Kenyan farmers reap benefits from better marketing

When it comes to marketing farm produce, smallholder farmers have always been at a disadvantage when dealing with unscrupulous traders who offer low prices. Gilbert Muhangi reports how some farmers in central Kenya have formed marketing groups to sell their farm produce at higher prices.

Onion farmers in the area of Endarasha, in Nyeri, have formed 'commercial villages' (see box) which means they have shifted part of their farming system from being subsistence to the commercial production of onions for the market. Traditional practices of resource management are replaced by market oriented practices with the aim of achieving higher yields, higher incomes and improved food security.

Between 2007 and 2008, two successful commercial villages were formed in Endarasha by Farm Concern International (FCI). They are made up of several farmers' groups who share ideas on increasing production, adding value and marketing. As a result, farmers, whose main cash crop is onions, have changed their fortunes and improved their standards of living magnificently.

Based on better economies of scale, the groups are able to increase their bargaining power to obtain better prices for their produce and procure quality seeds and farm inputs. The farmers also share information on the current market trends.

According to Peter Ndung’u, a value network coordinator at FCI, the commercial village approach was started in 2005 following a baseline survey in the area. With financial support from FARM-Africa’s Maendeleo Agricultural Technology Fund (MATF), they discovered that poor markets were reducing the gains made by farmers from the production of onions so they set out to bring the farmers together to market and sell their produce in bulk.

**Hybrid seeds**

Apart from the farmers getting introduced to genuine traders who would directly buy their onions, they also benefited from training on better farming practices. According to Stephen Wachira, the secretary of Kilima Kabati, a self help group, they have gained a lot of knowledge and skills in onion production. "Long ago, I had no idea of what agrochemicals to use in my farm. I knew a chemical is just a chemical. Even if I was sold chalk I would have not known. But after Farm Concern trained us, we now know the best agrochemicals."

Previously farmers were planting a low yielding open pollinated variety because they were cheap, said Mr Ndung’u of Farm Concern. Now, with their assistance, they are planting highly productive hybrid seeds. "We had to start field demonstration plots to show the farmers that with the hybrid seeds they would reap bigger profits," he said.

"I am now aware of the right kind of seeds and I have also identified a certified supplier where I and my group purchase our inputs," said 45 year old Ngatia Waithaka, the chairman of Kinyaita commercial village in Endarasha. After adopting the hybrid seeds two years ago, Mr Waithaka has seen his earnings from onions rise exponentially.

On his one acre, he would reap 800 kg of onions per season which would fetch KSh 8,000 (approximately £70). On the same area his earnings from onions have risen ten-fold to KSh 80,000 (£700). He is also growing French beans and has ventured into dairy farming.

He said the difference has been brought about by improved marketing, since the farmers now bargain as a group and sell their produce in bulk. This has almost eliminated "brokers" or middlemen who buy cheaply from farmers and sell at a higher price to traders.

FCI, with financial support from MATF, has been implementing a four year programme to improve the livelihoods of small scale farmers through better access to markets. As a result most farmers are now directly in contact with traders and even use their mobile phones to call big markets such as Karatina, Nakuru and Nairobi to
find out the prevailing market prices of onions before selling to traders or other middlemen who visit their farms. Using mobile phones, farmers also call each other to update their group members on the best price to sell their onions, beating the brokers and middlemen at their own game.

Farmers are able to grow two crops of onions per year but the January crop gets the higher price of around KSh 35 (£0.30 per Kg. Experts are working on introducing a variety of other crops which the farmers can plant during the low November season, when onions from neighbouring Tanzania saturate the market.

**Improved livelihoods**

With the improved earnings, farmers have been able to raise their own standards of living with some putting up better houses, purchasing land and paying school fees. Members of the group also contribute towards a revolving fund in which individuals in the group are assisted with money to take care of emergencies such as when a member falls ill or is bereaved.

The groups, which have a membership of at least 25 farmers, are subdivided into various sub-committees such as finance, welfare, marketing and production while others have youth and women groups. At Kinyaite commercial village, there are at least five groups which meet once every month to discuss various developments. The groups have appointed nine members that sit at commercial village level to discuss future plans.

**School**

Among themselves, the members in Kinyaite commercial village have been able to recover a two acre plot of community land on which they are constructing a huge water reservoir covering one acre. According to the group’s chairman, Mr. Waithaka, the land had been grabbed by a private developer but the farmers joined forces in fighting to have that parcel of land returned to them.

With their earnings from onion farming, the group has been able to construct a nursery school to ease the burden of their children having to walk long distances to a neighbouring school. Mr Waithaka said that before the school was constructed, his two children, who are primary school pupils, would walk ten kilometers, whereas the new school is only two kilometers distant.

**Store room**

To add value to the onions and hopefully stabilise prices across the market, a demonstration store room has been constructed at the homestead of Mr Waithaka where the farmers come for training. An average store room costs KSh 40,000 (£350) and assists in giving farmers leverage with middle men, who offer low prices to farmers knowing there is the risk of their produce rotting.

With the store, farmers are able to hold on to their produce for up to two months to obtain the best price, and they have a chance of increasing the quality of their produce, since storage usually has a curing effect. According
to Patrick, the chairman of the Gikuno onion growers self help group, the stored onions and tubers acquire a richer red colour and lose excess water making them ideal for buyers. This 200 member group are also in the process of constructing storage houses in their individual homes to help add value to their produce.

The Gikuno group are enterprising in other ways. They have leased one acre of land to grow different varieties of onions. They have also bought a large tent at a cost of KSh 75,000 (£658) using the proceeds from onion farming and contributions from members. They lease it out to community members for special occasions such as weddings, political rallies and other social gatherings at a cost of KSh 2000 (£17.50).

Several problems still face farmers in the area. The roads are poor and in the wet season some of the produce gets damaged on the way to markets, so they are hoping that the government will soon improve the roads. Looking to the future, farmers have dreams of keeping dairy goats, sinking boreholes, building water storage tanks, keeping bees, producing biogas and installing electricity in the area. These could cushion them against prolonged drought which sometimes dries up the rivers and completely destroys crops and livestock fodder, causing losses worth millions of shillings.

All the groups recognise that the improved farming and marketing practices have changed their lives and they appreciate the help they have received from FARM-Africa’s Maendeleo Agricultural Technology Fund and Farm Concern International. They are now working to make the project sustainable since the two development agencies are set to pull out next year having completed a four year implementation programme.

For more information, contact Mwangi Stanley e-mail: mwangi@farmconcern.org OR Mumbi Kimathi e-mail: mumbi@farmconcern.org.

Farm Concern International (FCI), KARI Campus, Waiyaki Way, P.O. Box 15185-00100, Nairobi, Kenya. Tel: +25-20-4444031, 6751229, ermail: Info@farmconcern.org

Gilbert Muhanji is MATF’s communication officer. He can be contacted at FARM-Africa, Studio House, 4th Floor, Argwings Kodhek Road, Hurlingham, P.O. Box 49502-00100 GPO, Nairobi, Kenya. Tel: +254 20 2731664/2044/2203; Cell: +254 721 576531/734 721208; Fax: +254 20 2732086.

Websites: www.farmafrica.org.uk and www.maendeleo-atf.org