

# CREATING SUSTAINABLE EXPORTER COMPETITIVENESS

## THE TREE FRUIT SECTOR IN KENYA



Horticulture, a vital sub-sector of Kenya's agriculture industry, has grown significantly to become a major employer and foreign-exchange earner. Still, the sector faces challenges including production variability and low productivity that affect the performance of the fruit products value chains. While fruit accounts for about 35% of the horticulture output in Kenya, it represents less than 10% of the total earnings from horticultural exports.

A sub-sector review identified the main problems and weaknesses within the industry as a first step towards developing strategies which will enhance the growth and development of horticulture. The Netherlands Trust Fund II (NTF II) project in Kenya targets avocados, mangos, and passion fruit and aims to develop commodity business plans which would support coordinated efforts to bolster exports of these three tree fruits, benefitting low-income farmers and SMEs.

### INSTITUTIONAL STRUCTURES TO STRENGTHEN FPEAK SUPPORT TO THE SUB SECTOR

The NTF II project focuses on establishing an effective and sustainable structure within the Fresh Produce Exporters Association of Kenya (FPEAK) to provide long-term support to the tree-fruit sub-sector. The first element of this structure is the establishment of a Fruit Team, housed within FPEAK. The team is composed of three commodity advisors for each of the three fruits and one coordinator to drive the sub-sector development efforts. The Fruit Team will lead the process of establishing three commodity working groups (CWGs), which are set up as public-private partnerships, and will include representatives from along the fruit value chain including exporters, selected processors / producers, and relevant trade support institutions and intermediaries. Each CWG will be championed by the lead exporter (a large private exporting company) in the specific fruit it covers.



## COMMODITY BUSINESS PLANS IN PLACE AND ACHIEVING TARGETS.

The CWGs are tasked with developing business-oriented commodity business plans (CBPs) with targets and roles identified for participants. These CBPs, the project's second main output, will assess the business logic for boosting exports of each commodity. They will be developed from targeted market analysis, mapping of production capabilities, financial instruments, and institutional infrastructure. With effective CPBs, the various interventions in the tree-fruit sector can be harmonised and coordinated to achieve goals along the value chain, such as increasing the value or volume of exports or reducing waste at pre- or post-harvest.

## A FUNCTIONING PROCESS FOR MONITORING IMPLEMENTATION OF CBPS

Along with developing the commodity business plans, FPEAK will monitor their implementation and gauge achievements. The NTF II project will strengthen the capacity of FPEAK and the members of the three CWGs to ensure effective monitoring and evaluation processes are in place to measure progress and to determine lessons learned throughout the implementation of the CBPs and the project as a whole.

## ABOUT THE NTF II KENYA PROJECT

The Netherlands Trust Fund II is based on a four-year partnership agreement between ITC and CBI. The NTF II Programme is funded by the Government of the Netherlands. The NTF II project is implemented in close collaboration with the Fresh Produce Exporters Association of Kenya (FPEAK), the Export Promotion Council (EPC) and the Horticultural Crops Development Authority (HCDA). NTF II Kenya focuses on 'Creating Sustainable Exporter Competitiveness in the Tree Fruit Sector in Kenya'.

## FOR FURTHER INFORMATION

Please visit our website: [www.intracen.org/projects/ntf-ii](http://www.intracen.org/projects/ntf-ii)



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