



KENYA ORGANIC AGRICULTURE NETWORK

Strategic Plan 2010–2014



Facilitating Coordination of the Organic Sub Sector to Increase Incomes among Small Scale Producers through Sustainable Land Use and Access to More Rewarding and Fairer Markets



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ABBREVIATIONS

| | | |
|---------------|---|--|
| AGM | - | Annual General Meeting |
| AWPB | - | Annual Work Plans and Budget |
| BDS | - | Business Development Services |
| CAP | - | Chapter |
| CBO | - | Community Based Organization |
| CEO | - | Chief Executive Officer |
| DFID | - | Department for International Development |
| EA | - | East Africa |
| EAOM | - | East Africa Organic Mark |
| EAOPS | - | East Africa Organic Product Standards |
| EU | - | European Union |
| FAO | - | Food & Agriculture Organization |
| FBO | - | Faith Based Organization |
| GDP | - | Gross Domestic Product |
| GMO | - | Genetically Modified Organism |
| GTZ | - | German Technical Cooperation |
| HIVOS | - | Humanistic Institute for Development, Netherlands |
| ITC | - | International Trade Center |
| KEBS | - | Kenya Bureau of Standards |
| KOAN | - | Kenya Organic Agriculture Network |
| MDGs | - | Millennium Development Goals |
| MER | - | Monitoring, Evaluation and Reporting |
| MoA | - | Ministry of Agriculture |
| NGOs | - | Non Governmental Organizations |
| OA | - | Organic Agriculture |
| SIDA | - | Swedish International Development Agency |
| SME | - | Small Micro Enterprise |
| TORs | - | Terms of Reference |
| TOTs | - | Training of Trainers |
| UNCTAD | - | United Nations Conference on Trade and Development |
| US | - | United States |

1.0 THE BACKGROUND

1.1 THE LEGAL IDENTITY

The Kenya Organic Agriculture Network (KOAN) is registered under the companies act CAP 486; Laws of Kenya as a COMPANY LIMITED BY GUARANTEE and not having a share capital. Membership to the organization is unlimited. Both individuals and corporate organizations are eligible as long as they ascribe to the Memorandum and Articles of Association. Currently, KOAN has over 200 corporate and individual members combined. It is estimated that through this membership (some of them are networks), KOAN reaches over 50,000 people indirectly.

1.2 THE CORE PROGRAMME

KOAN's mandate is to coordinate, facilitate and provide leadership and professional services to its members and other stakeholders in the organic agriculture industry in Kenya. Its main goal is to develop key competencies, skills and strategies in the areas of marketing; certification and standards; training, extension and information; networking, policy and advocacy; and production in organic agriculture. The ultimate aim is to support a vibrant organic agriculture industry in Kenya that contributes to a healthy environment, livelihood security and responsive to a growing consumer market

1.3 THE ORGANIZATIONAL STRUCTURE

The membership of KOAN comprises organizations and individuals who subscribe to the KOAN Memorandum and Articles of Association and registered as members. They constitute the decision making organ of KOAN through the Annual General Meeting (AGM).

The Board comprises a group of individuals democratically elected by members during the AGM to govern the running of the organization. They have Terms of Reference, prepare annual plans and the running of the board is described on the Memorandum and Articles of Association of the organization. In order to have a strong presence at the grass root level, KOAN will establish *Contact Points* that will ensure both regional and interest group representation. The contact points will mainly be involved in information gathering and dissemination both vertically; from KOAN to stakeholders and also from stakeholders in the regions to KOAN and horizontally; from organizations/individuals to organizations/individuals from within and without the region. Depending on the issue at hand, *Technical Issue Based Committees* will be formed to advise KOAN. These will comprise people with key skills and competence to advise on the issue at hand and will have a timeline. Both the contact points and technical committees will be given TORs by the board.


KOAN's implementation capacity comprises a Secretariat headed by the CEO and 6 technical staff who are specialized in the areas of *Production, Lobbying and Advocacy, Standards and Certification, International Markets Development, National Markets Development, and Finance and Administration Manager*. This implementation capacity at the secretariat is complemented by networking, collaboration and joint action by local regional and international partners and collaborators. KOAN has accessed financial and technical support from HIVOS, United Nations Conference on Trade and Development (UNCTAD), International Trade Center (ITC), International Federation of Organic Agriculture Movements (IFOAM), Agro-Eco and PSO, among others.

1.4 THE KEY ACHIEVEMENTS

Over the last 6 years, KOAN has been successful in:

1. Facilitating Training of Trainers (TOTs) trainings among smallholder producer groups significantly increasing their production and business portfolios. Among these, *technical training* helped farmers to deliver quality products in adequate quantities to both the national and international markets. The key success factor was the use of lead (model) farmers as Trainers of Trainees. For the period, KOAN provided training to over 1,000 extension officers who have trained over 30,000

ORGANIC AGRIBUSINESS INCOME CHANGES FAMILY WELFARE OF MEMBERS OF KAGAR SFO IN KAMWANGI DIVISION



"I am able to comfortably educate my children one of them being in Nyahururu High School, a provincial school, which would be impossible were it not for my current income from organic farming" Francis Mwenda, the Coordinator of Kagar SFO.

15 members of Kagar SFO from Kamwangi started from a frustrated point where brokers were feasting on their hard work to earning a total of Ksh. 705,000 last year from organic produce supplies to 3 outlets organic outlets (Bridges organic Health Restaurant, Kalimoni Greens Organic Shop and Food Network East Africa).

They have been getting premiums ranging from 200% (pineapples) 200% (Passion) to 600% (Avocadoes) making them to earn respect even from middlemen.

The group started with KOAN in 2006 after receiving sustainable agriculture training and value addition support from Sustainable Agriculture Community Development Programme. KOAN facilitated market orientation, linkages, and capacity building for the group leaders.

KOAN has also been providing technical back up and market negotiation platforms for the group.

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**FROM SUBSISTENCE TO SUSTAINABLE ORGANIC AGRIBUSINESS
CHANGING THE LIVES OF GITARE ORGANIC FARMERS IN GILGIL**



"I wish I had retired earlier to start organic farming business, I can now comfortably educate my daughter at Kimathi University college without worrying of my meager pension earning, I have even achieved my dream of buying a car which came after I have left formal employment" Joseph Mwangi Kabia, chairman of Gitare Organic group.

15 members of Gitare Organic farmers group from Gilgil are now proud to be referred to as business people with stable incomes. They have been able to move from irregular incomes from their subsistence farming in 2007 to stable income from organic commercial farming.

After KOAN facilitated a course on organic chicken production in 2007, the group mobilized resources where members started investing in chicken houses. The group later were facilitated by KOAN to

go through organic certification, and to receive standardization mark-Smark.

Through their marketing activities facilitated by KOAN, they currently supply organic eggs to Food network East Africa and Bridges Organic Health Restaurant. In the last one year, they have managed to earn a total of 1.3 million shillings from their organic business.

They currently earn premiums of 50% from the sale of organic eggs to the organic market.

The group started with KOAN in 2007 and has been facilitated through organic production training for the market place, market orientation, market linkages, certification facilitation and market exposure.

KOAN has also been providing technical back up and market negotiation platforms for the group.

farmers on production for the market place, including quality management systems and are now supplying to the market. The target farmers have not only increased their yields, but their incomes have increased by 15 - 70% on average depending on the crop and market focus.

2. Raising awareness and training on Standards and Certification which greatly enabled small scale producers to comply with the requirements of the European Union (EU) and United States (US) standards. These standards are important for certification for national, regional and international market access including reaping premium prizes. Currently, KOAN has



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been successful in raising awareness and facilitating training which, for all intents and purposes, is not adequate to transform these producers into sustainably compliant actors.

3. Facilitating institutional linkages among the key sector players (policy makers, researchers, producers, traders, exporters, consumers, trainers etc.); as well as regionally (East Africa) and globally. Specifically KOAN coordinated the harmonization of the East Africa Organic Product Standards (EAOPS) in Kenya, which were later adopted by the Kenya Bureau of Standards (KEBS). This introduced some level of fairness in pricing by marketing intermediaries.

4. Establishing itself as an information reference point on Organic Agriculture in the country. It has a newsletter, an active website, manuals, booklets among other resource materials that are relevant to organic operators in Kenya.

1.5 THE STRATEGIC PLANNING PROCESS

In order to inform the strategic planning process, KOAN undertook a participatory evaluation with the objective of assessing the relevance and effectiveness of the work undertaken by KOAN in:

1. Coordinating and facilitating the organic sector in Kenya including contacts with all stakeholders, representation of members and stakeholders mandate, keeping as a promotional and umbrella network, etc.)
2. Creating an enabling environment (especially by relevant government policy and certification schemes);
3. Linking small scale farmers to markets (including facilitation of capacity building, organisation forming, and setting up and/or strengthening value chains and improved production);
4. The extent to which KOAN is able to provoke new marketing structures relevant and beneficial to small scale farmers;

KOAN board members, staff and the stakeholders went through a participatory analysis and choice making process to consolidate this plan.

2.0 THE CONTEXT ANALYSIS

2.1 THE ORGANIC AGRICULTURE SUB-SECTOR IN KENYA

Organic Agriculture (OA) is relatively new, having started in Kenya in the early 80s mostly championed by rural NGOs, FBOs, CBOs and individual farmers as a low cost approach in response to declining agricultural productivity vis a vis rising poverty and food insecurity. The main objectives were to diversify household food production and increase incomes through market access, while at the same time ensuring ecological sustainability of the farming systems.

The products include vegetables, fruits, essential oils, nuts, cereals, root crops, herbs and spices for both domestic and export markets. Both small scale and large commercial farmers, traders, processors, NGOs, CBOs, training institutions, consumers and certifiers have organized themselves into a national forum KOAN, to support the successful growth of the sector. Since 2005, KOAN has successfully brought the OA sector to the national map looping in key government institutions such as KEBS and the Ministry of Agriculture (MoA). There has also been a steady growth of producers and local consumers of OA products.

2.2 OUR KEY STAKEHOLDERS

Currently players include:

- a) Private sector (Self Help Group producer associations, commercial farmers, processors, traders & retailers, certifiers & inspection agencies);
- b) Civil Society Organizations (Training & research institutions and community promoter NGOs);
- c) Government (KEBS, MoA, public research institutions) and
- d) Development partners such as Hivos, SIDA, FAO, DFID, GTZ etc.

The total area under OA (certified) in Kenya is estimated to be 181,585 Ha. There are also 853 ha under conversion.

2.3 THE DEVELOPMENT CHALLENGE

The core problem KOAN is trying to address is the **fragmented development of the OA sector in Kenya**. The root cause of this is low lateral cohesion of the sector. The net effect of this is poor visibility of the OA sector.

2.4 THE SITUATION ANALYSIS

KOAN undertook an analysis of its internal strengths and weaknesses as well as the external enablers and dis-ableers. The results are summarized in the SWOT table below.

Table 1: SWOT analysis of the organic sector

| Strengths | Challenges |
|---|---|
| <ul style="list-style-type: none"> • Passionate organic operators • Increased scientific recognition of the role of organic agriculture in contributing to food security, health, environmental conservation and mitigating climate change • Increased recognition of the value of organic agriculture across the earning class. • Willingness of operators to collaborate in developing the sector • Success stories exist, only that they are not documented | <ul style="list-style-type: none"> • Non existence of a formal OA policy leading to non support especially in extension services and tax incentives • Farmer capacities to understand and comply with appropriate product quality, understanding market requirements (demand, prices, ethical trade standards) • Sustainable volume of production • High cost of freight for export markets. • Certification costs |
| Opportunities | Threats |
| <ul style="list-style-type: none"> • The domestic organic market is expanding with increasing retail outlets in major towns. • Immense agronomic potential in Central, Western and Nyanza provinces. • High wild harvest potentials in parts of Eastern, North Eastern and Rift Valley. • Immense trade opportunities for high value products locally and internationally. • Marketing support initiatives (KOAN) | <ul style="list-style-type: none"> • Increased push by conventional supporters in particular, chemical manufacturers and GMO protagonists. • Climate variations • Increased publicity and mis-information that organic cannot feed the world |

3.0 THE STRATEGIC DIRECTION

3.1 THE PHILOSOPHICAL OUTLOOK

Our Vision is “a dynamic and vibrant organic agriculture industry that contributes to a healthy environment, livelihood security and a growing consumer market”.

Our Mission is “to lead, coordinate and create public exposure of the national organic agriculture sector, promoting its contribution to economic, environmental and social benefits”.

Our Core Values are:

- Livelihood support to communities for food security, health and wealth creation
- Be guided by the commonly accepted principles, practices and ethics of OA
- Uphold teamwork and efficiency in service delivery
- Accountability and integrity in internal and external transactions
- Effectiveness in responding to the needs of members and stakeholders

The Overall Goal:

The ultimate aim is to coordinate the development of the OA sector into a vibrant industry that contributes to food security, economic development and environmental sustainability.

The Specific objectives are:

1. To stimulate and facilitate the development of functional Organic Agriculture value chains for livelihood improvement and environmental sustainability.
2. To demonstrate the contribution of the organic agriculture sub-sector in Kenya to the Gross Domestic Product (GDP), poverty reduction and employment.
3. To promote the organic agriculture sector to enhance its visibility.
4. To facilitate the development of quality assurance/management systems in Organic Practices, Products and Services.
5. To enhance availability access, sharing and utilization of organic agriculture knowledge and information.
6. To develop an efficient and effective organization that is responsive to the needs of the OA subsector.

The Overall Expected Outcome:

At the end of 5 years, it is anticipated that the livelihoods of small holder farmers, out growers and wild harvesters will have improved. Through enhanced local support systems, target groups will have increased their production and incomes because of improved access to market opportunities and adopting more sustainable systems.

3.2 THE STRATEGIC CHOICES

Strategic Choice One:

Enhancing the visibility of the Organic Agriculture sub-sector in Kenya

The strategic objective

To enhance the visibility of the Organic Agriculture sub-sector so that its contribution to the broad objectives of the Government in achieving food security, economic growth and sustainable use of environmental resources espoused in the Millennium Development Goals (MDGs) and Vision 2030 is acknowledged.

The strategic indicators

1. By 2014 70% of the Kenyan population should be aware of OA benefits and its contribution
2. OA contribution to food security, economic development and environmental conservation is documented and promoted

The Strategies

1. Documenting success stories and developing databases for organic products and producers.
 2. Strategic partnerships i.e. engaging the government and research institutions
 3. Promotion of OA and its benefits
-

Strategic Choice Two:

Facilitating Value Chains Development in Kenya through Partnerships, Networking and Linkages

The strategic objective

The objective here is to stimulate and facilitate development of functional OA value chains for livelihood improvement and environmental sustainability.

The Strategic indicator

Improved welfare index of the targeted beneficiaries in terms of increased incomes, enhanced food security and sustainable development will be improved.

The Strategies

1. Proactive promotion of OA and its benefits through modeling effective and efficient Value chains.
2. Strategic alliances for development of smallholder produce bulking and logistics development.
3. Skills development on integrated quality management system for enhanced consistency in supply by producers.
4. Promotion of consumption of organic products in the local markets.
5. Stimulating interest of private investment in organic businesses.
6. Market information collection, analysis and dissemination on emerging opportunities, challenges and trends.
7. Facilitating Organic Business Development Services (BDS) including Organic Value Chains Analysis.
8. Exploring alternative chain financing options and arrangements for small holder farmers/MSE.
9. Market development: (Product Promotion) through chain promotion.
10. Enhancing the capacity of primary chain actors to participate in value chain processes, systems and actions:

Strategic Choice Three:

Promotion of Standardization and Ethics within the Organic Agriculture Sub-sector in Kenya

The strategic objective

The objective of this action is to facilitate the development of quality assurance / management systems in organic practices, products and services. This is in recognition of the fact that the quality of practices, products and services needs to be defined, consistent and enforced to meet the sector needs.

The strategic indicator

Increased public confidence and trust built on the sector, and that the sector will self regulate itself.

The strategies

1. Promotion of common labeling of organic products in Kenya.
2. Establishment of control and surveillance mechanisms for EAOM.
3. Enhanced understanding of organic quality assurance systems.
4. Establish strategic alliances with other like-minded organizations/ institutions to ensure integrity of the organic sector.
5. Monitoring the growth trend of the organic sub-sector.
6. Initiation and promotion of sector self-regulation mechanisms.

Strategic Choice Four:

Facilitate Knowledge Exchange and Learning for the Organic Agriculture Sub-sector In Kenya

The strategic objective

The objective here is to set up a dynamic and interactive information hub that responds to the needs of the sub-sector. KOAN will engage in the collection, collation, storage and dissemination of all OA information in relevant areas.

The strategic indicator

Proactive linkages, knowledge sharing and learning among and within stakeholders as well as better decision making by actors as a result of accessibility to credible information.

The strategies

1. Establish an organic agriculture resource centre with an on-line learning platform.
2. Information gathering, organizing and dissemination.
3. Monitoring and establishing a feedback mechanism for the OA sub sector needs.
4. Exchange visits, conferences and workshops, field days and championship contests.

Strategic Choice Five:

Enhancing KOAN's Capacity for Organic Agriculture Sub-sector Co-Ordination and Development

The strategic objective

The objective here is to develop an efficient and effective organization that is responsive to the needs of the OA subsector.

The strategic indicator

A well coordinated and developed organic sub-sector in Kenya.

The strategies

1. Strengthening of the KOAN governance structures.
2. Restructuring of the secretariat and enhancing staff capacities.
3. Working towards financial sustainability.
4. Enhancing an enabling working environment.
5. Mainstreaming Formal Participatory Monitoring and Evaluation Systems.

4.0 ACTION PLANNING AND IMPLEMENTATION

The strategies detailed within the strategic choices will be implemented concurrently over the 5-year period. This is because each of them has different target groups and will be subjected to logical sequencing of the results.

A 5-year action plan has been consolidated in the main body of the longer version of this strategic plan. It forms the basis upon which Annual Work Plans and Budgets (AWP&Bs) will be consolidated and implemented.

The log frame contained in the main body of the strategic plan will be the source of monitoring and evaluation indicators.

KOAN has an elaborate Participatory Monitoring, Evaluation and Reporting (MER) system which will be used to measure the results and learn from the implementation. The MER system has key audiences and their information needs; the learning agenda for final impact evaluation; the result chain with monitoring and impact indicators, data collection methods, participatory evaluation mechanisms, periodic reporting and formats.

5.0 THE 3-YEAR BUDGET

To be able to effectively realize the results, the budgetary forecast for the 3 years is summarized in the table below.

Table 2: The Budgetary Forecast

| Key Result Area | Yearly Forecast Kshs. | | | Total Kshs. |
|---|-----------------------|-------------------|-------------------|--------------------|
| | Yr1 | Yr2 | Yr3 | |
| Enhancing the visibility of the Organic Agriculture sub-sector in Kenya | 7,770,000 | 6,570,000 | 5,880,000 | |
| Facilitating Value Chains Development in Kenya through Partnerships, Networking and Linkages | 43,710,000 | 8,430,000 | 9,590,000 | |
| Promotion of Standardization and Ethics within the Organic Agriculture sub-sector in Kenya | 3,354,000 | 4,683,000 | 4,710,000 | |
| Facilitating Knowledge Exchange and Learning for the Organic Agriculture sub- sector In Kenya | 1,150,000 | 1,150,000 | 1,150,000 | |
| Enhancing KOAN's Capacity for Organic Agriculture sub-sector Co-ordination and Development | 3,460,000 | 3,460,000 | 4,110,000 | |
| Grand Total | 59,440,000 | 24,292,000 | 25,440,000 | 109,176,000 |



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