

NEW LEGISLATION & AGRI- BUSINESS- WHERE ARE THE GAPS?

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14th August, 2013.

INTRODUCTION



- ❖ Agriculture contributes approx. 24% of the GDP, and employs 74% of the national labour force (Republic of Kenya, 2008).
- ❖ The development of agriculture is important for poverty reduction since most of the vulnerable groups depends on agriculture as their main source of livelihoods.
- ❖ It's a key sector in the fulfilment of Kenya's Vision 2030.

EVOLUTION OF AGRICULTURAL POLICY IN KENYA



- ❖ From 1964 – 1980: Emphasized gov't intervention in all aspects of agricultural production and marketing – hence gov't control on all institutions
- ❖ 1981-onwards, a shift to liberalized markets, thus reduced gov't control and focus on enabling environment and private sector participation.
- ❖ 2004-2010, The Strategy for Revitalising Agriculture (SRA), was developed with a Vision of a commercially viable agricultural sector that would tackle food insecurity, poverty and unemployment.

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- 2010-2020:- Agricultural Sector Development Strategy (ASDS) was developed as the overall national policy document for the agriculture sector ministries and stakeholders in Kenya with a Vision of a food secure and prosperous nation.
- ASDS is implemented through District Agricultural Development Committees (DADC's) – this was before the New Constitution.
- ASDS is informed by Kenya's Vision 2030 that identifies agriculture as the key sector to deliver 10% annual economic growth; by tackling challenges of
 - Low productivity & the lack of value addition,
 - poor market access, marketing inefficiency and poor land use.



DISTRIBUTION OF FUNCTIONS IN AGRICULTURAL SECTOR AT NATIONAL & DEVOLVED COUNTY LEVEL

| National Level | County Level |
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| <ul style="list-style-type: none">• Agricultural Policy• Veterinary Policy (including regulation of the profession) <p>Related Sectors</p> <ul style="list-style-type: none">• Protection of environment and natural resources including fishing, hunting and gathering, protection of animals and wildlife, water protection, securing sufficient residual water and safety of dams | <ul style="list-style-type: none">• Crop and animal husbandry• Livestock sale yards; County abattoirs• Plant and animal disease control• Veterinary services (excluding the regulation of the profession)• Animal control and welfare; and fisheries <p>Related sectors</p> <ul style="list-style-type: none">• Trade development and regulation including markets, fair trading practices & cooperative societies• Certain aspects of NR M including soil and water conservation and forestry• Water services including storm water conservation (damming) |

FUNCTIONS NOT ASSIGNED & NOT CLEAR WHO WILL IMPLEMENT THEM



- ❖ Regional Development
- ❖ Development of Northern, Arid and Semi-Arid Lands
- ❖ Animal and plant health inspectorate
- ❖ Plant and animal research
- ❖ Livestock extension programmes

THE CROPS ACT, 2012 (No. 16 of 2013)

Objective:-

- ❖ Accelerate the growth and development of agriculture, enhance productivity and incomes of farmers,
- ❖ Improve investment climate and efficiency of agribusiness and develop agricultural crops as export crops through promotion of the production, processing, marketing, and distribution of crops in suitable areas of the country and in particular to—
 - a) Remove unnecessary regulatory bureaucracy in the crops subsector;
 - b) Reduce unnecessary levies, taxes or other barriers to free movement of crop products and provide for a rationalized taxation system;
 - c) Reduce unnecessary regulation or overregulation of the crops subsector;

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- d) Reduce duplication and overlap of functions among institutions involved in the regulation of crop agriculture;
- e) Promote competitiveness in the crops subsector and to develop diversified crop products and market outlets; and
- f) Attract and promote private investment in crop agriculture

The Act applies to all Scheduled Crops specified in the First Schedule (Annex I) and to all agricultural land whether privately or communally held as well as to farmers, farmers' organizations, cooperatives and community associations.

AGRICULTURE, FISHERIES AND FOOD AUTHORITY ACT (No. 13 of 2013)



The Authority shall—

- (a) Formulate general and specific policies for the development of scheduled crops specified in the First Schedule;
- (b) Facilitate marketing and distribution of scheduled crops through monitoring and dissemination of market information, including identification of the local supply-demand situation, domestic market matching and overseas market intelligence and promotion activities on scheduled crops;
- (c) Enjoin the Ministry responsible for transportation and communications to effect an efficient, regular and economical means of transporting scheduled crops, for purposes of reducing marketing costs and ensuring stable consumer supply;

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- (d) Promote the establishment of wholesale markets in identified major centres of the country;
- (e) Promote the establishment of agricultural produce collection centres in viable areas to serve as buying stations of farm products, packaging houses, pick-up points and meeting places of farmers' and growers' cooperatives;
- (f) Establish linkages with various gov'ts and private research institutions for the conduct of studies and researches designed to promote the production, marketing and processing of scheduled crops;



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- g) In consultation with the National Biodiversity Authority, advise the government on the introduction, safe transfer, handling and use of genetically modified species of plants and organisms in the country;
- h) Conduct farmers' training programs aimed at increasing their knowledge on production technologies and on market potentials and prospects for various types of crops, through farmer training institutions;
- i) Establish experimental stations and seed farms for the development of varieties suitable to the agro-climatic conditions of the area and markets that will provide greatest value added to scheduled crops;

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- (j) Devise and maintain a system for regularly obtaining information on current and future production, prices and movement in trade, to determine and effect a balanced distribution of scheduled crops by means of inter-trading or intra-trading among the established wholesale markets;
- (k) Establish and enforce standards in grading, sampling and inspection, tests and, analysis, specifications, units of measurement, code of practice and packaging, preservation, conservation and transportation of crops to ensure health and proper trading;
- (l) Ensure secure domestic food supply for the country;

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- (m) Formulate policies and guidelines on dealing with other crops;
- (n) Promote and advise on strategies for value addition prior to the export of crops from Kenya;
- (o) Recommend general industry agreements between farmers and processors of scheduled crops;
- (p) Prescribe the minimum period within which farmers are to be paid for crops delivered and penalties for delayed payments.

EMERGING POLICY ISSUES (GAPS) FOR ACTION



- ❖ ASDS- review the gaps especially on matters of resource allocation and transition while addressing the role of devolved governments.
- ❖ Cooperation between counties on areas of comparative advantage given the trans-county nature of some of the production areas needs to be reviewed and included in the new ASDS.
- ❖ The Crops Act does not indicate the establishment of County Agricultural Boards, hence it's likely to operate from a Central office.

GAPS Contd...



- ❖ The Authority (AFFA) shall provide direction in the inter-governmental/agency relations between the National and County government (including Regional Development Authorities) involved in the sector- What shape will this direction have?
- ❖ County governments participation in raising their concerns is not clear e.g. how does the County legislation and operations compliment the work of the Authority and vice versa?
- ❖ Since AFFA will be playing a coordinating role, will it provide basis for inter-county relations and conflict resolution mechanisms on matters of Agriculture?

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- ❖ The AFFA is set to replace gov't corporations including Coconut Development Authority, Kenya Sugar Board, Tea Board of Kenya, Coffee Board of Kenya, HCDA, Pyrethrum Board of Kenya, Cotton Development Authority, Sisal Board of Kenya, Pests Control products Board & the Kenya Plant Health Inspectorate Service (KEPHIS)
- ❖ NOTE: No mention is made of the fact that the functions these corporations have been carrying should be devolved rather than absorbed by AFFA.
- ❖ The AFFA excludes mandates of the Livestock sub-sector of agriculture and it's not clear which body will deal with matters of the same yet animal husbandry has been devolved to the County governments.



SCHEDULED CROPS- Annex: IA

Part 1

Crops with breeding program under compulsory certification

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| <ul style="list-style-type: none">• Sugarcane - <i>Saccharum spp.</i>• Tea - <i>Camellia spp.</i>• Coffee- <i>Coffea spp.</i>• Rhodes grass – <i>Chloris gayana</i>• Irish potatoes - <i>Solanum tuberosum</i>• Cotton - <i>Gossypium spp.</i>• Sunflower- <i>Helianthus annuus</i>• Soya beans- <i>Glycine max</i> | <ul style="list-style-type: none">• Beans- <i>Phaseolus vulgaris</i>• Barley- <i>Hordeum vulgare</i>• Finger millet – <i>Elezisine coracana</i>• Maize- <i>Zae mays</i>• Pearl millet- <i>Pennisetum</i>• Rice- <i>Oryza sativa</i>• Sorghum- <i>Sorghum bicolor</i>• Wheat - <i>Triticum aestivum.</i>• Wheat(pasta)- <i>Triticum monococcum</i> |
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SCHEDULED CROPS- Annex IB

Part II: Crops with breeding Program under Voluntary certification

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| <ul style="list-style-type: none">• Bananas- <i>Musa</i> spp• French beans• Silver leaf desmodium• Lucerne• Green leaf desmodium ;• Coloured guinea grass• Pyrethrum• Cassava – <i>Manihot esculentum</i>• Chick peas - <i>Cicer arietinum</i> | <ul style="list-style-type: none">• Sweetpotato - <i>Ipomeea batatas</i>• Kenaf - <i>Hibiscus cannabinus</i>• Sesame - <i>Sesamun indicum</i>• Safflower - <i>Carthamus tinctorius</i>• Ground nut- <i>Arachis hypogaea</i>• Pigeon pea - <i>Cajanus cajan.</i>• Dolichos bean - <i>Dolichos lablab</i>• Cowpea - <i>Vigna unguiculata</i> |
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Thank
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