

SPEECH BY MINISTER FOR AGRICULTURE, HON. KIPRUTO ARAP KIRWA, EGH. DURING THE OFFICIAL OPENING OF TEGEMEO CONFERENCE ON "INTEGRATING CONSUMERS IN THE POLICY AND PROGRAM AGENDA IN KENYAN AGRICULTURE" HELD ON 19TH APRIL 2005 AT SAFARI PARK HOTEL, NAIROBI

The vice-chancellor Egerton University, Prof Ezra maritim, usaid chief of agriculture, business and environment office Margaret brown, deputy vice-chancellors, director of tegemeo institute, distinguished guests, ladies and gentlemen,

I am pleased to join you today during the opening occasion of the conference on integrating consumers in the policy and program agenda in Kenyan agriculture. This conference is relevant, timely, and in line with the strategy for revitalization of agriculture as it underscores the need for policy reforms especially in relation to consumers of food commodities.

Agriculture is expected to play an important role in the economic recovery of our nation. The sector directly accounts for about 26% of the gross domestic product (gdp), and indirectly 27% of the gdp through linkages with manufacturing, distribution and service oriented sectors. It accounts for over 60% of the export earnings, and provides jobs and livelihood to a large number of Kenyans especially our rural. Areas.

Ladies and gentlemen

Since coming to power in 2003, the government has embarked on a wide I Range of policy reforms geared towards raising agricultural productivity,

Improving rural incomes,improving food security,and reducing Unemployment and poverty. Last year, my ministry, in conjunction with the ministry of livestock and fisheries development and that of cooperative and marketing development, prepared the strategy for revitalizing agriculture (sra). This is a national policy document that outlines the objectives and plan of action for revitalizing the agriculture sector in kenya. The strategy is comprehensive and focused towards guiding private and public sector efforts in addressing major agricultural development challenges. It has been formulated within the context of on going institutional, policy and legal reforms in the country. The sra seamlessly interweaves with the fundamental principles borne in the government's economic recovery strategy for wealth and employment creation (ers) which is a framework for the development and revival of the economy through creation of wealth, increasing employment levels, and reduction of poverty.

In february 2005, the ministry of agriculture in collaboration with other Sector ministries held a successful national conference on revitalizing the agricultural sector for economic growth. The objective of the conference was to create a participatory forum to chart way forward for increased agricultural productivity; promotion of agro processing and value addition enhanced public private sector partnerships for increased investments and Appropriate institutional, policy, and legal reforms!

Ladies and gentlemen

The agricultural sector is currently governed by about 130 pieces of legislation. Many of these are obsolete, unenforceable and inconsistent with current policies. This has increased costs for compliance and discouraged private sector participation and investment. It is important that we undertake comprehension review of these laws and regulations in order to remove barriers to production,

processing and value addition and improve access to markets. My ministry has embarked on the review of the bulk of these pieces of legislation with a view to amalgamating them into fewer broad based acts to suit the prevailing circumstances. On this note, i wish to thank usaid for accepting to second dr. Gem kodhek to the ministry as an advisor on this.

Apart from sector wide policy reforms being undertaken specific commodity policy reforms are also being fast tracked. The coffee act 2001 is being reviewed to allow direct coffee sales and the establishment of coffee development fund (cdf). Cotton, pyrethrum, potato and seeds are other commodities whose policies are in various stages of formulation or review. On sugar, the government shall continue to pursue policies that will enable the country to achieve self sufficiency and enhance regional and global competitiveness. The fertilizer and animal feedstuffs act is also under review and a broad-based policy on soil fertility which will accommodate organic fertilizers, soil conditioners and other soil ameliorating products is under preparation.

Policy research should therefore provide sets of proposals of how the legislation could be unified, costs and benefits implications and the modalities for achieving this. To realise a rapid increase in agricultural productivity and improve efficiency in service delivery, far reaching reforms will need to be carried out in various support systems. The focus will be in the areas of research services, extension services and supply of agricultural inputs. The current macro economic policy framework advocates a private sector led development with participation of all stakeholders which must be factored in the above reforms.

Ladies and gentlemen

Successful implementation of the sra is highly dependent on putting in place an

effective system for monitoring and evaluation. Agricultural policy research should provide the necessary feedback to the decision makers, implementers, stakeholders and beneficiaries. There is also need to balance the policies that provide incentives to producers with those that provide food to consumers in both urban and rural areas at affordable costs. Policy researchers should therefore provide competent advice on how to blend such policies in order to maximize profits to producers without adversely affecting the consumers, especially the vulnerable members of our society. We further need to understand the consumption patterns of key food commodities particularly, maize, wheat, rice and milk, the emerging trends and the factors influencing them, understanding these trends and factors, is particularly important because food security in Kenya has been interpreted to mean availability of maize only, without regard to the availability or access to other types of food commodities such as sorghum, millet, wheat and rice. It is also important to know the consumption trends and overall local demand for other food types such as fruits, vegetables, dairy products, beef and the linkage between consumption, trade and marketing systems.

Ladies and gentlemen

I am aware that Tegemeo Institute of Agricultural Policy and Development in collaboration with Michigan State University has been carrying out research to monitor household incomes and its characteristics. It has also studied effects of policy on consumption as reflected in the theme of this conference. It is therefore, my hope that the conference will come up with recommendations that shall contribute to enhancing agricultural development in Kenya.

In conclusion, I would like to thank the people and government of United States of America, through the Country Director USAID for their continued support to Tegemeo Institute and the entire agricultural sector, I appeal to other

development partners to also consider supporting and strengthening tegemeo institute in order to continue and expand policy analysis in agriculture. I further wish the participants lively and fruitful deliberations.

With those remarks, it is now my pleasure to declare this conference officially open.

Thank you.