963. In the first phases the government was directly involved in the participation of economic activities such as price and foreign exchange controls, investments and production.

Phase two of economic policies started early 1980 under the Structural Adjustments Programs of the World Bank and IMF. The liberalization policy comprised of a reduction in the participation of government in economic activities and an increased reliance on market forces and private individuals and organizations in agricultural production, marketing and investment.

In the era of government controls, production and marketing for most agricultural commodities were organized under Co-operative Societies and state run Organizations e.g. Kenya Tea Development Authority (KTDA), National Cereals and Produce Board (NCPB), Kenya Co-operative Creameries (KCC) and the Kenya Meat Commission (KMC).

The policies focused on gradual price decontrols and promotion of private trade in marketing of agricultural commodities that were previously controlled by the government through various marketing boards.

In 1986 the government rolled out the wide range of policy reforms for the national economy in Sessional Paper No. 1 of 1986 on Economic Management for Renewed Growth. The Sessional paper focused on reduction of government controls with a shift towards increasing the role of the private sector in undertaking most of economic activities. The role of the government was to control and regulate private participation in the market guided by forces of supply and demand, rather than government use of direct interventions. The deregulation of markets, decontrol of prices, and trade liberalization were aimed at encouraging the private sector to play a key role in the production, marketing and processing of agricultural commodities.

The Vision 2030 emphasized on legal, policy and institutional reforms in the Agricultural sector which culminated in establishment of Agriculture and Food Authority (AFA), Kenya Agricultural and Livestock Research Organization (KALRO) and the Crops Act with specific mandates of regulation of the crop and food sub-sector, agricultural research and agricultural policy formulation.

The promulgated Constitution of 2010 devolved most agricultural functions. The County governments are mandated to promote agricultural production and domestic marketing while the National Government mandate is to formulate National policies and promotion of International trade.

The Government has made further reforms to agricultural marketing in Kenya through the introduction of commodity trading and the Warehouse Receipt System (WRS) in a bid to organize the market and facilitate the purchase and sale of agricultural commodities. The enactment of the WRS Act, 2019 and the Commodity exchange regulations is an essential component in developing efficient marketing and trading systems that promote social welfare. Commodity exchange and Warehouse receipting are expected to improve the efficiency of markets in the region.

In livestock sub sector the Government has established disease free zones and feed lots, livestock insurance and provision of milk coolers for aggregation and minimize post harvest losses.

The new Cooperative Development policy have outlined several interventions towards Agricultural Cooperatives. One of the proposed Policy objective is to promote Cooperative production, value-addition and marketing in order to improve returns to the farmers. This will be achieved through streamlining marketing linkages among all value chains, ensuring Cooperatives are recognized under Commodity Exchange program and creating an enabling environment for Cooperatives to engage on Public Private Partnership (PPPs) and Business Process Outsourcing (BPO) with established manufacturers in order to inject new capital and enable technology transfer among other interventions.

In the fish sub sector, reforms to enhance fish marketing have been done through development and enactment of the Fisheries Management and Development Act No. 35 of 2016. The Act establishes the Fish Marketing Authority, whose purpose is to facilitate marketing of fish and fish products to ease markets access for sustainable utilization. These will be achieved through; identification of opportunities; development of a comprehensive marketing system; facilitation of international trade; ensuring fish safety and quality control; collaborative regulation of fish import, export and domestic trade; undertake market intelligence and diversification of fish and fish products.

1.3 Methodology

A team of experts from the sector ministries, Tegemeo Institute, KIPPRA and AGRA was constituted to spearhead the development of the AMS through a consultative and inclusive process. The team prepared a concept note with a roadmap for developing The Agricultural Marketing Strategy (AMS). The team of experts held virtual meetings during the COVID-19 pandemic, did a literature review on relevant sectoral policies, strategies, and legislations that have a bearing on agricultural marketing, and developed a zero draft of the strategy. The draft was subjected to a face-to-face discussion in

workshops with key stakeholders in the agricultural sector for further input on the strategy and development.

After cleaning the zero draft, the draft AMS was presented to the Agriculture County Executive Committee Members (CECM) Caucus in Naivasha. The draft AMS was presented to the Sectoral Working (Agriculture) Group (SWAG) on Policy Legislation and Regulations for comments and guidance on the subsequent steps.

The draft AMS was, with the recommendation from SWAG, subjected to public consultations in all the counties. Consultations in the county involved the participation of producer's traders, market officials and management committees.

After county consultation the draft strategy was presented to key industry stakeholders and the second SWAG. Thereafter comments were received and incorporated into the draft Strategy which was then subjected to a national stakeholder validation for adoption.

The draft document was presented to the Ministry leadership under the chairmanship of Principal Secretary State Department for Crops Development and Agricultural Research for their input on the draft strategy.

2.2 Analysis of Agricultural Market Contribution

a) Trade Surplus/Deficit

According to the Economic Survey 2022, the agricultural sector contributes 22% of the total trade volume, which is 2,894.9 billion in 2021. In the same year, the trade balance widened from a deficit of KSh 999 billion in 2020 to a deficit of KSh 1,407 billion in 2021. The overall value of marketed agricultural production increased from KSh 505.3 billion in 2020 to KSh 527 billion in 2021, an increase of 4.3%.

In the year 2021, the value of domestic exports increased by 17.5% or the equivalent of 666.7 billion, mainly on account of an increase in the value of domestic exports of horticulture and tea. During the same period, the export value of horticultural products accounted for 24.8% valued at KSh 165.7 billion of the total domestic export earnings. Tea was the second leading foreign exchange earner after horticulture, accounting with increase by 3.2% from KSh 122.2 billion in 2020 to KSh 126.1 billion in 2021. The agricultural sector has a trade surplus of KSh 86,959 Million.

b) Trade Competitiveness

The trade expansion potential of a country in a regional trade block which is one measure of trade competitiveness, can be measured by the production similarity index (QSI). The production similarity index (QSI) measures how agricultural production patterns between a given country and other countries in a trading block are dissimilar to the production pattern in the trading block. Trade expansion index less than 60% shows a dissimilarity between countries in a regional trading block such as COMESA.

There is evidence from research that Kenya has a high regional trade expansion potential (USAID, 2021). The agricultural production similarity index for Kenya within the COMESA region is below 60% considering the potential for expansion in the region.

Trade Competitiveness

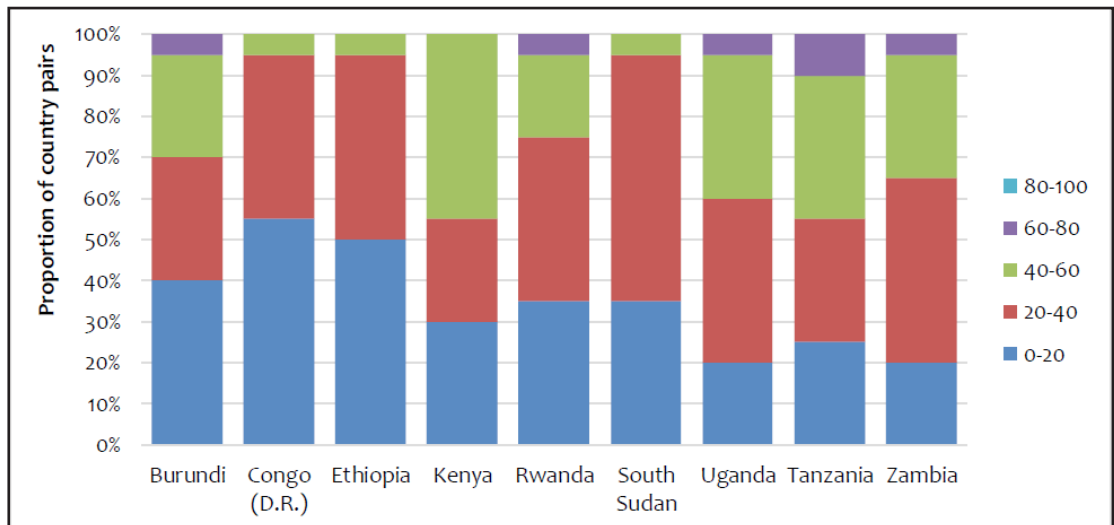


Figure 1: Production Similarity Index for Selected COMESA Country

The same study also developed a scenario analysis comparing the baseline situation, which is a continuation of the current trend of production and trade in the COMESA region and three interventions. The interventions include a ten percent reduction in trade cost, removal of cross-border trade barriers and a ten percent increase in crop yields among COMESA countries.

c) Import Penetration and Export Intensity

The import penetration rate shows to what degree domestic demand is satisfied by imports, while export intensity shows the percentage value of the exported national gross output. The import penetration had been declining from 17.9 % in 2017 to 13.9 % in 2020. This is within acceptable limits. There is an opportunity to further reduce this index through improved local production and competitiveness.

The export intensity for year 2020 was 3.49%.

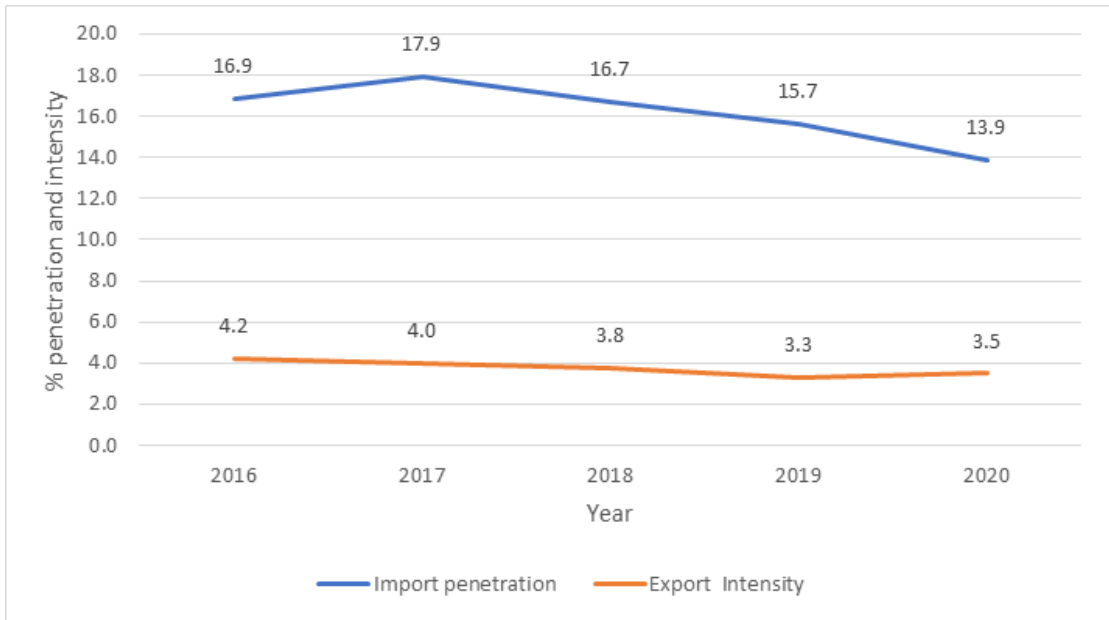


Figure 2: Import Penetration and Export Intensity between 2016 - 2020 (Economic Survey, 2021)

d) Export Sector Concentration Index

The Export Sector Concentration Index for Kenya was 59.53% in the year 2020. This reflects the degree to which the country exports are concentrated around the agricultural sector and affirms the dominant contribution to export earnings.

2.2 Analysis of Key Issues on Kenya’s Agricultural Produce and Products Marketing

2.2.1 Market Infrastructure

The available marketing infrastructures across the country are dilapidated, poorly designed and lack the required facilities and amenities such as value-addition facilities, storage facilities, water supply, electricity, and ICT facilities. Their layouts and designs do not provide the required market facilities and designated areas for wholesale, retail, and even specific commodities. This has resulted in produce deterioration, wastage, congestion, inaccessibility of produce by customers and difficulties in produce loading and offloading. Sanitation in these markets is wanting, and in certain situations, the facilities are not conducive for use by persons with special needs.

The ideal agricultural produce market infrastructure should include the physical trading space and aggregation centres in addition to essential facilities and amenities such as

value-addition facilities, storage facilities, water supply, electricity and ICT facilities among others. Aggregation centres enable small-scale producers who produce smaller quantities to consolidate their produce or products to ease access to larger markets at competitive prices.

A number of strategic markets are currently being constructed and modernized through funding from National and County governments in partnership with development partners. In addition to new constructions and modernization, most county governments have dedicated funds for renovation of existing market infrastructure. These are meant to improve the marketing of agricultural commodities within the counties, country and East African region in order to cater for the needs of most agricultural marketing value chain actors such as traders and consumers.

Many markets are managed by market management committees that lack operational resources and capacity. In other instances, the infrastructure is managed by institutions that lack the technical capabilities to provide effective maintenance and operations.

2.2.2 Market requirements for Agricultural Produce and Products

In the domestic markets, traders use unstandardized units of measure such as *goro goro* (perceived to be approximately 2 kg tin) for grains and dried fish, bales of varied weights for hay, physical appearance extended bags and boxes for potatoes and tomatoes respectively and woven baskets instead of the standard SI units of weights and measures. In addition, producers undertake minimal quality enhancing value-addition activities. The use of unstandardized units and uncalibrated equipments exposes smallscale producers and consumers to exploitation by middlemen and traders.

Standards are meant to regulate the quality, quantity and safety of agricultural produce and products. Standardization entails establishing and maintaining uniform measurements of produce quality and/ or quantity, simplifying produce and product trading. This ensures the producers get the right price for their produce and consumers get value for their money.

The stringent traceability requirements with respect to food safety, sanitary and phytosanitary (SPS) standards and the maximum residue limits demanded by markets form major challenges for smallscale producers. Mandated authorities have inadequate capacity to carry out sampling and testing of agricultural produce and awareness creation on market requirements.

Certification such as the Rain-forest Alliance, Fair-trade certification and Halal are becoming necessary for exports to Europe, America, middle East and others. These

labels ensure and guarantee consumers that the production systems prevent deforestation, promote reforestation, protect biodiversity, mitigate the consequences of climate change and build climate resilience through climate-smart agricultural methods. More importantly, the system supports the improvement of the livelihoods of producers, farmworkers, their families, and local communities. Fairtrade goes further to guarantee premium prices to the value chain players.

2.2.3 Supply of Agricultural Produce and Products

Kenya's agriculture is predominantly small-scale production that accounts for 75% of the total agricultural output and 70% of marketed agricultural produce. The majority of these producers and existing farmer groups are producing at subsistence levels with minimal surpluses for the market. In addition, the existing marketing organizations are weak in collective marketing and linkages with upstream value chain actors and are constrained by poor governance. The low quantities of surpluses from individual small-scale producers and producer groups often do not meet the market threshold required by the major buyers.

The supply of agricultural commodities in the country depends on the rainfall seasons in any given year. This results in fluctuating supply of marketable agricultural commodities in certain periods of the year. This seasonality of supplies has been worsened by climate change that has caused erratic weather patterns, production failures and outbreak of pests and disease among others.

Post-harvest losses in agricultural commodities are the measurable quantitative and qualitative losses in a given agricultural produce or product from harvest to consumption. These losses are a significant challenge in Kenya's agricultural sector, with an estimated loss of over 30% for harvested crops, 40% in dairy and 25% in fish. The causes of these losses include inadequate harvesting, handling and distribution techniques, poor storage facilities and perishability nature of agricultural commodities.

The government has implemented some initiatives to reduce post-harvest losses which has led to development of efficient post-harvest handling facilities, equipments and operations especially for the industrial crops. Some sub-sectors such as cereals, dairy, fisheries, legumes, meat, and horticulture are however neither adequate nor well-developed. Even where these facilities exist, they are largely under utilized.

2.2.4 Value-addition of Agricultural Produce

Value-addition is the processes undertaken to increase the economic value of agricultural commodities. Most policy documents in Kenya have identified value-addition as one of the major challenges in the Agricultural sector.

Most of the agricultural produce and products are marketed in their raw form, leading to low returns. Most of the produce are exported in raw form, with a few processed, branded offshore and then re-imported for domestic consumption at very high prices. There is inadequate access to facilities and technologies that can prolong the shelf life of and add value to agricultural produce. In most cases the facilities and technologies are unavailable, and where they are available they are located far from the majority of producers. In addition, the cost of utilities especially energy to run value-addition activities is comparatively higher than in neighbouring countries, thus reducing competitiveness of Kenya's value added agricultural products in existing markets. Most farmer-facing SMEs and other value chain actors lack capacity to undertake value-addition.

2.2.5 Marketing Channels

Most marketing of agricultural produce is done through conventional channels that includes producers, brokers, retailers, wholesalers and processors. Alternative agricultural markets are non-conventional marketing channels in an economy which may be new or modern ways of marketing agricultural produce and products. They include structured marketing platforms such as warehouse receipt system (WRS), commodity exchanges, futures and derivatives markets, and auctions. Other forms of alternative agricultural markets are the digital and virtual markets. Alternative markets, particularly digital marketing platforms, also reduce time and market transaction costs through matching buyers and sellers.

In the wake of covid 19 pandemic there was an observed increase in the use of alternative marketing channels especially digital marketing. The pandemic exposed the limitation of conventional means of marketing as it involves the physical presence and interaction of actors at a trading point.

The warehouse receipt system council and the Kenya Multi-Commodity Exchange (KOMEX) are already in place, and systems are being established for their operationalization. In addition, Kenya operates commodities auctions in crops and livestock, the main auctions being the Nairobi Coffee Exchange, Mombasa Tea Auction with the livestock counties like Baringo and Laikipia operating live animal auctions. These platforms are currently being improved to enhance efficiency. The futures and derivative markets are not yet well-developed for agricultural commodities and are currently dependent on the functioning of WRS and KOMEX.

2.2.6 Transport Infrastructure and Logistics

Transport infrastructure and system include the physical transport networks, vessels, and operations, which are essential for the movement of goods and services to and

from markets. This entails the transportation of produce from the producing areas to the market destinations, including collection centres or ports through the roads, rail, air and water.

In Kenya, the common practice of transporting agricultural produce is by general purpose commercial vehicles that do not comply with required specifications and facilities, except for a few industrial and export-oriented agricultural produce. The state of the rural and market access roads is poor, resulting in delays in collection and delivery, loss of value of agricultural produce and high cost of transportation. The high transportation costs are passed on to the consumers.

According to the World Bank Logistics Performance Index (LPI) 2018, Kenya ranked 68 out of 165 countries with an overall index of 2.81 out of a maximum of 5. Kenya is lowly ranked with regard to connectivity into the global supply chain, therefore constraining the business community to take up opportunities created by globalization.

The general state of cross-county transport network, including road, rail and port transport infrastructure, is not adequate for effective agricultural produce marketing logistics. Efficient transport and logistics facilitates market access, which is critical for agriculture since it boosts productivity, increases incomes, strengthens food security and allows producers to reliably sell more produce with better quality and at higher prices.

2.2.7 Agricultural Market Research, Intelligence and Innovation

An effective agricultural market intelligence, research and innovation system is crucial to improving access to and competitiveness of domestic, export, alternative and speciality markets. If marketing intelligence and research are to assist producers and agripreneurs in decision-making, data and information provided must be comprehensive, accurate, timely and usable. For innovations to improve agricultural marketing, they should be accessible, affordable and easy to use by market players.

Currently, there are public, private, civil societies and international development organizations that are involved in agricultural market intelligence, research and innovation. Some of these institutions include Ministry of Agriculture and Livestock Development (MALD); Ministry of Mining, Fisheries and Blue Economy; Ministry of Trade and Cooperatives; universities; Kenya Agriculture and Livestock Research Organization (KALRO), private agripreneurs and non-governmental organizations.

Web-based international and multilateral statistical databases such as the International Trade Centre - Market Analysis Tools (ITC-MAT), Trade Map and Food and Agriculture Statistics (FAOSTAT) are a very important source of international trade statistics. Some

of these efforts are supported by development organizations and agencies such as the World Bank, World Trade Organization (WTO), Alliance for a Green Revolution in Africa (AGRA), GIZ and USAID, among others. However, there is limited capacity and use of these sources of information and innovations.

The Ministry has various initiatives to coordinate the collection, collation and dissemination of market information to all value chain actors and end-users. The Ministry has also developed the Kenya Agricultural Market Information System (KAMIS), a digital platform to collect market information from markets covering the 47 counties. The Ministry intends to go a step further to ensure that all organizations and state corporations that collect market information are linked to KAMIS.

There are several agricultural marketing innovations by various actors being promoted and used on smallscale. Examples of this include digital marketing platforms such as Mkulima young, Mfarm, Farmer’s Market Kenya, Digifarm, iShamba, Vuuna, Ujuzikilimo and Taimba among others. However, these are not the only innovations available and there is need to identify additional innovations and upscale them for agricultural marketing.

There is low prioritization and limited public funding for agricultural market intelligence and research. There is also significant information asymmetry between players in agricultural value chains. Even where market data and information may be available, it is often segmented, making access difficult. These have resulted in inadequate access to agricultural market information in domestic and specific external markets for market players’ decision-making, especially in countries where Kenya has no diplomatic or bilateral trading arrangements.

There is limited access to market research findings because of inadequate information sharing and exchange platforms among players generating and those using market research information. In addition, there are inadequate systems for identifying, nurturing, and commercializing innovations, which has resulted in low utilization of research findings and innovations in agricultural marketing.

2.2.8 Marketing Capacity

Marketing capacity is the ability to efficiently undertake the marketing function based on adequacy of the human resources (numbers, skills and competencies), financial, and institutional arrangements. Marketing capacity determines the ability of the agricultural sector to design and execute marketing functions that effectively increase Kenya’s market share and competitiveness.

In Kenya, some of the value chain actors have inadequate capacity to carryout market survey, analyse and interpret market information. This is especially so for the SMEs

and individual farmers. Human resource capacity in terms of staff numbers, skills and competencies required to effectively implement the marketing functions is poor in both public and private institutions.

Marketing of agricultural produce and products requires capital and insurance. The cost of credit provided by financial services providers remains high and lack of specific insurance products designed to meet the needs of the marketing function of agricultural commodities. This affects the ability to invest in marketing and thus affects participation in both the domestic and export markets.

2.2.9 Access to Domestic and Export Markets

a) Conventional Agricultural Produce and Products

The agricultural marketing in Kenya is mainly characterized by involvement of middlemen who play an intermediary role of linking producers to markets. The middlemen, although they play an important role in market access, they are disproportionately remunerated compared to producers. Due to the perishability of some commodities producers are forced to sell at low prices fearing deterioration. Although there exist producers marketing organization for some commodities especially dairy, they are lack capacity to market agricultural commodities. Further, producers have not been able to form marketing organization for majority of agricultural commodities.

In addition, contract farming has also gained popularity as it assures producers access to markets. It is mainly common in export or sale to domestic supermarket chain. Contract farming is faced with challenges of prices fluctuations and violation of the term and conditions.

The Government has had various initiatives to promote the domestic marketing of agricultural commodities. These initiatives have been through directives such as schools, hospitals and military to purchasing locally produced rice. However, these initiatives have been insufficient and also not adequately supporting some crucial locally produced agricultural commodities.

Kenya relies on a limited number of export produce and products, and trade partners, making the country vulnerable to competition from other countries who produce similar products with comparable quality, targeting the established global markets. These produce are mostly exported in their raw and semi-processed forms. A number of challenges continue to hinder access to markets. These include; limited adoption of online clearing systems across both regional and international markets; limited information on efficient inland and maritime logistics; challenges in export of commodities due to emerging pests and diseases; inadequate capacity of responsible

institutions to enforce compliance to SPS standards and the dynamism of the SPS requirements in export markets.

b) Speciality Produce and Products

Demand for speciality products in Kenya is low but growing and is largely driven by high-end consumers consisting of well-educated and financially independent Kenyans from the middle-class segment who are increasingly becoming aware of the benefits of healthy eating. In addition, tourists and the expatriate community consume 65 percent of the speciality products sold in Kenya. Therefore, agricultural speciality value chain players could significantly increase their incomes if they are supported to join speciality food schemes.

Speciality markets are specific consumer groups targeted with commodities that have unique attributes, commonly defined as speciality produce and/ or products. Speciality products are typically high-priced and differentiated with clear brand identification. In addition, Speciality markets focus on a narrow and specific range of merchandise and related items instead of markets that sell a large number of consumer goods categories. Examples of such products are branded as organic, or Halal.

In addition, origin branding concepts such as geographical indications are also gaining ground in Kenya. Geographical indications are a branding concept that identifies products with unique qualities attributable to the natural and human factors associated with the area of origin.

Halal Certifications is vital in informing the Muslim community on the agricultural produce and products acceptable to the Islam religion.

Speciality crops and livestock exhibit a great potential to form a significant part of Kenya's agricultural exports. The production of Speciality produce and products is currently low but is rising to correspond with increasing demand. For instance, only about 200,000 farmers are organic farmers, with only 13,000 having undergone certification, according to a report published by the Kenya Organic Agriculture Network in 2014.

Some of the issues facing Speciality produce, products and markets including but not limited to underdeveloped speciality value chains, lack of policy to support speciality sub-sector, inconsistent supply of speciality products in the market, lack of designated areas for the sale of speciality produce and products in physical markets, and high cost of certification of speciality produce and products.

Figure 3: Analysis of Strengths, Weaknesses, Opportunities and Threats (SWOT)

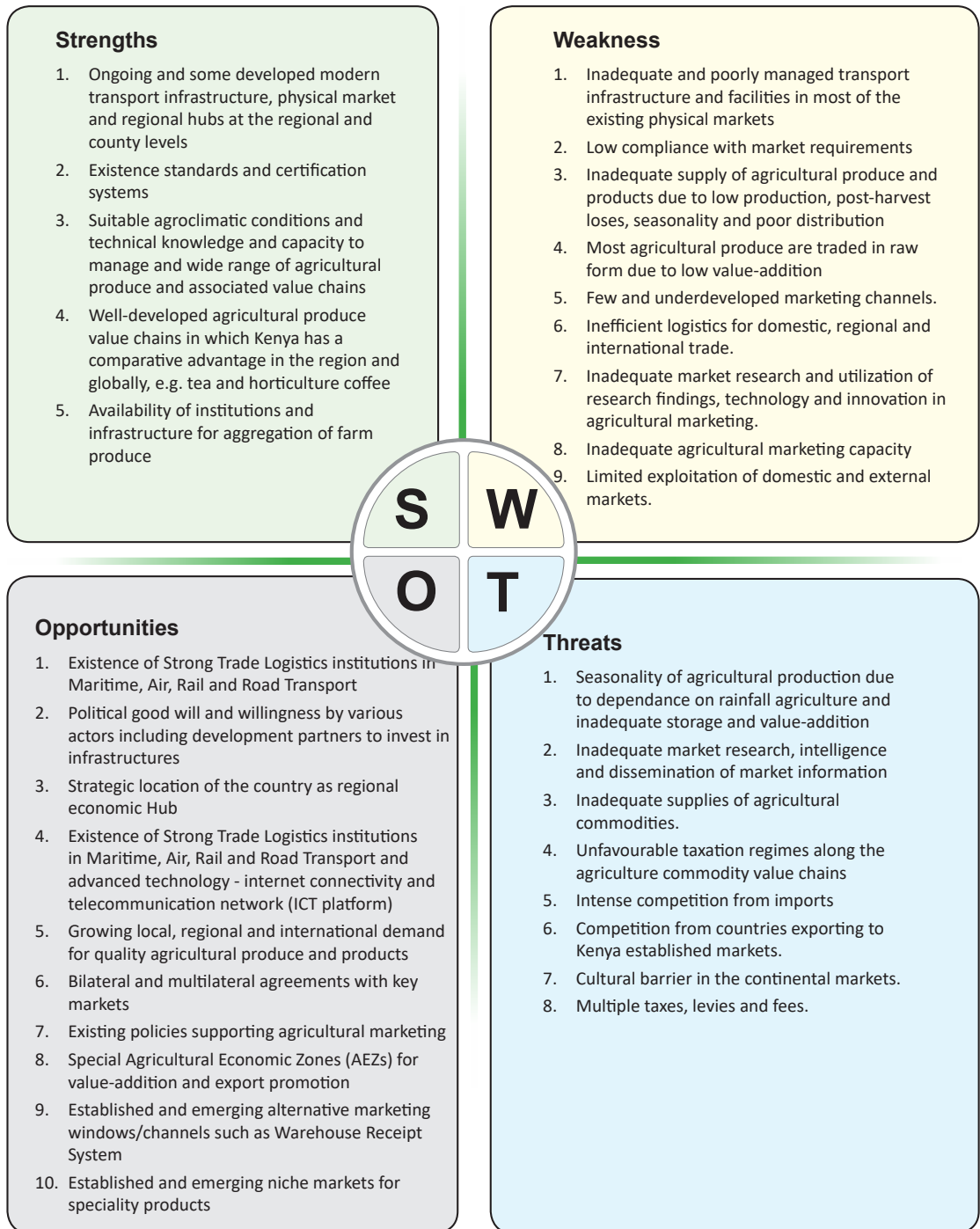



Figure 4: Political, Economic, Social, Technology, Environmental and Legal (PESTEL) Analysis

Political	Economic	Social	Technology	Environmental	Legal
 <ul style="list-style-type: none"> ✓ Membership to Regional and continental trading blocks. ✓ Political interference in the governance of cooperatives and marketing associations ✓ Number of Governments institutions imposing taxes ✓ Harmonization of the regional standards, e.g. East Africa standards 	 <ul style="list-style-type: none"> ✓ Bilateral and multilateral trade agreement ✓ Inter-county trade ✓ Availability of credit support programs e.g. for post-harvest handling ✓ Improving market infrastructure and facilities ✓ Joint venture to offer financing e.g. Private-public partnership ✓ Availability of insurance products for agricultural products. ✓ Branding of products. ✓ Multiple taxation, cess and levies ✓ Low private sector investments. 	 <ul style="list-style-type: none"> ✓ Changes in consumers tastes and preferences ✓ Group marketing ✓ High demand of value added products ✓ Hiring and leasing of capital and value-addition equipment (Common User Facility) ✓ Cultural and religious beliefs and values regarding food consumption for agricultural products. ✓ Branding of products. ✓ Multiple taxation, cess and levies ✓ Low private sector investments. 	 <ul style="list-style-type: none"> ✓ Modern technology in post-harvest handling. ✓ Digital marketing e.g. E-commerce ✓ Low private sector investments. 	 <ul style="list-style-type: none"> ✓ Different standards for various market destination. ✓ Emerging competitors in various market destination. ✓ Forex fluctuation. 	 <ul style="list-style-type: none"> ✓ Supportive legal instruments for contract farming, guiding marketing and brokerage

2.3 Summary of Strategic Issues

1. Inadequate market infrastructure and associated facilities
2. Noncompliance with agricultural produce and product standards
3. Inadequate Supply of Agricultural produce and products
4. High post-harvest losses of agricultural produce
5. Low value-addition of Agricultural produce
6. Underdeveloped marketing channels
7. Poor access roads to physical markets for agricultural produce and products
8. Inefficient logistics for local and international trade
9. Inadequate market information for decision-making
10. Under-utilization of technology and innovations in agricultural marketing
11. Poor management of markets and marketing inefficiencies
12. Inadequate access to financial services
13. Low Access to markets

2.4 Rationale for Agricultural Marketing Strategy

Agricultural marketing is a key driver for a commercialised agriculture. An efficient agricultural marketing system acts as a pull for stimulating production, value addition and consumption, thereby accelerating the pace of agribusiness and economic development.

The government and other stakeholders have over the years implemented projects which are mainly focused on production and other earlier nodes of commodity value chains with little emphasis on agricultural marketing. In addition, where strategies have been developed, they have tended to focus on specific commodities rather than a wholistic agricultural sector marketing approach. Further, where policies and strategies have been developed, they have tended to focus on high value agricultural commodities leading to inadequate marketing of commodities for which specific policies and strategies have not been developed. Consequently, most of the rural smallscale agricultural producers have not commercialized to the extent of benefiting on these initiatives.

The formulation of an agricultural marketing strategy is necessary to provide a focused sector wide approach to marketing of all agricultural commodities produced in Kenya.

The Agricultural Marketing Strategy is intended to streamline the activities of players along the various value chains to facilitate efficient agricultural trade and promote the competitiveness of Kenyan agricultural commodities in both the domestic and external markets. The strategy is designed to bring about real and measurable changes, including increased market access and improved returns for agricultural producers; affordable prices for agricultural commodities for the consumers; remunerative returns to all market players; and, increased exports of Kenya's agricultural commodities and favourable balance of trade for the country.



CHAPTER

3

GOALS, OBJECTIVES AND STRATEGIES

3.1 Strategic Focus

The Agriculture Marketing Strategy draws upon and shall be complimented by a number of guiding national and sectoral policies and strategies that also deal with trade issues. These include the following;

- (i) The Agricultural Sector Growth and Transformation Strategy(2019-2029)
- (ii) Agriculture Policy, 2021
- (iii) National Trade Policy 2017
- (iv) Sessional Paper No. 3 of 2020 on the Livestock Policy
- (v) The Standards Act, Cap 496
- (vi) National Industrialization Policy Framework for Kenya, 2012 – 2030
- (vii) Competition Act, No. 12 of 2010
- (viii) Industrial Property Act, No. 3 of 2001
- (ix) Anti-Counterfeit Act, No. 13 of 2008
- (x) Other Sectoral Policies and Strategies

The Agricultural Marketing Strategy will be central in guiding agricultural produce and product marketing and shall be implemented in complementarity with these policies strategies and legal frameworks. The purpose of the strategy is to transform markets and marketing systems into competitive, profitable and beneficial entities to all value chain actors.

3.2 Strategic Objectives

The overall aim of the agricultural marketing strategy is to improve the competitiveness and increase market access for Kenyan agricultural produce and products in all market segments in order to enhance incomes and livelihoods of producers and other value chain actors. Strategic Objectives include to:

1. Develop and maintain modern market infrastructure for efficient marketing of agricultural produce
2. Facilitate compliance to agricultural produce and products standards
3. Achieve sustainable supply of agricultural produce and products that meet market demand
4. Improve the value of agricultural produce to increase market access
5. Enhance adoption of modern and innovative systems for marketing of agricultural produce and products
6. Develop an efficient and reliable transport infrastructure and logistics for movement of agricultural produce and products to markets
7. Increase market access through innovative use of agricultural market intelligence and technology
8. Improve efficiency in the marketing of agricultural produce and products
9. Enhance and maintain market position and competitiveness of Agricultural produce and products in new and established markets

3.3 Values and Principles

The strategy is underpinned by the following set of core values that guide the actions emerging from the strategy;

- (i) Competitiveness
- (ii) Transformation
- (iii) Inclusiveness
- (iv) Performance
- (v) Efficiency

3.4 Strategic Areas

The following strategic priorities for the Agricultural Marketing Strategy have been derived from the situational analysis. The Strategy has 9 strategic areas divided into 5 strategic pillars and 4 strategic enablers.

3.5 Strategic Pillars

Strategic Pillar 1: Market Infrastructure

Strategic Objective 1: To develop and maintain modern market infrastructure for efficient marketing of agricultural produce

Strategic Issue 1.1: Inadequate market infrastructure and associated facilities

Many areas designated as markets do not have required agricultural market infrastructure. Most existing markets do not have designated areas for agricultural produce and products. However, where they exist they are poorly maintained and lack appropriate facilities such as value-addition, storage, and sanitation. In addition, farmers lack aggregation centres with appropriate infrastructure.

Strategy 1.1.1: Develop modern and maintain existing physical agricultural produce markets.

- a) Map out market infrastructure and facilities requirements.
- b) Develop and maintain market infrastructure and facilities that meet the requirements of various agricultural produce and products such as livestock sale yards and fish landing sites.
- c) Provide guidelines to inform best practices in development and maintenance of market
- d) Capacity build market management committees on skills for maintenance of market infrastructure.

Strategy 1.1.2: Establish and develop aggregation centers with appropriate infrastructure and associated facilities for agricultural produce to attain economic volumes

- a) Profile regions that need aggregation centres and facilities
- b) Construction of aggregation infrastructure and associated facilities (common-user facilities).

- c) Develop and disseminate guidelines on the establishment and maintenance of aggregation infrastructure and associated facilities
- d) Capacity build market management committees on skills for maintenance of the aggregation centres.

Strategic Pillar 2: Market Requirements for Agricultural Produce and Products

Strategic Objective 2: To enhance compliance to market requirements for Agricultural Produce and Products standards.

Strategic Issue 2.1: Non-compliance with Market Requirements for Agricultural Produce and Products

Most agricultural produce and product have standards, save for some emerging and speciality produce and products. There are instances of non-compliance to set standards due to lack of awareness, high cost of compliance and weak enforcement.

Further, current and emerging challenges (such as pest, diseases, chemical residual level, contaminants and pathogens) in commodities for export, and the frequent changes in the SPS requirements in export markets have led to Kenyan export commodities in the regional and international markets being intercepted on a number of occasions.

Strategy 2.1.1: Promote adoption of market requirements

- a) Develop new and review of set standards for agricultural produce and products.
- b) Promote adoption of standards among value chain actors through awareness creation and capacity building of value chain actors.
- c) Adopt private certifications regimes and other specific market requirements.
- d) Carry out surveillance to assess compliance.
- e) Establish disease/pest free zones or zones of low pests

Strategy 2.1.2: Enhance the Capacity of surveillance institutions at National and County levels to enforce compliance to standards.

- a) Increase, upgrade and modernize physical facilities and technological infrastructure for sampling and testing.
- b) Strengthen coordination structures for enhancing enforcement by the regulating agencies.

- c) Capacity building of inspectors and graders in sampling, testing and reporting.
- d) Sensitization of enforcement and prosecution agencies on existing standards
- e) Increase the number of inspectors.
- f) Strengthen and broaden traceability system for agricultural produce and products

Strategic Pillar 3: Supply of Agricultural Produce and Products

Strategic Objective 3: To achieve sustainable supply of agricultural produce and products that meet market demand

Strategic issue 3.1: Inadequate Supply of Agricultural produce and products

The marketing of agricultural produce and products are beset by low volume and inconsistent supply due to dependence on individual marketing by small-scale farmers, seasonal rains and poor distribution channels for agricultural produce and products from areas of plenty to deficit areas. Further, there exist weak linkages between the existing marketing organizations and the upstream value chain actors.

Strategy 3.1.1: Streamlining supply of Agricultural produce and products

- a) Mobilize and form all-inclusive agricultural production and marketing clusters and organizations
- b) Link producers to marketing organizations, aggregation centres, processing hubs and financial institutions
- c) Capacity build farmer's marketing organization on coordination of production, marketing and governance.
- d) Promote contract farming between producers and buyers
- e) Develop and implement Kenya Agricultural Market Information System (KAMIS) to monitor and disseminate information on seasonal variation of produce and products availability and pricing.

Strategic issue 3.2: High post-harvest losses of Agricultural Produce

It is estimated that over 30% of harvested crops, 25% of fish, and 40% of dairy along the value chain is lost due to poor post-harvest management, inadequate /inappropriate storage facilities, poor produce handling, and poor linkages to markets.

Strategy 3.2.1: Promote post-harvest and preservation technologies to reduce loss of Agricultural produce.

- f) Capacity building of value chain actors on appropriate post-harvest and preservation techniques.
- g) Map out underutilized and idle public and private storage facilities and promote utilization by other value chain actors
- h) Promote investment in post-harvest technologies in food processing hubs, aggregation centres and other storage and produce handling facilities.

Strategic Pillar 4: Value-addition of Agricultural Produce

Strategic Objective 4: To improve the value of agricultural produce to increase market access

Strategic issue 4.1: Low Value-addition of Agricultural Produce

There is inadequate access to facilities and technologies that can prolong the shelf life of and add value to agricultural produce. In most cases the facilities and technologies are unavailable, and where they are available they are located far from the majority of producers. In addition, the cost of energy to run value-addition activities is comparatively higher than in neighbouring countries, thus reducing competitiveness of Kenya's value added agricultural products in existing markets.

Strategy 4.1.1: Promote access to appropriate value-addition facilities and equipment

- a) Map out value-addition hubs ,equipment and facilities
- b) Identify value-addition space and establish common user facilities at existing public facilities and aggregation centres.
- c) Capacity building of entrepreneurs at the common user facilities on entrepreneurship and business skills, appropriate processing/ value-addition technologies, Good Hygiene practices (GHP), Good Manufacturing Practices (GMP) product standard's and specifications
- d) Develop and implement bulk-purchasing models for imported value-addition equipment.

Strategy 4.1.2: Promote Value-addition for Agricultural Produce

- a) Develop and implement business models for value-addition for agricultural produce.
- b) Organize business to business meetings to share available value-addition business models, and match MSMEs to suppliers and financial institutions.

- c) Promote consumption and marketing of processed agricultural products in both local and international markets
- d) Promote targeted investment in green energy e.g. solar, biogas, wind to enhance competitiveness and market access for agricultural produce and products

Strategic Pillar 5: Marketing Channels

Strategic Objective 5: To enhance adoption of modern and innovative systems for marketing of agricultural produce and products.

Strategic Issue 5.1: Underdeveloped Marketing Channels

Most marketing of agricultural produce is done through conventional channels that includes producers, brokers, retailers, wholesalers and processors. In the recent past there has emerged alternative marketing channels such as digital and virtual markets; auctions, warehouse receipt system (WRS) and commodity exchanges; and derivatives markets like futures. These are however few and not fully developed in Kenya and therefore are limited in usage in marketing agricultural produce and products in the domestic, regional and international markets.

In addition, there exist opportunities for development of trading hubs which can take advantage of some of the fairly well developed facilities and infrastructure such as Mombasa and Lamu Ports, In-land Dry Ports, Jomo Kenyatta International Airport, and modern road and rail networks.

Strategy 5.1.1: Strengthen the existing and alternative agricultural trading platforms

- a) Fast track the ongoing reforms to improve trading at the Nairobi Coffee Exchange and Mombasa Tea Auction.
- b) Operationalize the warehouse receipt system and Kenya Commodity Exchange (KOMEX).
- c) Promote trade in futures and derivative markets.
- d) Provide incentives to attract investment in digital trading platforms.
- e) Support direct marketing of agricultural produce, e.g. by designating a farmer's market day in existing markets and special areas.
- f) Establish quality assurance system for online marketing of agricultural produce.

- g) Sensitize users, including communities, importers and exporters on alternative marketing channels.
- h) Support capacity building for value chain actors across the warehousing and commodity exchange ecosystem.
- i) Development of new and review of existing standards for storage facilities such as warehouses and cold storage for agricultural commodities to be traded.

Strategy 5.1.2: Exploit Kenya’s unique location and infrastructure as a regional trading hub for the export of agricultural produce and products.

- a) Establish efficient produce handling facilities and operations at the exit/entry points.
- b) Coordination of one-stop clearing and handling of agricultural produce and products for export to ease business transactions.
- c) Provision of tax incentives to market players.

3.6 Strategic Enablers

Strategic Enabler 1: Transport Infrastructure and Logistics

Strategic Objective 6: To develop an efficient and reliable transport infrastructure and logistics for movement of agricultural produce and products to markets.

Strategic Issue 6.1: Poor access roads to physical markets for agricultural produce and products.

Poor conditions of access roads lead to high cost of transport, delays and post-harvest losses.

Strategy 6.1.1: Development and maintenance of rural access roads.

- a) Increase budget allocation for development and maintenance of rural access roads.
- b) Promote private sector to invest and improvement of rural roads.
- c) Develop and promote use of models for community based road maintenance.

Strategic issue 6.2: Inefficient logistics for local and international trade

Access to agricultural produce and products markets at the local and international levels, have been greatly hampered by poor logistics, including unreliable and

inefficient freight transport, limited use of appropriate transport vessels, limited information on efficient inland and maritime logistics to reach target markets, and inadequate implementation of harmonized customs clearance and administrative procedures that differ from country to country.

Strategy 6.2.1: Promote the use of appropriate transport vessels.

- a) Sensitization of transporters and traders on the industry-specific codes of practice for handling, packaging and transportation of agricultural produce.
- b) Enforcement of standards and specifications for handling, packaging and transportation of agricultural produce and products.
- c) Modernization of existing transport vessels to conform to food safety requirements.

Strategy 6.2.2: Improve on logistics for efficient transportation of agricultural produce and products to the markets.

- a) Advocate for the development, adoption and harmonization of the online clearing systems.
- b) Sensitize and capacity build the value chain actors on efficient logistics management.
- c) Monitor and address the emerging bottlenecks to efficient transport and logistics.
- d) Promote partnerships with international retail chains and facilitate the expansion of Kenya based retail chains to distribute Kenyan value-added products to the regional and international markets.
- e) Establish Common user facilities in the export markets for ease of logistics (such as warehouses).
- f) Enhance Maritime investments and partnerships in commercial shipping vessels.

Strategic Enabler 2: Agricultural Market Research, Intelligence and Innovation

Strategic Objective 7: To increase market access through innovative use of agricultural market intelligence and technology

Strategic issue 7.1: Inadequate market information for decision-making

The current market information collection and dissemination is limited in scope, leaving out vital market data and information such as transport costs, local and international market produce demand, produce quality and safety. This is due to low prioritization and limited public funding for market intelligence research. In cases where research information exists, there is low utilization of these research findings for decision-making. This is partly due to existence of barriers to access to data and information on certain domestic and external markets, leading to information asymmetry between industry players and producers, resulting in exploitation of producers.

Strategy 7.1.1: Promote market research and intelligence

- a) Undertake awareness creation on Agricultural market information system to value chain actors.
- b) Increase public budgetary allocation to agricultural market research and intelligence
- c) Establish partnerships and collaborations between public and private research organizations, universities and industry players that enhance the capacity to attract funds for market intelligence.
- d) Develop standard operation procedures for data collection and management.

Strategy 7.1.2: Enhance access to data and information on domestic and external markets.

- a) Establish and manage an Agricultural Market Information System (AMIS).
- b) Build and strengthen capacity of value chain segregated type in market information

Strategy 7.1.3: Enhance utilization of market research findings

- a) Mainstream information from market research in agricultural advisory services.
- b) Increase utilization of market research findings by providing credible market information
- c) Strengthen linkages and collaboration between public and private sector research institutions with industry players to promote utilization of research findings.

Strategic issue 7.2: Low utilization of technology and innovations in agricultural marketing.

There is low identification, nurturing and commercialization of innovations. This is a result of limited access to market research findings. Technological capacity in transportation, storage, sorting, processing and packaging of produce and produce is low. Existing Market Information Systems are not linked and are limited in technological capacity, resulting in delayed dissemination of information on marketing.

Strategy 7.2.1: Promote identification, incubation and commercialization of agricultural marketing innovations.

- a) Awareness creation on opportunities for development of market innovations
- b) Establish platforms for the identification of promising innovations.
- c) Develop a system for incubation and commercialization of innovations.
- d) Promote utilization of processing hubs and aggregation centres as incubation centres for agricultural marketing innovations

Strategic Enabler 3: Marketing Capacity

Strategic Objective 8: To improve efficiency in the marketing of agricultural produce and products

Strategic Issue 8.1: Poor management of markets and marketing inefficiencies

The management of physical markets to facilitate the marketing functions of aggregating; storing and warehousing; standardization and grading; transportation, and trading is poor due to weak supporting structures and institutions such as market management committees, marketing cooperatives and other organized producer and trader organizations. Where such institutions exist, the required management to organize market operations and marketing skills sets to facilitate the marketing functions are inadequate or lacking. In addition, staffing levels within the National and County government institutions are low, affecting the ability of Government to train the actors.

There is also low capacity amongst value chain actors, especially the small and medium market actors, to analyze markets, interpret market information, undertake market surveys, and effectively negotiate better trading terms.

Strategy 8.1.1: Strengthen the capacity of various market players on management of markets and marketing

- a) Establish management committees for markets and aggregation centres.
- b) Train management committees for markets, aggregation centres and other market players on management skills, governance and marketing.

- c) Develop and implement market management guidelines.
- d) Coordinate the implementation of good marketing practices and enforce adherence to of laws, regulations and guidelines for traders in designated physical markets, aggregation centres and alternative market platforms
- e) Establish and employ sustainable stakeholder platforms for continuously engaging and exchanging information on best practices in management of markets and marketing of agricultural produce in both the domestic and international markets
- f) Establish sustainable funding mechanism to support management of physical markets and marketing activities/operations

Strategic Issue 8.2: Inadequate access to financial services

With inadequate access to credit, agricultural value chain players are hard-pressed to finance capital investment and export financing. Marketing of agricultural commodities is also a high-risk venture that requires insurance services, which are hardly accessible.

Strategy 8.2.1: Enhance access to financial services

- a) Develop innovative financing models that are appropriate to support traditional, new and emerging agricultural produce and product supply chains
- b) Promote the development of insurance products that are appropriate to support agricultural marketing such as risk-bearing financing

Strategic Enabler 4: Access to Domestic and Export Markets

Strategic Objective 9: To enhance and maintain market position and competitiveness of agricultural produce in new and established markets.

Strategic Issue 9.1: Low access to markets for Agricultural produce and products

Low competitiveness of agricultural produce in the domestic and export markets resulting from multiple taxation of agricultural produce by the National and County governments; limited exploitation of opportunities in bilateral, regional and multilateral trade agreements; stiff competition from countries exporting to Kenya established markets; Limited diversification into new and emerging markets; export of raw bulk commodities; and cultural barrier associated with colonial affiliations in the continental markets. These have reduced market access, resulting in increased imports as well as reduced exports of Kenyan Produce.

There also exist speciality produce and products such as purple tea, infused tea, organically grown, whose markets are underdeveloped due to low demand and limited knowledge of local and international markets requirements.

Strategy 9.1.1: Create favourable taxation regimes that support marketing

- a) Harmonize payment of cess, fees and levies for agricultural produce in the domestic market
- b) Institute fiscal measure that promote export of Kenyan Agricultural produce and products.

Strategy 9.1.2: Promote exploitation of opportunities to access domestic and external markets

- a) Build capacity of trade negotiators.
- b) Mainstream implementation of bilateral and multilateral opportunities in strategies and operations of the MDAs
- c) Diversify to new and emerging markets to expand the export markets.
- d) Promote utilization of the agricultural produce and products in the domestic markets (Buy kenya build kenya)

Strategy 9.1.3: Promote Kenyan specialty produce and products in local and international markets.

- a) Introduce speciality products in domestic and international markets
- b) Participate in exhibitions and fora focused on speciality products in the local and international markets

The implementation of this strategy will be undertaken by various stakeholders at the National and County levels. This will require effective coordination of key industry stakeholders; mobilization of adequate funding for strategy implementation, implementation of effective risk mitigation measures, development and deployment of an effective information and knowledge management system and proper monitoring and evaluation of implementation measures

To realize the objectives of this strategy a number of assumptions have been made. These include that there will be: political good will; adequate resources; prudent use of resources; professionalism; improved sector coordination and collaboration; between various agencies within Government at the National and County levels and between public and private sector actors

4.1 Coordination of Key Industry Stakeholders in Strategy Implementation

4.1.1 Key Stakeholders and their Roles

a) National and County Government level Departments and Agencies

Government Ministries, Department and Agencies will continue to play the policy environment enabling role and that of regulation. The principal ministries who shall play the lead and coordination roles for the implementation of the Agriculture Marketing Strategy will be the Ministry of Agriculture and the Ministry of Trade and the Departments of Agriculture and Trade at the county level. Additionally, key public agencies in Agriculture including the Agriculture and Food Authority, Kenya Plant Health Inspectorate Service, Kenya Bureau of Standards will work with the National and County Governments and private sector actors.

b) Private Sector Actors

Private sector actors include producers of various agricultural commodities and all other non-state actors along the various marketing supply chain. The private sector is responsible for the production, processing and marketing of agricultural commodities and provision of marketing services. To enhance efficiency and effectiveness in marketing of agricultural commodities and provision of related services, the private sector will be expected to form and strengthen stakeholders' umbrella associations for the retail, wholesale, and export trading and to champion and spearhead stakeholder interest while also developing good codes of practices amongst members. It is expected that the associations will enable the effective provision of services related to marketing such as quality assurance, linking producers to markets and capacity building.

c) Development Partners

The development partners will be responsible for technical and development cooperation; resource mobilization and funding of agricultural marketing strategies and programmes and supporting capacity building of stakeholders.

4.2 Strategy Implementation Coordination

The implementation of the Agriculture Marketing Strategy will make use of established structures under the National Trade Policy of 2017 rather than establish new implementation structures. These structures consist of the;

- (i) Trade Sub-Technical Committee established in accordance with the Intergovernmental Relations Act (Chapter 5G) and comprising of representatives from the National and County Government under the names: National Trade Sub-Technical Committee and County Trade Sub-Technical Committee.
- (ii) National/County Trade Consultative Forum for steering the implementation of the trade policy and comprising members drawn from the National and County Governments Trade Technical Committees.
- (iii) National Trade Technical Committee and the County Trade Technical Committees, an advisory body whose function is to guide the overall trade policy formulation, provide an effective mechanism for intra-governmental policy coordination of cross cutting trade.

Agricultural Marketing Strategy implementation will benefit from the structures at which key public and private marketing actor will be represented.

4.3 Resource Mobilization

Resources for implementation of activities assigned to the National Government outlined in the Strategy Implementation Matrix will be mobilized by the national government from its normal budgetary allocations and national programmes and budgets funded by development partners. The County governments will mobilize resources through mainstreaming of Strategy in the County Integrated Development Plans (CIDPs) and budgetary allocations in annual workplans as well as sourcing for funding from donors for investments falling under the county governments. The major funding areas for the two levels of government will focus on creation of enabling environment and expenditures on public goods and services targeted at improving efficiency in marketing.

Private sector actors are expected to mobilize resources for investments along the marketing value chain through their normal budgeting cycles.

4.3.1 Funding for Coordination of Agricultural Market Sector Players

Resources for coordination of strategy implementation shall be mobilised by both the National and County government as per the coordinating structures and institutions established under the section 4.2 of this Strategy. It is expected that development partners and other non-governmental organizations will support both the National and County Governments in facilitating coordination and M&E activities under the Strategy.

4.3.2 Funding for Strategy Implementation

The proposed budget for implementing the AMS is estimated at KES 8.44 billion over the Ten-year strategy implementation period. This cost will be shared amongst the National Government, County Governments, development partners, private sector players and beneficiaries. The Ministry will endeavour to ensure prudent utilization of public funds during the period to realize all the aspirations. The resource requirement for implementation of AMS is as summarized in Table 1

Table 1: Summary AMS Budget

S.No	Strategic Objective	Strategies	Cost in Millions (KSh)
1.	Strategic Objective 1: To develop and maintain modern market infrastructure for efficient marketing of agricultural produce.	Strategy 1.1.1: Develop modern and maintain existing physical agricultural produce markets	910
		Strategy 1.1.2: Establish and develop aggregation centres with appropriate infrastructure and associated facilities for agricultural produce to attain economic volumes	340
2.	Strategic Objective 2: To enhance compliance to Market requirements for Agricultural Produce and Products	Strategy 2.1.1: Promote adoption of market requirements	111
		Strategy 2.1.2: Enhance the Capacity of surveillance institutions at National and County levels to enforce compliance to standards.	1,696
3.	Strategic Objective 3: To achieve sustainable supply of agricultural produce and products that meet market demand	Strategy 3.1.1: Streamlining supply of Agricultural produce and products	280
		Strategy 3.2.1: Promote post-harvest and preservation technologies to reduce loss of Agricultural produce	850
4.	Strategic Objective 4: To improve the value of agricultural produce to increase market access	Strategy 4.1.1: Promote access to appropriate value-addition facilities and equipment	118
		Strategy 4.1.2: Promote value-addition for agricultural produce	126
5.	Strategic Objective 5: To enhance adoption of modern and innovative systems for marketing of agricultural produce and products.	Strategy 5.1.1: Strengthen the existing and alternative Agricultural trading platforms	500
		Strategy 5.1.2: Exploit Kenya’s unique location and infrastructure as a regional trading hub for the export of agricultural produce and products.	603

S.No	Strategic Objective	Strategies	Cost in Millions (KSh)
6.	Strategic Objective 6: To develop an efficient and reliable transport infrastructure and logistics for movement of agricultural produce and products to markets.	Strategy 6.1.1: Development and maintenance of rural access roads	30
		Strategy 6.2.1: Promote the use of appropriate transport vessels	190
		Strategy 6.2.2: Improve on logistics for efficient transportation of agricultural produce and products to the markets	601
7.	Strategic Objective 7: To increase market access through innovative use of agricultural market intelligence and technology	Strategy 7.1.1: Promote market intelligence and research.	90
		Strategy 7.1.2: Enhance access to data and information on domestic and external markets	560
		Strategy 7.1.3: Enhance utilization of market research findings	110
		Strategy 7.2.1: Promote identification, incubation and commercialization of agricultural marketing innovations.	700
8.	Strategic Objective 8: To improve efficiency in the marketing of agricultural produce and products	Strategy 8.1.1: Strengthen the capacity of various market players on management of markets and marketing	160
		Strategy 8.2.1: Enhance access to financial services	24
9.	Strategic Objective 9: To enhance and maintain market position and competitiveness of Agricultural produce in new and established markets.	Strategy 9.1.1: Create favourable taxation regimes that support marketing	12
		Strategy 9.1.2: Promote exploitation of opportunities to access domestic and external markets	264
		Strategy 9.1.3: Promote Kenyan specialty produce and products in both local and international markets.	60
10	Coordination of strategy implementation	Chapter 4: Strategy implementation	100
TOTAL			8,435

4.4 Information and Knowledge Management

Information and knowledge management will entail data collection, analysis, reporting and dissemination, building institutional memory, establishing repository in analog and digital formats. The Strategy will develop and maintain a web-based Agricultural Market Information System (AMIS). This system will ensure organization of agricultural and marketing data and information in a structured manner to facilitate accessibility, sharing amongst stakeholders for effective and efficient planning, coordination, monitoring and evaluation of the sector; and establish a support platform for policy, management and investment decisions.

4.5 Risk Analysis and Mitigation

To mitigate against the risks that may arise during the implementation of the strategy, the risk assessment matrix provided below, with necessary adjustments, will be used by various actors.

Table 2: Risk Analysis and Mitigation Matrix

Risk	Category	Mitigation measures
1. Political influence in resource distribution	High	➤ Clear criteria for Mapping, selection of sites and prioritization of programmes
2. Cross border informal trade	Medium	➤ Enforcement of regulations and standards
3. Technological changes in product development	High	<ul style="list-style-type: none"> ➤ Upgrading technology ➤ Carrying out continuous research and training ➤ Technology adaptation ➤ Capacity building
4. Inadequate Marketing experts in multilateral and bilateral trade negotiations and professionals and technical officers in public sector	High	<ul style="list-style-type: none"> ➤ Continuous capacity building of experts ➤ Establishment of desks on multilateral and bilateral trade negotiations in the Ministries of agriculture ➤ Succession and talent management
5. Social and cultural conflicts	High	<ul style="list-style-type: none"> ➤ Developing and implementing conflict resolution mechanisms ➤ Sensitization of stakeholders
6. Covid-19 and similar pandemic	High	➤ Declaration of right to access to food and agricultural marketing an essential service requiring special intervention measures
7. Climate Change	High	➤ Promote climate smart marketing approaches

4.6 Monitoring and Evaluation

Monitoring and evaluation are critical in supporting the development of agricultural marketing by ensuring the implementation is impactful, cost effective and well-coordinated.

A logical strategy framework will be developed that outlines the mission, vision, overall objectives, outputs, activities and observable variable indicators to guide strategy implementation, monitoring and evaluation. These key performance indicators (KPIs) for each pillar will contribute to the overall M&E framework. To accompany the logical framework is the cost and time framework. The cost of implementing the strategy will inform the Governments and other stakeholders on the resource mobilization for strategy implementation.

The implementing agencies will conduct monitoring and evaluation to assess the performance and delivery of set outputs. Monitoring will be conducted on a quarterly basis. This will be followed by an annual evaluation of the strategy at the end of each year. The monitoring and evaluation will be conducted by a multisectoral team drawn from participating partners.

4.7 Agricultural Marketing Strategy Review

This strategy may be reviewed during the implementation period taking into account the effectiveness, progress of its implementation, and emerging domestic as well as international marketing and trade issues.

Annex I: Agricultural Marketing Strategy Implementation Matrix

Strategies	Activities	Measure of achievement	Responsibilities and Institutions		Priority Timeline and Indicative Budget (KES. Millions)				
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
Strategic Pillar 1: Market Infrastructure									
Strategic Objective 1: To develop and maintain modern market infrastructure for efficient marketing of agricultural produce.									
Strategic Issue 1.1: Inadequate market infrastructure and associated facilities									
Strategy 1.1.1: Develop modern and maintain existing physical agricultural produce markets	a) Map out market infrastructure and facilities	A national inventory of market infrastructure and requirement	Coordinate the mapping exercise	Undertake the mapping exercise in the counties	Participation in the survey	50	0	0	50
	b) Develop and maintain market infrastructure and facilities to meet the requirements of various agricultural produce and products such as livestock sale yards and fish landing sites	Number of market infrastructure and facilities developed and maintained	a) Develop and implement national programs and projects to support development of market infrastructure and facilities b) Promote private sector investment in marketing facilities	a) Mobilize funds for construction of county markets and maintenance of all markets b) Develop and maintain market infrastructure and facilities c) Promote private sector investment in marketing facilities	a) Manage market infrastructure and facilities appropriately	0	400	400	800

Strategies	Activities	Measure of achievement	Responsibilities and Institutions				Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total	
	c) Provide guidelines to inform best practices in development and maintenance of market	Guidelines developed.	Provide best practices for development and maintenance of markets	Adopt and adapt developed guidelines for development and maintenance of markets	Participate in the development and implementation of the guidelines	10			10	
	d) Capacity build market management committees on skills for maintenance of market infrastructure.	Number of market management committees trained in governance and management of markets	Develop training manuals for managing markets	Train market management committees on governance and management of markets		20	15	15	50	
Strategy 1.1.2: Establish and develop aggregation centres with appropriate infrastructure and associated facilities for agricultural produce to attain economic volumes	a) Profile areas that need aggregation centres and facilities	A national profile of existing as well as areas that need aggregation centres and facilities	Coordinate the profiling exercise	Undertake the profiling exercise in the counties	Facilitate and participation in the exercise				Funding under 1.1.a	

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	b) Construction of aggregation infrastructure and associated facilities. (common user facilities)	Number of aggregation and associated facilities constructed to standard	a)Develop and implement national programs and projects to support development of aggregation and associated facilities b)Promote private sector investment in aggregation facilities	a)Mobilize funds for construction and maintenance of aggregation and associated facilities b)Develop and maintain aggregation and associated facilities c)Promote private sector investment in aggregation facilities	Develop and manage aggregation and associated facilities appropriately	100	100	100	300
	c) Develop and disseminate guidelines on the establishment and maintenance of aggregation infrastructure and associated facilities	Guidelines developed.	Provide best practices for development and maintenance of aggregation centre and facilities	Adopt and adapt developed guidelines for development and maintenance of aggregation centre and facilities	Participate in the development and implementation of the guidelines				Funding under 1.1.1c
	d) Capacity build management committees on skills for management and maintenance of the aggregation centres.	Number of farmer organization and management committees trained	Develop training manuals for farmer organizations and market management committees	Mobilize farmer organizations and market management committees and training them on various skills	Facilitate and participate in the training	15	15	10	40

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
Strategic Pillar 2: Market Requirements for Agricultural Produce and Product									
Strategic Objective 2: To enhance compliance to Market requirements for Agricultural Produce and Products									
Strategic Issue 2.1: Non-compliance with Market requirements for Agricultural Produce and Product									
Promote adoption of market requirements	a) Develop new and review of set standards for agricultural produce and product	Number of standards for agricultural produce and products developed or reviewed	MoALD and KEBS - Develop standards	Dept. Agriculture - Participate in the development of standards	Private sector - Participate in the development of the standards	4	4	4	12
	b) Promote adoption of standards among value chain actors through awareness creation and capacity building of value chain actors.	Number of trainings on standards Number of value chain actors trained	MoALD, KEBS – Develop the training manual and undertake the training of ToTs	Dept. Agriculture – Mobilize stakeholders for the training Trains value chain actors	Private sector –Participate in the training and facilitate the training of the value chain actors	5	5	5	15
	c) Promote use of private certifications regimes and other specific market requirements.	Number of bodies accredited for produce certification	MoALD and KEBS - Accredited bodies for produce certification based on private standards	Dept. Agriculture - Participate in the adoption of standards	Private sector - Participate in the adoption of the standards	3	3	3	9

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
Strategy 2.1.2: Enhance the Capacity of surveillance institutions at National and County levels to enforce compliance to standards.	d) Carry out surveillance to assess compliance with market requirements.	Number of surveillance missions	Establishment of multi-sectoral surveillance team to carry out surveillance	Carry out surveillance	Private sector, compliance with set standards	15	15	15	45
	e) Establish disease/ pest free zones	Number of disease/ pest free zones established	DVS and KEPHIS – Delineate and designate disease/pest free zones	Implementation of disease/pest free zones	Private Sector – Implement measures that ensure disease/pest free zones	10	10	10	30
	a) Increase, upgrade and modernize physical facilities and technological infrastructure for sampling and testing.	Number of new or upgraded physical facilities for sampling and testing	MoALD, KEPHIS, KEBS, KFS, Vet labs- Facilitate development and upgrading of facilities Develop guidelines for testing	Facilitate development and upgrading of facilities Co-manage some facilities	Private sector – Development and upgrading of facilities Undertake private sampling and testing	500	500	500	1500
b) Strengthen coordination structures for enhancing enforcement by the regulating agencies.	Number of coordination structures strengthened.	MoA, KEPHIS, AFA, KEBS, PCPB, DVS, KFS, KVB - Facilitate the strengthening of coordination structures	Dept. Agriculture, Fisheries and Livestock – Operationalize county level structures	Support coordination structures	2	2	2	6	

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	c) Capacity building of inspectors and graders in sampling, testing and reporting.	Number trained Number of trainings offered to inspectors and graders.	MoA, KEPHIS, AFA, KEBS, PCPB, DVS, KFS, KVB- Facilitate capacity building	Dept. Agriculture, Fisheries and Livestock – Support capacity building	Support facilitation of capacity building	15	10	10	35
	d) Sensitization of enforcement and prosecution agencies on existing standards	Number of sensitizations offered to enforcement and prosecution agencies. Number sensitized	MoA, KEPHIS, AFA, KEBS, PCPB, DVS, KFS, KVB- Facilitate sensitization	Dept. Agriculture, Fisheries and Livestock – Support sensitization	Support facilitation of sensitizations	15	10	10	35
	e) Increase the number of inspectors.	Number of new inspectors gazetted.	MoA, KEPHIS, AFA, KEBS, PCPB, DVS, KFS, KVB- Appoint, train and gazette inspectors	Dept. Agriculture, Fisheries and Livestock – Capacity building of county based inspectors	Support inspection work	25	25	25	75
	f) Strengthen and broaden traceability system for agricultural produce and products	Number of additional agricultural produce and products covered Effectiveness of the traceability system to identify the source of nonconformity	MoA, KEPHIS, AFA, KEBS, PCPB, DVS, KFS, KVB- Develop framework for traceability system	Dept. Agriculture, Fisheries and Livestock – Support implementation of traceability system	Strengthen, broaden and use of traceability system	15	15	15	45

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
Strategic Pillar 3: Supply of Agricultural produce and products									
Strategic objective 3: To achieve sustainable supply of agricultural produce and products that meet market demand									
Strategic issue 3.1: Inadequate Supply of Agricultural produce and products									
Strategy 3.1.1: Streamlining supply of Agricultural produce and products	a) Mobilize and form all-inclusive agricultural production and marketing clusters and organizations	Number of functioning production and marketing clusters formed Number of functioning production and marketing organizations formed	Facilitate formation and management of clusters and marketing organizations	Identification and formation of clusters and marketing organizations	Farmers, producers, cooperatives, fisher folks participate in formation and management	20	20	20	60
	b) Link producers to marketing organizations, aggregation centres, processing hubs and financial institutions	Number of producers linked to marketing organizations, aggregation centres, processing hubs and financial institutions	Facilitate formation of linkages	Facilitate formation of linkages	Facilitate formation of linkages Utilization of the linkages	10	5	5	20
	c) Capacity building of farmer's marketing organization on coordination of production, marketing and governance.	Number of farmer organizations trained.	Conduct capacity building on coordination, production marketing and governance.	Capacity building on coordination, production marketing and governance	Develop and implement code of conduct	20	10	20	50

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	d) Promote contract farming between producers and buyers	Number of producers/producer organizations with signed contracts Guidelines for contract farming developed	Facilitate development of guidelines for contract farming between producers/farmers organizations and buyers	Capacity build county officers on contract farming guides and farmers on negotiations on contract farming	Producers, farmers organizations and buyers ensure compliance with contract farming agreements; farmer organizations capacity building farmers on contract farming	15	20	15	50
	e) Develop and implement Kenya Agricultural Market Information System (KAMIS) to monitor and disseminate information on seasonal variation of produce and products availability and pricing.	<ul style="list-style-type: none"> • KAMIS operational. • Number of stakeholders market information and data disseminated to. • Number of users accessing market information annually • Early warning system for seasonal variation developed and utilized 	<ul style="list-style-type: none"> • Development and maintenance of a user-friendly KAMIS system satisfying diverse stakeholders needs. • Trainings of trainers on data collection. • Develop guidelines for data collections. • Manage the KAMIS systems. 	Collection of and submission of data Awareness creations on the existence of KAMIS. Capacity building on data collection for KAMIS	Producers, Farmers, Processors Consumers.	20	20	60	100

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
Strategic issue 3.2: High post-harvest losses of Agricultural Produce									
Strategy 3.2.1: Promote post-harvest and preservation technologies to reduce loss of Agricultural produce	a) Capacity building of value chain actors on appropriate post-harvest and preservation techniques. b) Map out underutilized and idle public and private storage facilities and promote utilization by other value chain actors	Number of value chain actors whose capacity have been built on post-harvest and preservation technologies. Number of underutilized and idle public and private storage facilities brought to use.	Conduct capacity building and facilitate access to post-harvest handling and management technologies. Map out available storage facilities. Develop guidelines for the use of the storage facilities.	Conduct capacity building for value chain actors on post-harvest handling and management. Map out available storage facilities within the County and facilitate their use by value chain actors.	Develop and promote adoption of post-harvest handling and management technologies. Make use of and manage available storage facilities.	20	20	20	60
	c) Promote investment in post-harvest technologies by food processing hubs, aggregation centres and other storage and produce handling facilities	Number of post-harvest technologies adopted by food processing hubs, aggregation centers and other storage and produce handling facilities.	Facilitate access to appropriate post-harvest technologies.	Create awareness about existing post-harvest technologies Capacity building of food processing hubs, aggregation centres and other storage and produce handling facilities on use of post-harvest technologies	Invest in appropriate post-harvest technologies.	250	250	250	750

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)		
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs
Strategic Pillar 4: Value-addition of Agricultural produce								
Strategic Objective 4: To improve the value of agricultural produce to increase market access								
Strategic Issue 4.1: Low value-addition of Agricultural produce								
Strategy 4.1.1: Promote access to appropriate value-addition facilities and equipment	a) Map out value-addition hubs, equipments and facilities	Inventory of the value-addition hubs, equipments and facilities	Coordinates undertaking of the mapping	Conduct the mapping	Conduct the mapping	30		30
	b) Identify value-addition space and establish common user facilities at existing public facilities and aggregation centres	Report on available value-addition spaces Report on No of functional value-addition common user facilities established	Coordinate the assessment	Conduct the assessment	Facilitate and the assessment Participate in the assessment	10	10	20
	c) Capacity building of entrepreneurs at the common user facilities on entrepreneurship and business skills, appropriate processing/ value-addition technologies, Good Hygiene practices (GHP), Good Manufacturing Practices (GMP) product standard's and specifications	Number of entrepreneurs capacity built	Develop modules and mobilize resources for capacity building	Recruit capacity building participants	Provide industrial incubation for entrepreneurs	30	10	50

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	d) Develop and implement bulk-purchasing models for imported value-added equipment	Progress report on implementation of bulk purchasing model	Establishment of the bulk purchasing scheme	Support implementation	Support implementation	6	6	6	18
Strategy 4.1.2 Promote value-addition for agricultural produce	a) Develop and implement business models for value-addition for agricultural produce.	Report on the No. of business models on value-addition adopted.	Develop and share business models with counties	Promote the Business model among private sector	participate and Implement the Business model	5	5	5	15
	b) Organize business to business meetings to share available value-addition business models, and match MS-MEs to suppliers and financial institutions	No of business to business of agreements/ contract entered into.	Coordinate and facilitate planning of business meetings	coordinate and facilitate implementation of the business to meetings	Participate in the business to business meetings	3	2	1	6
	c) Promote consumption and marketing of processed agricultural products in both local and international markets	Incremental demand for value added products	Organize international trade fairs for promotion of value added commodities	Coordinate awareness campaigns on buy kenya build kenya	Support buy kenya build kenya campaign	20	20	20	60

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	d) Promote targeted investment in green energy e.g. solar, biogas, wind to enhance competitiveness and market access for agricultural produce and products	Number of green energy investment projects/business venture	Provide incentives for investment in green energy production and utilization	Provide incentives for investment in green energy production and utilization	Investment and consumption of the green energy	15	15	15	45
Strategic Pillar 5: Marketing Channels									
Strategic Objective 5: To enhance adoption of modern and innovative systems for marketing of agricultural produce and products.									
Strategic Issue 5.1: Underdeveloped marketing channels									
Strategy 5.1.1: Strengthen the existing and alternative agricultural trading platforms	a) Fast track the ongoing reforms to improve trading at the Nairobi Coffee Exchange and Mombasa Tea Auction	Reports on the progress on reforms at the Nairobi Coffee and Mombasa Tea Exchange	Implement reforms to improve trading at the Nairobi Coffee Exchange and Mombasa Tea Auction.	Support reforms	East African Tea Traders, KTDA, KPCU CBK	20	10	10	40

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	b) Operationalize the warehouse receipt system and Kenya Commodity Exchange (KOMEX).	Level of operationalization of Warehouse receipt system and Kenya Commodity Exchange (KOMEX)	Facilitate sensitization on WRS and KOMEX Develop guidelines for establishment of aggregation centers for use as warehouses	Mobilize the VCAs, Coordinate the trainings Provide public space and utilities to attract private sector to invest in warehouse	Enter into PPP arrangement to Build Operate & Transfer warehouses Implement the standards Utilize the WRS and KOMEX facilities	40	40	20	100
	c) Promote trade in futures and derivative markets	Number actors sensitized Number of trainings	Provide favorable platforms for futures and derivative markets (coordinate promotional activities?)	Sensitization on futures and derivative markets	trade in futures and derivative markets develop platforms for trade in futures and derivative markets	30	30	40	100
	d) Provide incentives to attract investment in digital trading platforms.	Number of functional digital trading platforms for agricultural produce	Provide incentives and create awareness on digital trading platforms	Provide incentives and create awareness on digital trading platforms	Develop and operate ICT trading platforms	20	20	20	60
	e) Support direct marketing of agricultural produce	List of designated markets and special areas for farmer market days	Sensitization of county governments to identify, designate and develop markets and special areas for farmer market days.	Identify, designate and develop markets and special areas for farmer market days	Utilize the market facilities and market days Participate in identification of special areas and market days	10	15	15	40

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	f) Establish quality assurance system for online marketing of agricultural produce.	An operational quality assurance system for online marketing	Develop online marketing guidelines	Ensure compliance to relevant Quality standards to all produce traded online	Participate in online marketing. Adhere to standards	25	15	10	50
	g) Sensitize users, including communities, importers and exporters on alternative marketing channels.	Number of sensitization meetings Number of people sensitized	Develop awareness materials on alternative marketing channels	Stakeholder mapping and mobilization. Disseminate information on alternative marketing channels	Embrace, disseminate and upscale alternative marketing channels	10	10	10	30
	h) Support capacity building for value chain actors across the warehousing and commodity exchange ecosystem.	Number value chain actors trained	Organize capacity building forums for the value chain actors	Organizing, mobilization and training of the value chain actors	Embrace, and sensitize value chain actors on the WRS and COMEX.	10	10	10	30
	i) Development of new and review of existing standards for warehouses such as cold storage and agricultural commodities to be traded.	Number of revised and new published standards for warehouse storage and commodities	Organize stakeholders forums to review existing and develop new standards	Organize stakeholders forums to review existing and develop new standards	Participate in development and implementation of the standards	25	10	15	50

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
Strategy 5.1.2: Exploit Kenya's unique location and infrastructure as a regional trading hub for the export of agricultural produce and products.	a) Establish efficient produce handling facilities and operations at the exit/entry points.	Number of efficient produce handling facilities Number of standard operation procedures for handling various produce and products	Establish efficient produce and products handling facilities Develop SOP for handling produce and products	Establish efficient produce and products handling facilities Cascade the SOP for handling produce and products	Utilize the produce and products handling facilities and the SOP	200	200	100	500
	b) Coordination of one-stop clearing and handling of agricultural produce and products for export to ease business transactions.	Average time taken on transactions at the one-stop clearance	Facilitate the process of establishment of a one-stop shop for agricultural business licensing at various entry/exit points	Implement the one-stop shop at counties with entry /exit points	Embrace improved efficiency Kenya Transporters Association (KTA)	40	30	30	100
	c) Provision of tax incentives to market players.	Number of tax incentives	Develop and implement tax incentive models	Develop and implement licensing incentive models	Take advantage of the tax incentives	1	1	1	3

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)		
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs
Strategic Enabler 1: Transport infrastructure and logistics								
Strategic Objective 6: To develop an efficient and reliable transport infrastructure and logistics for movement of agricultural produce and products to markets.								
Strategic Issue 6.1: Poor access roads to physical markets for agricultural produce and products.								
Strategy 6.1.1: Development and maintenance of rural access roads	a) Increase budget allocation for development and maintenance of rural access roads	Percentage increase of budgetary allocation to rural access roads	Increase allocation funds for development and maintenance of rural access roads KERRA	Allocate funds for development and maintenance of rural access roads		5	5	10
	b) Promote private sector to invest in improvement of rural access roads.	Number of KMs of rural roads developed by private sector	Sensitize the private sector on the need to invest in the improvement of the rural roads.	Collaborate with the private sector in identification of the rural roads to be developed	Participate in the development of rural roads	5	5	10
	c) Develop and promote use of models for community based road maintenance.	Number of community-based road maintenance linked to produce cess collected.	Hold sensitization forums at county level to sensitize them on the model.	Apply the model in the maintenance of the community roads	Invest in the maintenance of the rural roads		5	5

Strategies	Activities	Measure of achievement	Responsibilities and Institutions		Priority Timeline and Indicative Budget (KES. Millions)				
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
Strategic issue 6.2: inefficient logistics for local and international trade									
Strategy 6.2.1: Promote the use of appropriate transport vessels	a) Sensitization of transporters and traders on the industry-specific codes of practice on handling, packaging and transportation of agricultural produce.	Number of actors sensitized Number of sensitization events	Capacity build transporters and traders on the industry-specific codes of practice on handling, packaging and transportation of agricultural produce and products.	Hold trainings for transporters and traders on the industry-specific codes of practice on handling, packaging and transportation of agricultural produce and products.	Adhere to the specific codes of practice on handling, packaging and transportation of agricultural produce. Partner with both National and County Governments in the trainings	25	15	10	50
	b) Enforcement of standards and specifications for handling, packaging and transportation of agricultural produce and products.	Percentage reduction in violations of standards and specifications.	Enforce adherence to the specifications for handling, packaging and transportation of agricultural produce and products.	Enforce adherence to the specifications for handling, packaging and transportation of agricultural produce and products.	Enhance self regulation and adherence to standards and packaging and transportation of agricultural produce and products.	20	10	10	40
	c) Modernization of existing transport vessels to conform to food safety requirements.	Number of existing transport vessels modernized	Enforce conformity to food safety requirements by the existing transportation vessels	Enforce conformity to food safety requirements by the existing transportation vessels	Invest in appropriate transport vessels	40	30	30	100

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
Strategy 6.2.2: Improve on logistics for efficient transportation of agricultural produce and products to the markets	a) Advocate for the development, adoption and harmonization of the online clearing systems.	Harmonized online clearance system	Promote and sensitize adoption and harmonization of online clearing systems	Promote and sensitize adoption and harmonization of online clearing systems	adoption of the harmonization of online clearing systems	3	3	3	9
	b) Sensitize and capacity build the value chain actors on efficient logistics management	Number of sensitization forum Number capacity build value chain actors	Hold trainings to sensitize and capacity build the value chain actors on efficient logistics management	Hold trainings to sensitize and capacity build the value chain actors on efficient logistics management	Participate in the sensitization forums	3	4		7
	c) Monitor and address the emerging bottlenecks to efficient transport and logistics	Number of bottlenecks identified and addressed	Monitor and address the emerging bottlenecks to efficient transport and logistics	Monitor and address the emerging bottlenecks to efficient transport and logistics	Monitor and address the emerging bottlenecks to efficient transport and logistics	10	10		20
	d) Promote partnerships with international retail chains and facilitate the expansion of Kenya based retail chains to distribute Kenyan value-added products to the regional and international markets.	Number of promotion forums held with the retail chains	Faciliate forum for partnerships with international retail chains and support the expansion of Kenya based retail chains to distribute Kenyan value-added products to the regional and international markets	Faciliate forums for partnerships with international retail chains and support the expansion of Kenya based retail chains to distribute Kenyan value-added products to the regional and international markets	Partner with both National and County Governments in organizing for the forum. International retail chains,	8	7		15

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	e) Establish Common user facilities in the export markets for ease of logistics (such as warehouses).	Number facilities in the export markets for ease of logistics	Establish Common user facilities in the export markets for ease of logistics (such as warehouses).	Sensitize exporters on existence of the common users facilities	Establish Common user facilities in the export markets for ease of logistics (such as warehouses).	20	100	200	500
	f) Enhance Maritime investments and partnerships in commercial shipping vessels	Number of maritime investments and partnerships in commercial shipping vessels	Organize a platform for investors and partners in Maritime and commercial shipping vessels	Participate in platforms for investors and partners in Maritime and commercial shipping vessels.	Invest/ partner with Government in Maritime and commercial shipping vessels developing the sector.	30	10	10	50
Strategic Enabler 2: Agricultural Market research ,intelligence and Innovation									
Strategic Objective 7: To increase market access through innovative use of agricultural market intelligence and technology									
Strategic issue 7.1: Inadequate market information for decision-making.									
Strategy 7.1.1: Promote market research and intelligence.	a) Undertake awareness creation on Agricultural market information system to value chain actors.	Number of awareness creation forums Number of value chain actors sensitizes	Facilitate country wide awareness campaigns on benefits of quality market data & Responsibilities for each	Collect feedback on level of awareness among target stakeholders	Regularly participate in surveys on awareness of market information	5	5	5	15

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	b) Increase public budgetary allocation to agricultural market intelligence	Percentage increase in budgetary allocation to agricultural market intelligence	Prepare annual budgets proposals for market information gathering and dissemination & submit to National Treasury	Prepare annual budgets proposals for market information gathering and dissemination & submit to County Assemblies Counties to include financing of marketing information collection and dissemination in the CIDPs	Commit to support allocation for market data intelligence during the public forums on budgets	5	5	5	15
	c) Establish partnerships and collaborations between public and private research organizations, universities and industry players that enhance the capacity to attract funds for market intelligence.	Number of partnerships	Organize forums for preparation of funding proposals	Organize forums for preparation of funding proposal at county level	Lobby funding agencies to prioritize funding for market intelligence gathering initiatives Allocation of resources for market intelligence	10	10	10	30

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	d) Develop standard operation procedure for data collection and management.	Numbers of Standard Operation Procedure developed.	Develop and implement Standard Operation Procedures(SOP) for data collection and management	Cascade the Standard operation procedure for data collection and management.	Partner with national government in Access and utilize data	10	10	10	30
Strategy 7.1.2: Enhance access to data and information on domestic and external markets.	a) Establish and manage an Agricultural Market Information System (AMIS).	AMIS established and operationalised	Develop the data tools & MIS for processing & sharing data & information, Facilitate collection of baseline data, Training of CG staff and enumerators on data collection	Supervision of baseline data collection, Train stakeholders on continuous data collection and entry to the system, Organize regular data validation forums, Facilitate continuous data collection, Sharing of market information to stakeholders Integrate AMIS to KAMIS	support operationalization	200	200	100	500
	b) Build and strengthen capacity of value chain segregatetype including the market information.	Number value chain actorsse undertaking commercial data analysis collection services,	Develop training modules for commercial market data collection, facilitate trainings and mentorship on data collection	Mobilize and capacity build segreted youth on data,analysis ans dissemination collection and dissemination	Regular update of collected data	20	20	20	60

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
Strategy 7.1.3: Enhance utilization of market research findings	a) Mainstream information from market research in agricultural advisory services.	Number of extension materials updated with market information Number of trainings in which market information have been mainstreamed	Prepare and update extension materials with market information gathering and dissemination modules, Coordinate regular trainings of advisory service providers on market information and intelligence	Coordinate regular trainings of advisory service providers on market information and intelligence	Facilitate development of extension materials	10	10	10	30
	b) Increase utilization of market research findings by providing credible market information	increased Level of utilization of the market research information Number of participants in the forums for improvement of utilization of market research findings	Packaging and disseminating the market research findings through various channels, Organize forums for improvement of utilization of market research findings	Disseminating the market research findings through various channels, Organize forums for improvement of utilization of market research findings	Support utilization of the market research findings	10	5	5	20

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)				
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total	
	c) Strengthen linkages and collaboration between public and private sector research institutions with industry players to promote utilization of research findings.	Number of linkage forums	Organize National Forums for public, private research institutions and industry	Organize County Forums for public, private research institutions and industry	Participate in the forums Facilitate in linkage forums	20	20	20	60	
Strategic issue 7.2: Low utilization of technology and innovations in agricultural marketing										
Strategy 7.2.1: Promote identification, incubation and commercialization of agricultural marketing innovations.	a) Awareness creation on opportunities for development of market innovations	Number of awareness creation forums Number of actors sensitized	Prepare and package awareness materials, Disseminate information on awareness creation	Disseminate the awareness materials Organize forums	Utilize the information on opportunities for development of market innovations	20	30		50	

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	b) Establish platforms for the identification of promising innovations.	Prepared call through different channels Number of innovations Number of forums in different regions to evaluate the innovations	Prepare and announce a call for marketing innovations through different channels, Select the promising ones and facilitate incubation, Set up an innovation fund	Facilitate the incubation of the selected innovation, Provide space for incubation centres at aggregation centres where necessary	Participate in to facilitate incubation of innovations	15	15	20	50
	c) Develop a system for incubation and commercialization of innovations.	Level of operationalization of the commercialized incubation system	Establish a reward scheme for most promising innovations	Administer the reward scheme	Carry an assessment of the commercialized innovations, Bring up innovations	200	200	150	550
	d) Promote utilization of processing hubs and aggregation centres as incubation centres for agricultural marketing innovations.	The number of functioning aggregation centres and processing hubs used as incubation centres The number of actor utilizing aggregation centres and processing hubs as incubation centres	Create incentives and awareness on utilization of aggregation centres and processing hubs as incubation centres	Provide incentives Create awareness	Support establishment of the Innovation hubs	20	20	10	50

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)		
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs
Strategic Enabler 3: Marketing capacity								
Strategic Objective 8: To improve efficiency in the marketing of agricultural produce and products								
Strategic Issue 8.1: Poor management of markets and marketing inefficiencies								
Strategy 8.1.1: Strengthen the capacity of various market players on management of markets and marketing	a) Establish management committees for markets and aggregation centres.	Number of management committees established	MoA, MoT- Develop manual for establishing management committees	Dept. Agriculture, Fisheries and Livestock; and Dept Trade – Develop management committees	Participants in the training			Funding under 1.1.1f
	b) Train management committees for markets, aggregation centres and other market players on management skills, governance and marketing.	Number of management committees and other market officials trained Number of training	MoA, MoT- Training of TOJs from the counties Develop training manuals for market management committees and other market officials	Dept. Agriculture, Fisheries and Livestock; and Dept Trade – Training of market management committees and other market officials	Participants in the training			Funding under 1.1.1f
	c) Develop and implement market management guidelines.	Number of Market management guidelines	MoA, MoT- Develop market management guidelines	Dept. Agriculture, Fisheries and Livestock; and Dept Trade – Cascade market management guidelines Oversee the adoption of the market management guidelines at the markets	Adopt the market management guidelines			Funding under 1.1.1f

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	d) Coordinate the implementation of good marketing practices and enforce adherence to laws, regulations and guidelines for traders in designated physical markets, aggregation centres and alternative market platforms	decrease in number of non compliance	MoA, MoT- Prepare and review guidelines agricultural marketing Police, Judiciary- Enforce adherence to laws, regulations and guidelines by traders in markets	Dept. Agriculture, Fisheries and Livestock; and Dept Trade –Sensitize traders on good marketing practices, laws, regulations and guidelines Enforcement on compliance adherence to laws, regulations and guidelines by traders in markets	Enforce adherence to laws, regulations and guidelines by traders in markets	4	3	3	10
	e) Establish and employ sustainable stakeholder platforms for continuously engaging and exchanging information on best practices in management of markets and marketing of agricultural produce in both the domestic and international markets	Number of stakeholder engagement including conferences, workshops, digital dashboard	MoA, MoT- Establish platforms for engaging stakeholders	Dept. Agriculture, Fisheries and Livestock; and Dept Trade – Establish platforms for engaging stakeholders	Participate and support engagements	15	15	20	50

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)				
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total	
	f) Establish sustainable funding mechanism to support management of physical markets and marketing activities/operations	Number of funding mechanism supports provided for management of physical markets and marketing activities/operations	MoA, MoT- Facilitate development of funding mechanism to support management of physical markets and marketing activities/operations	Dept. Agriculture, Fisheries and Livestock; and Dept Trade –Develop and implement funding mechanism to support management of physical markets and marketing activities/operations	Private sector -Develop funding and implementation mechanism to support management of physical markets and marketing activities/operations Implement funding mechanism	40	30	30	100	
Strategic Issue 8.2: Inadequate access to financial services										
Strategy 8.2.1: Enhance access to financial services	a) Develop innovative financing models that are appropriate to support traditional, new and emerging agricultural produce and product supply chains	Number of financial models Number of supply chain supported	MoA, MoT- Facilitate development of innovative financial models for marketing agricultural commodities Promote development of financial products targeting youth and women by both private and public sectors	Dept. Agriculture, Fisheries and Livestock; and Dept Trade – Facilitate development of innovative financial models for marketing agricultural commodities Promote development of financial products targeting youth and women by both private and public sectors	Private sector - Develop innovative financial models for marketing agricultural commodities Implement financial models	6	3	3	12	

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)				
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total	
	b) Promote the development of insurance products that are appropriate to support agricultural marketing such as risk-bearing financing	Number of Insurance products Number of supply chain supported	MoA, MoT- Facilitate development of Insurance products for marketing agricultural commodities	Dept. Agriculture, Fisheries and Livestock; and Dept Trade – Facilitate development of Insurance products for marketing agricultural commodities	Private sector – Develop Insurance products for marketing agricultural commodities Implement Insurance products	6	3	3	12	
Strategic Enabler 4: Access to domestic and export markets										
Strategic Objective 9: To enhance and maintain market position and competitiveness of Agricultural produce in new and established markets.										
Strategic Issue 9.1: Low access to markets for Agricultural produce and products										
Strategy 9.1.1: Create favourable taxation regimes that support marketing	a) Harmonize payment of cess, fees and levies for agricultural produce in the domestic market	Revised system of administering cess fees and levies for agricultural products	Develop a strategy of harmonization and reduction of fees and levies charged on agricultural produce	Dept. Agriculture, Fisheries and Livestock; and Dept Trade – Develop a strategy of harmonization and reduction of Cess and levies charged on agricultural produce	Private sector - Participate in review of cess, fees and levies by county and national governments	3	3	3	9	
	b) Institute fiscal measure that promote export of Kenyan Agricultural produce and products	Number of tax incentives to support export of agricultural produce	Continuously revise fiscal support to agricultural produce export to enhance competitiveness and promote increased export of agricultural produce and products	Dept. Agriculture, Fisheries and Livestock; and Dept Trade – Continuously revise fiscal support to agricultural produce export to enhance competitiveness and promote increased export of agricultural produce an	Private sector to advise national and county governments on effective fiscal measures to promote export of agricultural produce	1	1	1	3	

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
Strategy 9.1.2: Promote exploitation of opportunities to access domestic and external markets	a) Build capacity of trade negotiators.	Number of MDAs and county government participating in trade negotiations Number of trade negotiators	Establish a system with expanded representation of key MDAs and county government representation in negotiations	Dept. Agriculture, Fisheries and Livestock; and Dept Trade – Establish a negotiation task force to participate in trade negotiations	NGOs and private sector Participate in trade negotiation teams	5	5	5	15
	b) Mainstream implementation of bilateral and multilateral opportunities in strategies and operations of the MDAs	MoUs signed and implemented Multilateral agreement signed and implemented	Signing and coordination of implementation of MoUs and Multilateral agreements Build the capacity value chains players to respond to regional and international market opportunities	coordination of county- based implementation of marketing related activities in MoUs and multilateral agreements Build the capacity value chains players to respond to regional and international market opportunities at the county level	implementation of marketing related activities in MoUs and multilateral agreements	3	3	3	9

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
	c) Diversify to new and emerging markets to expand the export markets.	new and emerging markets captured	Developing strategies for capturing new markets and capacity building stakeholders on those opportunities Carry out market research in new and emerging markets Organize/attend international trade fairs /expos Partner with non-agricultural sectors such as tourism and the hospitality industry in promotion initiatives.	Dept. Agriculture, Fisheries and Livestock; and Dept Trade – Sensitization of actors on new and emerging markets	Private sector and other non-state actors to Advise on potential markets for Kenya's produce and best strategies for promotion of exports there Carry out market research in new and emerging markets Partner with non-agricultural sectors such as tourism and the hospitality industry in promotion initiatives.	50	50	50	150
	d) Promote utilization of the agricultural produce and products in the domestic markets (Buy kenya build kenya)	Number of agricultural produce and products promoted Utilization levels of agricultural produce and products	Promote "Buy kenya build kenya" strategy	Promote "Buy kenya build kenya" strategy	Support "Buy kenya build kenya" strategy	30	30	30	90

Strategies	Activities	Measure of achievement	Responsibilities and Institutions			Priority Timeline and Indicative Budget (KES. Millions)			
			National Government	County Government	Other Stakeholders	ST <3 Yrs	MT 3-5 Yrs	LT 6-10 Yrs	Total
Strategy 9.1.3: Promote Kenyan speciality produce and products in both local and international markets.	a) Introduce speciality products in domestic and international markets	Market survey report Number of speciality marketed /traded in the domestic and international markets	Conducts market research to identify opportunities in existing speciality markets Conduct research on Kenyan produce and products to identify unique characteristics that can qualify them to be speciality products Promote production, value addition and marketing of new and existing speciality products	Support the value chain actors in production, value addition and marketing of existing and new speciality products	Produce, value add and market speciality products in both domestic and international markets Expand the range of speciality produce and products for both domestic and international markets	20	20	20	60
	b) Participate in exhibitions and fora focused on speciality products in the local and international markets	Reports on exhibitions held Number of participants in the exhibitions	MoALF&C, MoT- Organize Regional and International Exhibitions	Dept. Agriculture, Fisheries and Livestock; and Dept Trade – Organize county exhibitions	Participate in local, regional and International exhibitions				

Annex II: List of Team of Strategy Development Experts

1. Albert Mwangi — State Department for Fisheries Aquaculture and Blue Economy
2. Benson Kamau — State Department for Crops Development and Agricultural Research
3. Daniel Nyamai — State Department for Livestock Development
4. David Ombalo — State Department for Crops Development and Agricultural Research
5. Dennis Olila — The National Treasury and Planning
6. Dr. John Olwande — Tegemeo Institute of Agricultural Research
7. Dr. Matthew Muma — Kenya Institute of Public Policy Research and Analysis (KIPPRA)
8. Evelyne Heyi — State Department for Crops Development and Agricultural Research
9. Grace Agili — State Department for Crops Development and Agricultural Research
10. Hannington Odido — State Department for Crops Development and Agricultural Research
11. Jacqueline Kiio — State Department for Crops Development and Agricultural Research
12. Jane Auch — State Department for Crops Development and Agricultural Research
13. John Chege — State Department for Livestock Development
14. John Maina — State Department for Livestock Development
15. John Wainaina — State Department for Crops Development and Agricultural Research
16. Joshua Oluyali — State Department for Crops Development and Agricultural Research
17. Kennedy Anahinga — State Department for Crops Development and Agricultural Research
18. Lazarus Munyua — State Department for Crops Development and Agricultural Research
19. Lucy Njenga — State Department for Crops Development and Agricultural Research
20. Martin Odengi — State Department for Crops Development and Agricultural Research
21. Matthew Wanjiru — State Department for Cooperatives
22. Moses Kamau — State Department for Crops Development and Agricultural Research
23. Nathan Hiuhu — State Department for Crops Development and Agricultural Research
24. Peter Owoko — State Department for Crops Development and Agricultural Research
25. Rachel Shibalira — Alliance for a Green Revolution in Africa (AGRA)
26. Seline Bonyo — State Department for Crops Development and Agricultural Research
27. Timothy Ogwang — State Department for Crops Development and Agricultural Research
28. Wekesa Khisa — Kenya Tea Board



LAPIA WIKI	FRESH POTATO Name:SE	BEANS Name:SE	SUKUNA WIKI Name:SE
KES/NG	60.00 KES/NG	130.00 KES/NG	22.67 KES/NG

Ministry of Agriculture, Livestock, Fisheries and Co-operatives

Mandera , Rice - Wholesale: 220.00 KES/KG Retail: 230.00 KES/KG | Barringo , Green Grams - Wholesale: 130.00 KES/KG Retail: 300.00 KES/KG | Embu , G

RETAIL PRICE WATCH

Weekly Retail Averages

WHOLESALE PRICE WATCH

Weekly Wholesale Averages

MARKET HIGHLIGHT

Commodity	Market	County	Wholesale(KES/kg)	Retail(KES/kg)
Beans (Yellow bean)	Eldoret Main	Uasin-Gishu	110.00	127.50