

Investors' Forum

Entrepreneurial Conservation Agriculture Services Provision to Medium and Smallholder Farmers Program



“Huduma kwa Mkulima 25”



Government of Kenya



**African
Conservation
Tillage
Network**

CAADP

Comprehensive Africa Agriculture
Development Programme

What does it mean to have **1 million farmers** in Kenya practicing **Conservation Agriculture?**

- Easy doubling of cereal yields (1.5 to 3 tonnes per hectare); thus an increase of one million tonnes annually worth 22 billion Kshs.

- Significant improvement in mother and child nutrition. Inter-cropped and relayed legumes (lablab, beans, peas, soya beans) and oil seeds (sunflower, simsim, canola, etc.) are rich in proteins and essential nutrients.

- Surplus cereals, legumes and seed cake form the basic ingredients for expansion of women controlled small-stock (poultry, dairy goats, aquaculture, etc.) livestock feeds industry and other income generating enterprises.

- An open but organised market of crop production inputs and services for one million medium and smallholder farmers and service providers:
 - Decent rural employment for at least 16,000 farmers as CA mechanisation service providers (contractors); agro-dealers and processors
 - Weather related crop insurance premium of 5 billion Kshs annually (5,000 per ha)
 - Financing for production inputs (37,500 Ksh per hectare) i.e. 37.5 billion Kshs annually

- Climate smart farming. Not ploughing saves 8lts of diesel per hectare, i.e. a saving 4 million lts of diesels for 50% of the 1 million farmers using tractors and equivalent to 400 million Kshs annually. At 2.9 kg of greenhouse gas (GHG) emissions per lt of diesel, 11,600 tonnes of GHG are saved annually.

- Kshs: 175 billion worth of Conservation Agriculture equipment market is an opportunity for locally adapted designs, manufacturing, importation and distribution.

The Huduma kwa Mkulima 25 Consortium invites innovative business minds of interested private sector players into the partnership to transform smallholder and medium farming in Kenya – forever.

Huduma Kwa Mkulima 25

Huduma Kwa Mkulima 25 consortium is led by African Conservation Tillage Network (ACT), in partnership with the Government of Kenya (Minsitry of Agriculture, Livestock and Fisheries) and CAADP

Aims of Huduma Kwa Mkulima 25

1. Contribute to half poverty and eliminate hunger in Kenya by 2025.
2. Have 1 million farm households adapt CA by 2025
3. Rooted on agribusiness based PPP
4. Farmers to provide entrepreneurial mechanised CA services to farmers

Key Interventions

The Huduma Kwa Mkulima 25 programme will provide services to farmers using climate smart agriculture technologies, and innovative agribusiness models along the value chain under the following objectives:

- Increased public awareness of CA
- Packaging and adoption of CA packages for various farming systems
- Increased access to inputs and services offered commercially by key CA actors
- Mainstreamed CA in training institutions and service provision levels
- Provision of research and development driven technologies to farmers and service providers

The programme intends to cover 25 Counties in Kenya in the next 5 years and deepen services in the same Counties in a 5-year phase II of the programme.

What are the benefits of *Huduma Kwa Mkulima 25* and Private Sector Partnership?

FINANCIAL INSTITUTIONS

Provision of various financial services (assets financing, inputs) to organised groups of farmers.

1

CROP BUYERS

Catalyze contract farming, guaranteed markets and prices, value addition and preservation, handle increased produce volumes.

2

INSURANCE

Provision of weather based crop insurance. It exponentially opens up a whole lot of opportunities - farming not-so-a-risky business; precision and science based farming.

3

EQUIPMENT MANUFACTURERS/ DEALERS

Creation of new markets for equipment; penetration into areas not reached before; and creation of after-sales services throughout targeted Counties

4

Projected CA Mechanization Machinery Requirements for Kenya by 2025

	Year			Quantity			Amount in USD \$	
	2015	2020	2025				Unit Cost	Total cost by 2025
Number of adopters	100,000	500,000	1,000,000					
Item	% CA adopted			2015	2020	2025		
Jab planters	25%	20%	15%	25,000	100,000	150,000	50	7,500,000
Knapsack sprayers	20%	40%	60%	20,000	200,000	600,000	100	60,000,000
Animal-drawn Rippers	40%	30%	10%	40,000	150,000	100,000	200	20,000,000
Animal drawn no-till planter	10%	20%	25%	10,000	100,000	250,000	750	187,500,000
Animal drawn knife rollers	1%	3%	10%	1,000	12,500	100,000	200	20,000,000
Single axle tractor no-till seeders	5%	10%	15%	5,000	50,000	150,000	1,500	225,000,000
Tractor drawn no-till planter	3%	5%	8%	2,500	25,000	75,000	17,500	1,312,500,000
Tractor sprayers	3%	5%	%	3,000	25,000	75,000	4,000	300,000,000
Tractor drawn subsoiler	1%	3%	5%	1,000	12,500	50,000	4,000	200,000,000
								2,332,500,000

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