TEGEMEO INSTITUTE OF AGRICULTURAL
POLICY AND DEVELOPMENT

PROCEEDINGS OF THE WORKSHOP

ON

KENYA’S RECURRENT CHALLENGES IN ENSURING
FOOD SECURITY:
SHORT- AND LONG-TERM OPTIONS/STRATEGIES

HELD AT THE HILTON HOTEL, NAIROBI ON 22ND MARCH, 2012
INTRODUCTION

Food security continues to be an important national policy issue in Kenya. The country has in the recent years faced frequent and recurrent food security challenges resulting from, among other things, spiraling food prices, high input prices, prolonged and severe droughts, and high inflation rates. As a result, a large section of the population, and particularly vulnerable groups such as the pastoralists, internally displaced people, and the poor have had to grapple with inadequate access to food, sometimes resulting into severe hunger and loss of life. This trend is likely to repeat itself in the current year despite many initiatives and actions by various stakeholders.

The Kenya Meteorological Department has announced that some parts of the country would experience depressed and poorly distributed rainfall, while flooding may occur in other areas during the March-May 2012 period. This suggests potential disruption in domestic food production and supply from the long rains season. These circumstances suggest an urgent need for preparedness through prudent policy measures to manage food supply and access. In the light of this, Tegemeo Institute of Egerton University organized a policy workshop to provide a forum for discussion by stakeholders in the food sector with the aim of making recommendations on viable strategies and policy options that could address Kenya’s recurrent challenges in ensuring food security for all.

The discussion at the workshop focused on the food situation in the country; trends in production and consumption of main staples and implications of various policy interventions; domestic production costs and parity prices for main staples; co-movement in international and domestic food prices; and use of external trade policy instruments in managing food imports in Kenya, among others.

The workshop drew participants from a wide spectrum of stakeholders which included relevant Government Ministries (Agriculture, Livestock Development, Finance, Special Programmes, Water and Irrigation, office of the President, among others), Donor agencies, NGO’s, private sector especially the millers and input suppliers, farmer organizations, maize importers and traders, Research Institutes and Universities, Consumer organizations, National Cereals and Produce Board (NCPB), Kenya Meteorological Department and Tegemeo, among others.
PROCEEDINGS

SESSION ONE: WELCOME AND INTRODUCTION

Chair: Dr. Mary K. Mathenge – Director, Tegemeo Institute

The workshop was called to order by the moderator, Mr. Francis Karin, who welcomed the participants and invited Dr. Lilian Kirimi to offer an opening prayer. He thereafter invited the Director Tegemeo Institute, Dr. Mary Mathenge, to make some welcoming remarks. Dr. Mathenge recognized the presence of government officials representing different ministries, the private sector especially the millers, producer and consumer organizations, NGOs, donor agencies, universities and research institutions and farmer organizations, among others. She made a brief introduction of Tegemeo Institute and then reiterated that the main goal of the workshop was to identify opportunities, as opposed to focusing on the problems, and come up with viable strategies to ensure Kenya achieves sustainable food security. She informed the participants that Prof. Alfred Kibor, the acting deputy vice chancellor (DVC) in charge of Research and Extension, Egerton University, who was scheduled to make some introductory remarks, was held up in a traffic jam. Consequently, Dr. Mathenge invited Dr. Johnson Irungu, the Director of Agriculture, Crops Management Directorate, in the Ministry of Agriculture, who was representing the Agriculture Secretary, to make opening remarks and officially open the workshop.

Opening Remarks: Dr. Johnson Irungu --Director of Agriculture, Crops Management Directorate, Ministry of Agriculture

Dr. Irungu expressed his pleasure at being present at the workshop to represent the Agriculture Secretary, Dr. Wilson Songa. He outlined the aspects of food security as access, quality and sustainability of supply, and noted that most countries with high levels of food insecurity are characterized by high susceptibility to civil unrest, high levels of corruption, low investment in agriculture and lack of social safety nets. He further noted that of the 30 least food secure countries in the world, 20 are in Africa. Dr. Irungu pointed out that in Kenya most people think of food security as being equivalent to maize, and suggested the need for both farmers and other stakeholders to diversify their thinking about food security and include other crops.

The Director then gave a brief of the food situation in the country by reporting on the current stock of some important food commodities. By the end of February 2012, there were about 18.9 million bags of maize in the country of which 2.3 million were in strategic reserves, 14.2 million with farmers, 1.8 million with traders and close to 0.6 million bags with millers. Considering a per capita consumption of 98 kilograms of maize per year and a population of 40 million, the
stock of maize would only last up to August 2012. Therefore, unless there would be an early harvest from the South Rift region, the food situation would likely be dire later in the year.

On food self sufficiency, Dr. Irungu indicated that the country had attained self reliance in animal products while it remained only 43% self sufficient in coarse grains and 59% in vegetables. The causes of food insecurity include climate change related effects, high food prices resulting from poor distribution mechanisms and overdependence on a few food commodities, post harvest losses, low productivity, land tenure and land use challenges, inadequate social protection programmes, poor coordination within donor agencies, and weak agricultural information systems hence lack of early warning systems.

The Director reiterated that food is a right hence the government’s obligation to provide access to quality and adequate food for all. This was being achieved through the implementation of various policies. Under the economic pillar of the Kenya Vision 2030, the government through relevant Ministries is implementing several flagship projects/programmes including the provision of subsidized fertilizers, creation of disease free zones in ASAL areas and the development of a master plan for irrigation infrastructure.

The Agriculture Sector Development Strategy (ASDS) outlines other areas of intervention including the transformation of key institutions, increasing productivity, development of more irrigable areas, improving market access through better supply chain management and promoting value addition. The National Food Security Policy on the other hand recognizes availability and access to food, food security and information dissemination, quality and early warning management as key areas of concern.

In conclusion, Dr. Irungu mentioned some long term measures being put in place to ensure food security: the promotion and adoption of value chain approach in ensuring that food production is sustainable; promoting access to food; and investment in irrigation. He informed the participants that the aim was to attain 5.3 cubic meters per capita of water storage.

After the remarks, Dr. Irungu declared the workshop officially open.

**Welcoming Remarks: Prof. Alfred Kibor, Ag DVC, Research and Extension, Egerton University**

Prof. Kibor recognized the Director of Agriculture and all the participants and thanked them for attending the workshop. The DVC then apologized for having arrived late. Prof. Kibor thanked Tegemeo Institute for having brought together the stakeholders and provided an opportunity for them to discuss and incorporate the crucial issue of food security in the policy agenda.
Concerning Egerton University, the DVC mentioned that it is involved in the training of certificate, diploma and degree level students in the field of Agriculture. He added that the University is involved in research through the division of Research and Extension, and that Tegemeo Institute falls under that division.

On food security, Prof. Kibor summarized in the form of questions the issues he thought were important for the current debate. First, he wondered what had happened to all the research conducted in the country to address food security. He posed a question on whether the problem is lack of sufficient information or management of food security situation using available studies and data. Secondly, he asked about the extent to which the available technologies in the country had been adopted and made use of in a bid to ensure adequate food production. He concluded by expressing confidence that the workshop would generate a way forward that can inform policy and improve the food security situation in the country. He reiterated that the workshop should not only inform policy but also affect policy implementation.

**Workshop Objectives: Dr. Mary K. Mathenge --Director, Tegemeo Institute**

Dr. Mathenge made a presentation on the objectives of the workshop. The broad objective was to discuss Kenya’s recurrent food security challenges and make recommendations on viable strategies and policy options that would ensure food security for all. This was to be achieved through two specific objectives:

- To share some empirical evidence that could inform policy efforts aimed at ensuring stable food supply and prices
- To provide a forum where key stakeholders involved in the food system would discuss opportunities that could be exploited in ensuring effective management of food supply and price instability

She, however, reiterated that challenges to food security are myriad and complex, and require concerted efforts by all, meaning that the forum may not deliberate on all the challenges and their possible solutions.
SESSION TWO: PRESENTATIONS

Chair: Mukumbu Mulinge--Chief of Party, Land O’Lakes

Mr. Mulinge invited the two presenters from Tegemeo Institute to make presentations. The presentations were made as follows:

- *Status of Kenya’s Food Situation: Policy Issues*, by Mr. John Olwande
- *Price transmission (Maize, Fertilizer Chain) and Implications on Food Security*, by Dr. Mercy Kamau

Mr. Olwande’s presentation revolved around policy issues in maize and wheat production and marketing, and how those policy issues were affecting the country’s food security situation. The main issues discussed include: competitiveness of Kenya in maize and wheat production; state involvement in the maize market; and, fertilizer subsidy. The main finding from the study was that maize production in Kenya’s major producing areas was competitive against imported maize even without import duty. Offering prices higher than the prevailing market prices only benefits the large scale farmers who account for 60% of marketed surplus yet they are very few. Additionally, 70% of maize producers are net buyers of maize hence the need to look into consumer welfare since this group of farmers and the urban population form the majority of the maize consumers. The presenter further questioned the rationality behind offering higher maize producer prices after subsidizing fertilizers. This is because providing subsidized fertilizers to maize farmers simultaneously with purchasing maize from the same farmers at prices higher than the market price leads to high maize prices, which is to the disadvantage of both rural and urban consumers.

Dr. Kamau’s presentation sought to answer the following questions:

i. To what extent are prices transmitted along the food (maize) chain?
ii. To what extent do government interventions improve or diminish price transmission?
iii. What could be preventing price transmission?

The study’s main finding was that prices for both maize and fertilizers were well transmitted upwards but not downwards. The main reason for the unidirectional price transmission was transaction costs and trade barriers in the form of import duties. The presenter recommended removal of import duties as it would benefit consumers. This is because duty waiver on maize imports would increase maize supply and also help in dampening prices in the domestic market. She also alluded to the timeliness of the duty waiver and pointed out that there is need for proper coordination between the Office of the Prime Minister and Treasury in order to foster timely response which would ensure that maximum benefits are reaped from trade.
Discussion

Mr. Mulinge congratulated the presenters for the informative presentations and summarized the main issues highlighted as timeliness of government interventions and the removal of import duties for maize. This was based on the conclusion from the presentations that Kenyan maize farmers were already competitive. He then opened the discussion for participants to raise issues, ask questions and make comments.

Import Duty Waiver

One participant asked Dr. Kamau to clarify if the implication of the finding that domestic prices of maize oscillates within a reasonable band above the CIF price should mean that policy analysts needed to push for the removal of duties, as they were deemed to be of little consequence on the price, yet in the conclusions she recommended the use of trade instruments. He wondered whether the message was not contradictory. In response, Dr. Kamau explained that she was mainly alluding to the fact that there is always a time lag that usually results in welfare loss due to government failure to respond in good time when there is a food shortage in the country. She agreed that a complete removal of import duties if needed may not hurt farmers as they were already competitive, and added that the farmers who usually have a marketable surplus are not the majority, but since many small scale farmers still buy maize from the market, then it was in the interest of consumers that the recommendation of duty waiver should be strongly made.

Prices, Market Structure and Conduct

Another participant wanted to know whether the maize prices used in the analysis were market prices or those offered by government through NCPB. Similarly, a different participant sought to find out if the flour prices used in the analysis were for packaged maize meal or for loose posho meal. In response, Dr. Kamau clarified that the maize and flour prices used were from the KNBS, hence they were consumer prices. She added that the research team had also visited some markets in low income areas in Nairobi and found that the prices obtained were closely moving together with the KNBS prices. Nevertheless, the presentation focused on sifted packaged maize meal prices; an analysis on posho meal prices had shown that they were moving very closely with maize grain prices.

A participant suggested that the main concern about prices should relate to the market conduct rather than the structure. To this, Dr. Kamau reiterated that, while there is a question on the conduct of players in the market, there is still a lot that remains unknown about the structure of the market.
Another participant noted that the stability of SAFEX FOB prices, which were used in comparing domestic maize prices, was as a result of the benefit of futures markets, but that the Kenyan prices are quite volatile, hence could not be comparable. In addition, most of maize imports in 2011 were from Malawi and Zimbabwe hence questioning the rationality of using SAFEX prices in the analysis. Still, another participant pointed out that the South African prices would most likely be for GMO maize which Kenya doesn’t import. In response, it was clarified that, although Kenyan maize imports in 2011 were not from South Africa, the SAFEX prices were still the most relevant since the analysis used time series data and most Kenyan maize imports over the years have been obtained from South Africa. Moreover, the prices were labeled white maize hence there was no sufficient basis for the assumption that they were for GMO maize. Dr. Kamau added that it should be taken positively that Kenyan wholesale maize prices could hit the South African FOB prices severally within a span of 5 years.

**Competitiveness**

A participant argued that the analysts needed to be sure that maize farmers were actually competitive. He claimed that farmers were holding their produce since NCPB stopped buying at Ksh. 3,000 per bag and millers entered the market offering Ksh.2, 400, but farmers couldn’t sell at this price as they would make losses. In response, Mr. Olwande said that the reason as to why farmers were not selling their maize was because they expected that the government would offer a better price through NCPB. He further questioned the basis upon which the price of Ksh. 3,000 was arrived at, considering that the cost of production was much lower. Mr. Olwande suggested that the government should buy maize at the market prices to avoid causing uncertainties which lead to opportunistic behavior eventually hurting the consumers. Alternatively, NCPB could come up with a way of entering into contractual agreements with the farmers so that prices are not arbitrarily set.

Another participant questioned the reliability of the kind of analysis that had been done to come up with the conclusion that Kenyan maize farmers were competitive. She argued for the need to conduct more rigorous policy analysis using robust tools before making the recommendation to remove maize import duty. To this, Dr. Kamau clarified that more rigorous econometric analysis would be conducted to beef up what had already been done.

**Production and Population Growth**

A participant wanted to know whether the analysis had put into consideration the relationship between production and population growth. Mr. Olwande responded that this was not taken into account in the current analysis but that previous studies by Tegemeo had shown that maize productivity growth averaged 3 bags in 10 years. He further noted that this productivity growth was dependent on weather and that it was lower than the population growth, hence, the need to manage weather-related effects on agricultural production.
SESSION THREE: PRESENTATIONS

Chair: Dr. Lilian Kirimi--Tegemeo Institute

Dr. Kirimi invited the presenters for the session. Two presentations were made as follows:

- **Challenges and Opportunities for Sustainable Food Security in Kenya**, by Mr. Abner Ingosi (Senior Deputy Director of Agriculture, Ministry of Agriculture)

- **Opportunities for Effective Utilization of NCPB Facilities for Ensuring Food Security in Kenya**, by Mr. Ernest Ogwora (Operations Manager, National Cereals and Produce Board)

In his presentation, Mr Ingosi enumerated characteristics of countries experiencing chronic food insecurity as: poor or non-existent public services; high incidence of civil strife and violence; absence of proper regulation in the production and trade sectors; high levels of corruption; low investment in agriculture; poor policies and lack of social safety net programmes. Kenya is ranked 11th among thirty countries that have the largest number of protracted food crises in the world. He further mentioned that more than a quarter of Kenya’s population was categorized as chronically food insecure.

Mr. Ingosi highlighted main causes of food insecurity as climate change, weak agricultural information, low production, population growth, land tenure and use of agricultural land for purposes other than agricultural production, inadequate targeted social protection programmes, poor coordination of donor agency activities and response to emergency humanitarian aid, alternative use of food crops in bio-fuels, increasing food prices due to poor food distribution, poor post-harvest management, unstructured markets, increasing cost of fuel and overdependence on a few food commodities.

In addition, Mr. Ingosi highlighted some of the strategies being pursued to address food security concerns in Kenya. These include new policies and programmes guided by three overarching policy documents which include: the Kenya Vision 2030, the Agriculture Sector Development Strategy (ASDS) and the National Food and Nutrition Security Policy (FNSP). Mr. Ingosi acknowledged all those involved in efforts to address food insecurity, and reiterated that the government through the Ministry of Agriculture and in collaboration with other agencies had embraced sector-wide approaches to address food insecurity. The key areas mentioned include the adoption of value chain approach to address sectoral challenges; embracing of environmental conservation measures and implementation of long term projects aimed at improving rural livelihoods, farmer incomes and food accessibility; and, on-going land management reforms, among others.
In conclusion, Mr Ingosi enumerated some of the agencies that were working closely with the government in efforts to address food insecurity and urged donors and other stakeholders to work together towards such efforts in the country.

Mr. Ogwora’s presentation focused on opportunities for effective utilization of NCPB facilities for ensuring food security in Kenya. He highlighted the objectives of the Warehouse Receipt System (WRS). These include developing systems of grain financing, marketing and trade; improvement and increase of the potential benefits from grain business; improving the capacity to operate effectively; and, increasing the liquidity in the grain sector. He informed the participants on the importance of good post-harvest management, taking into consideration that a high quantity of grain (10% maize) is lost through poor post harvest handling. This translates to a value of 6-9 billion shillings annually. Some of the challenges facing the WRS include: difficulties in establishing appropriate arrangements with financial institutions; general scarcity of grain in the market; the huge investments needed to upgrade facilities; education and information dissemination to relevant stakeholders including farmers; and lack of high quality grain for intake.

The major opportunity in the use of WRS is the availability of more than 100 NCPB depots across the country with a storage capacity of 1.8 million metric tonnes (20 million bags). Mr. Ogwora mentioned that the maximum annual storage loss at the depots is estimated to be about 2%. He also highlighted the need for the development of a commodity exchange platform for grains.

**Discussion**

After the presentations, Dr. Kirimi lauded the presenters for the enlightened presentations and invited questions and comments from the participants. The discussions centered on the areas below.

**Strategic Reserves**

A participant wanted to know what optimal amount of maize reserve would be needed in the country at any particular time. In response, Mr Ingosi indicated that the strategic reserves had been increased from 4 to 8 million bags of grain but that this was still low considering that the consumption is about 3.6 million bags per month. He added that with a storage capacity estimated at 21.6 million bags, a strategic reserve of 15 million bags would be considered adequate. The availability of funds was, however, a major challenge. Mr. Ogwora added that if the production in the country was not totally weather dependent, it would be possible to know with certainty the optimal amount of strategic reserves required.
**Import Coordination and Import Duty**

A participant commented that there was need for coordination among the relevant government ministries to ensure that the food security situation was not worsened by politically motivated imports. She questioned the rationality behind importing 1.5 million bags of maize when there were 3 million bags already in the reserve. Her view was that there is failure on the part of the government to act on time whenever there is looming food scarcity. On the issue of coordination, Mr. Ogwora informed the participants that the 1 million bags were not imported by the government but by the private sector following a duty waiver, and that an additional 0.5 million bags were received by the government as a donation.

Another participant argued that import duty waivers hurt farmers since they are not able to compete with farmers elsewhere who are highly subsidized. On the other hand, consumers don’t benefit from import duty waivers; only traders benefit. In response, Mr Ingosi indicated that the reason for the duty waivers was to allow food accessibility to as many people as possible. This would help avoid severe negative consequences such as food riots. He, however, reiterated that holding other factors constant, and in the absence of those who take undue advantage, the duty waivers would be beneficial to consumers.

A participant commented that there was need to do more analysis on competitiveness of maize versus the imports as the current studies suggested that imports may be more expensive. He believed that this would actually prove that imports are more costly and therefore there was need to boost local production. He added that the implications of the presentation pointed towards removal of import duties. In response, Mr Ingosi indicated that the approach used by the government to ensure food security was two pronged, i.e. supplies from local production and imports. The main reason for imports was to meet the deficit arising from shortfall in domestic production.

**Warehouse Receipt System and NCPB Storage**

A participant asked about the percentage of cereal farmers who have adopted the WRS. He added that the reason for the low adoption of WRS was the charges by the NCPB that make farmers incur costs for drying and cleaning of their stocks. He challenged NCPB to see what could be done about these challenges. In response, Mr. Ogwora explained that the number of cereal farmers could not be established since the system was based on the grain owners and the quantities they kept.

Another participant noted that farmers were holding their produce because NCPB had stopped buying maize from them and sought to know why this was the case. Mr. Ogwora explained that NCPB was willing to purchase the maize from farmers, but the Ministry of Special programmes
(MoSP) had exhausted the money budgeted for the purchase. He invited those with grains to store under the WRS. He also challenged the participants to look critically at the costs and establish which costs were higher between NCPB and other storage facilities. He added that storage for a bag of maize for 6 months under the WRS was only Ksh. 160.

On the NCPB’s storage capacity, a participant sought to know the proportion that was in use, the proportion being occupied by the WRS and who else could utilize the unused capacity. In response, Mr. Ogwora informed the participants that 10% of the NCPB’s storage capacity was for SGR and the other was leased out to other users like Unga Millers, those in export trading and others outside the grain sector.
SESSION FOUR: PANEL DISCUSSION

Chair: Dr. Julius Okello--University of Nairobi

Dr. Okello appreciated Tegemeo Institute for bringing together the workshop participants and invited the panelists, who were representatives of different organizations, to share briefly the key issues of concern on sustainable food security in Kenya. Each panelist was to respond to a specific topic as had been communicated to them.

Mr. Nick Hutchinson (Managing Director, Unga Limited)

Mr. Hutchinson’s topic was: Opportunities for Ensuring Reliable and Affordable Food (Key Staples) in Kenya: A Miller’s Perspective. He started by clarifying that no maize was imported from South Africa last year, noting that the maize that came into the country was imported from Zambia and Malawi only. Mr. Hutchinson also reiterated that the cost of producing maize had gone up and the price of maize and maize meal was not likely to come down anytime soon. He raised concern about the dwindling land size, which is a key factor in food production and suggested that the country should be concerned about how much food will be available. He outlined the following as opportunities for ensuring reliable supply of affordable food in Kenya:

- Better forecasting of stocks: poor forecasting leads to massive speculation, which drives prices up and not down, hence the need to give much attention to accurate forecasting and information flow.

- Timely decision making: normally the government makes decisions on imports and duty waiver too late, making it difficult for other players to plan their operations

- Intervene in a transparent manner: decisions need to be made in a transparent way in order to foster competition, which is key to profitability.

Lastly he said that the ultimate policy goal should be geared towards driving productivity up, which will consequently improve competitiveness.

Mr. Francis Orago (CEO - Kenya Consumer Organization)

Mr. Orago responded to the topic on: Opportunities for Ensuring Reliable and Affordable Food (Key Staples) in Kenya: A Consumer’s Perspective. He indicated that the Kenya Consumer Organization (KCO) is concerned about how the government prioritizes what to finance. He wondered why enough money is not invested in irrigation agriculture. This is against the reality
that the effects of climate change are already being felt, and the country cannot continue relying on rain-fed agriculture only if it expects to increase food production.

The presenter further noted that import duty waivers do not benefit consumers since they have not translated into cheaper food. He also challenged the government to empower KCO to educate and create awareness among consumers since most consumers were ignorant of their rights.

Lastly Mr. Orago suggested the need to improve efficiency in the distribution channels of both food and factors of production such as fertilizers and seed.

**Mr. Simon Gathara (Assistant Director, Agro-Meteorology Services Division, Kenya Meteorological Department)**

Mr. Gathara’s presentation was on *Future Climate Change Predictions/Scenarios and Changing Patterns and Geographic Distribution in Production of Key Food Commodities*. He indicated that temperatures are likely to increase by between 2.6°C and 4 °C by the year 2030. He also noted that the region from Lake Victoria to the Central highlands east of the Rift Valley will experience mild increases in annual rainfall. The rest of the country is expected to receive reduced annual rainfall amounts.

These climate predictions will have implications on food security:

- Climate variability and change are a threat to food security.
- Frequent droughts will mean famines as a result of loss in livelihoods.
- Temperature rises have been and will continue to be accompanied by an increase in vector-borne diseases such as highland malaria, typhoid and cholera, hence adversely affecting the populations engaged in food production activities.

Mr. Gathara noted that mean air temperature increase is likely to affect agriculture through:

- Changing the growth cycles (accelerated growth rate) of plants through increased temperature stress and consequent change in the harvest times and quality of produce
- Increased evapotranspiration and lower soil moisture levels, therefore, leading to increased water stress on plants which would result in lower yields
- Increased likelihood of incidences of plant and animal diseases as a result of temperatures which are conducive for disease pathogens.
**Mr. S. C. Wangusi** (*Director, Relief, Ministry of Special Programmes*)

Mr. Wangusi’s presentation was on *Food Emergency Response: Ensuring Efficiency and Timeliness in Distribution*. He noted that the Ministry of Special Programmes was the largest user of the NCPB silos in storage relief food and strategic grain reserves (SGR) throughout the country.

He informed the participants that the Ministry had food stocks in response to the information from the meteorological department. The areas which were indicated would be food insecure already have stocks stored at nearest centers and officers had already been assigned facilitation including means of transport for distributing the stocks when need arises.

The distribution of relief food is facilitated by the District Commissioners who chair the district security team and work in collaboration with officials from the Ministry.

He further noted that early warning systems are used to know where to distribute food, and was categorical that relief food is targeted to only families or individuals who are in dire need based on assessments done in the field.

**Simon B. Muhindi**, (*National Food Security Analyst, FAOKE*)

Mr. Muhindi presented on *Management, Preparedness and Response in Ensuring Food Security in Kenya*. He raised key concerns regarding food security in Kenya, which included implementation of provisions in the Food and Nutrition Security Policy, too many poorly uncoordinated structures and programmes dealing with food security, interventions of a ‘fire fighting’ nature, lack of proper contingency plans and funding.

The presenter further outlined some recent developments by government towards addressing food security which includes:

- Establishment of the National Drought Management Authority (NDMA) which he suggested could have been called the National Disaster Management Authority to have a wider scope
- Proposed establishment of the drought contingency fund (in the pipeline)
- National Food and Nutrition Security Policy approved by Cabinet (implementation structures are being developed)
Discussion

Food relief

A participant pointed out that relief efforts were counterproductive in some areas which are constantly dependent on relief food. He pointed out the need to stratify communities according to their potential to produce so that while some communities receive relief, others get food for assets as an incentive to produce and others get no relief at all. He highlighted the case of Tana River which receives relief food yet it has the capacity to produce sufficient food quantities. In response, Mr. Wangusi pointed out that farmers generally preferred relief food to production but that other long term approaches and incentives like food for assets, and unconditional cash transfers were being implemented by most agencies in order to avoid food relief. Mr. Ingosi pointed out that it was a delicate balancing act since people could not be left to die of hunger in the interest of protecting production, and thus relief efforts were targeted to those in dire need. He added that the Ministry of Agriculture was focusing on proper targeting and protracted relief and recovery programme through the use of vouchers on food for work (FFW). He cited the example of Turkana where farmers had produced over 2,000 bags of maize under irrigation through the food for assets programme and added that as an incentive to the farmers, the Ministry would buy the produce from them for distribution.

Production security

Another participant proposed the need to tie food and production security. He alluded to the presence of uncertainty in the maize sector with regard to both input and output prices which results in speculative behavior. He urged for adoption of market based instruments that are effective, e.g. futures markets. If the government facilitates contractual arrangements between producers and buyers, then the farmers would be more assured of cash-flow and farming would probably attract more investors. This argument was supported by another participant who proposed the formation of a working relationship between millers and the public sector to ensure prices are known prior to harvesting in order to motivate producers. He pointed out that the information about WRS was complicated and that it needed to be synthesized for ease of dissemination to farmers. He urged the Ministry of Agriculture to assist with dissemination of such information.

On production security, Mr. Gathara pointed out that the insurance sector was working in conjunction with the Kenya Meteorological Department (KMD) to provide production security. The KMD monitors weather performance and provides a weather based index which is used by insurers to come up with policies that cover input costs.
Another participant was concerned that focus was always on maize and sought to know why other commodities were not being emphasized especially with regards to small scale farmers. He sought clarification on what was being done about water harvesting techniques used by small holder farmers, and how they could be assisted to increase their water harvesting capacity.

A participant sought to know whether the World Food Programme sponsored pilot project on use of cash and voucher system for acquiring food and seed was operational.

**WAY FORWARD**

**Chair: Dr. Joseph Karugia--- ReSAKSS (Regional Strategic Analysis and Knowledge Support System)**

**Production**

1. There was a proposal by the private sector that the government should consider absorbing fertilizer handling charges, so that even the private sector could sell fertilizer at subsidized price.
2. Risk management strategies such as crop and livestock insurance initiatives are needed in order to address weather changes.

**Policy**

3. Good strategies/policies should be put in place especially in regard to implementation and monitoring & evaluation of policies, to ensure that the intended outputs are achieved.
4. The country should adopt a holistic approach to food security issues by not tying food security to food production, and that the country cannot run away from duty waiver especially for major products.
5. There is need to link relief food to longer term planning, by building a credible early warning system and acting in a timely manner.
6. The role of regional trade in achieving food security needs to be critically considered, given the trend in regional integration.
7. Investing in infrastructure to reduce transaction costs is an important component in ensuring access to cheaper food as well as proper and timely distribution of food.
8. Partnership among key stakeholders (public, private, research institutions, ASCU, universities) is needed to tackle the issues of food security since the partnership can build synergies and draw on strengths of the various stakeholders.
9. The country should diversify from maize to other staples in terms of resource allocation, research, and consumption. There is need to explore how public and private partnerships can be harnessed to achieve this.
10. There is need for proper coordination among different government ministries especially when there are signs that available food stocks will not be enough. It should be clear what level of food stocks should trigger the need for imports and who is responsible for relaying that information.

11. The justification of producer price of maize offered by the government compared to the cost of maize production was questioned, and it was proposed that the government should buy maize from farmers at the prevailing market price to prevent distorting the market.

12. Sharing of information is very critical and the government needs to forge partnerships with the private sector to remove suspicion and uncertainty. A model of partnership that can work well needs to be explored.

Research

13. There is need to do further research on changes in food production across the different agro-ecological zones in the face of climate change and what implications these changes have on consumption, food security and trade.

14. Production of maize in the major producing areas is competitive against imported maize even without import duty and as a result, removal of duty when need arises has been recommended. However, further work needs to be done by Tegemeo in order to address this issue, in terms of:
   - Unpacking the price transmission further
   - Clear objective of the instruments
   - Targeting of interventions

15. Maize market structure and conduct needs to be analyzed further

CLOSING REMARKS: Dr. Millie Gadbois, USAID, Kenya

Dr. Gadbois mentioned that 100% of agricultural production in Egypt was carried out through irrigation, and pointed out that Kenya stands a good chance to increase her production if greater investment was made in irrigation since at the moment the water collection rate was ranked lowest as pointed out by one participant at the workshop. She highlighted the importance of seeking information and collaboration amongst different stakeholders to ensure that information is available for appropriate use and making informed policy decisions. She further thanked the Director Tegemeo Institute for having successfully organized the workshop and confirmed that USAID and Tegemeo would soon be starting a new 5-year project and hoped that such fora will continue in the future within the new programme.
APPENDIX 1: LIST OF PARTICIPANTS

1. Chemwani David Okwaro  
   Pembe Flour Mills
2. Cheruiyot John  
   Ministry of Agriculture
3. Collins Steve  
   ACDI-VOCA
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    Tegemeo Institute
29. Kung’u J.W.  
    Export Trading Co. Ltd
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    Cereal Growers Association
34. Muhindi Oswald  
    FAO-Kenya
35. Mukumbu Mulinge  
    Land O’ Lakes
36. Muriuki Eustace  
    MEA Ltd.
37. Mutai Benjamin K., Dr  
    Egerton University
38. Mutua Elizabeth  
    Tegemeo Institute
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<th>No.</th>
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