Round Table meeting: Exploring options for partnering and co-investment in OFSP commercialization

August 29-30, 2018

COUNTRY SUMMARY - KENYA
Project context: Where does SUSTAIN come from?

Success of OFSP
CIP & partners

Focus on nutrition
New Alliance, SUN, etc.

Emphasis on “going to scale”
Donors, CG centers, Governments

Support to scaling up biofortified sweetpotato through research and development initiatives

Public-private sector seen as important

First 1000 days
<table>
<thead>
<tr>
<th>Output 1</th>
<th>Output 2</th>
<th>Output 3</th>
<th>Output 4</th>
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<tbody>
<tr>
<td>Access to improved OFSP varieties by smallholders scaled up-reaching at least 1.2 million household having children &lt;5 years old.</td>
<td>Access to improved nutritional knowledge &amp; diversified use of OFSP by both female and male caregivers.</td>
<td>At least one commercially marketed processed product that uses OFSP as a major ingredient in each target country.</td>
<td>Evidence of achieving outcomes analyzed and disseminated</td>
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PROJECT SITES

Sweetpotato Production by Province and County in Kenya - 2012

<table>
<thead>
<tr>
<th>Province</th>
<th>Area (Ha)</th>
<th>Production (Tons)</th>
<th>Yield (Tons/ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nairobi</td>
<td>37</td>
<td>249</td>
<td>6.8</td>
</tr>
<tr>
<td>Central</td>
<td>4,482</td>
<td>39,674</td>
<td>8.9</td>
</tr>
<tr>
<td>Coast</td>
<td>600</td>
<td>4,567</td>
<td>4.8</td>
</tr>
<tr>
<td>Eastern</td>
<td>8,961</td>
<td>113,429</td>
<td>12.7</td>
</tr>
<tr>
<td>Nyanza</td>
<td>27,735</td>
<td>433,360</td>
<td>15.6</td>
</tr>
<tr>
<td>Rift Valley</td>
<td>5,120</td>
<td>53,934</td>
<td>10.3</td>
</tr>
<tr>
<td>Western</td>
<td>19,676</td>
<td>214,396</td>
<td>10.9</td>
</tr>
<tr>
<td><strong>Total Production</strong></td>
<td><strong>66,971</strong></td>
<td><strong>859,949</strong></td>
<td><strong>12.8</strong></td>
</tr>
</tbody>
</table>

Data source: State Department of Agriculture, Kenya
Highlights of Achievements:

• An integrated nutrition-sensitive approach was used to reach over 35,000 households with vines and nutrition education.

• Commercial OFSP bakery products were introduced, incomes exceeding USD 20,000 per annum.

• OFSP puree processing was initiated as a value chain, incomes exceeding USD 20,000 per annum.

• At least 500 OFSP root producers were linked to the value chain- Baseline of limited (6%) of sell of
Euro Ingredients Ltd.

Food science support

Food technology support

Post-harvest & Engineering support

‘OFSP Consortium/Farmers’

UNIVERSITY of GREENWICH | Natural Resources Institute

Organic Natural Foods

Tuskys

Bakery
We bake a wide range of fresh products
Highlights on selection of partners:

- **Puree processor:**
  - Competitive selection through the national newspapers.
  - Co-investment – Infrastructure, Machinery
  - Looking to add a line of product

- **Bakery**
  - Strong values in supporting farmers
  - Vibrant bakery section
  - Line of healthy products
  - Chain of stores- High to low purchasing power

- **OFSP consortium**
  - NGOs and Government departments in OFSP.
  - Aim was to stagger planting and cluster farmers- Limited success for various reasons (Distance, quantity/farmer organization, demand for roots)

- **Individual Farmers**
  - At least ¼ acre, Be in a cluster of a total of 10 acres,
  - Individual farmers near Organi currently deliver to the factory
  - Gross margin of OFSP is 60% higher than that of maize- Emerging cash crop!
Highlights on selection of partners:

• Natural Resources Institute
  – Trials on fresh root storage

• Euro Ingredients Limited
  – Support with machinery for puree processors
  – Collaborating for puree preservatives
Emerging lessons/issues:

• Transport cost for roots – Maintain producers within a short radius to the processor.

• Farmer organization/ quality and quantity- is work progress

• Demand for puree is unmet- Upcoming puree processor through USAID funding.

• Demand for bakery products is unmet

• Non-Refrigerated value chain- Root storage and shelf-stable puree
Emerging lessons:

• Self initiated Vine multipliers/ private multipliers seem to perform better that vine multipliers selected by the project.

• For resource poor vine multipliers- participation by both gender boosts performance

• There is a growing demand for paid vines- Key behavior change for a sustainable value chain.
Challenges

• Free distribution of vines by development partners and government.

• Institutional buyers continue to heavily support OFSP seed system- aim is for a self regulating system

• Fluctuating demand for vines- Effects steady investment in OFSP vine production as a business
It’s been a catch-22 situation:

• Value chain actors have enjoyed some successes and some failures. - Key informant interview Feedback in the afternoon.

• Opportunities exists for OFSP commercialization

• You are invited during these 2 days to share ideas on how OFSP commercialization can move to the next level through partnerships and co-investments.