

The Kenya Horticultural Exporters Ltd Experience of private voluntary standards

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Horticulture provides a key livelihood support to rural households especially in the Central province, and part of Eastern and rift valley provinces in Kenya. Private voluntary standards (PVSs) are now a basic requirement for entry into the export horticulture market. All importers require their suppliers to furnish them with details of accreditation in order to be suppliers to the European Union. PVS had initially been viewed as a major barrier to trade in Kenya. However the standards have also brought benefits - provided improved mechanisms of managing the small-scale suppliers and generally increased Good Agricultural Practice (GAP).

A typical smallholder runs a one-acre farm and is a member of a self-help group (SHG). The SHG is the backbone of the success that has been experienced in the country's horticultural industry providing the basis for farmers to pool produce, resources, as well as facilitate access to market and knowledge of market requirements. The result of the pooled SHG is that operational costs, that would have been beyond the reach of a single grower, are shared amongst members within the group.

In Kenya SHGs are now used in the majority of green bean and pea export production. Considerable interest from various development partners has been extended to the SHGs in order to strengthen capacity to meet the requirements of these standards so as to maintain their position in the exports industry. As a major exporter, KHE values the role these organisations have played in keeping the small holders in business. The key to success is understanding the weak spots, risks, and challenges faced by these producers and learning cost effective ways of managing them. PVSs should not be viewed as challenges but a stepping stone to general Good Agricultural Practices (GAP), hence improving integrity.

Improvements in upgrading agricultural practices

PVSs have contributed a great deal in bridging the technological gap as follows:

- Technical skills upgrading. Through SSGs farmers were able to learn and develop skill required in the implementation of the PVSs leading to implementation of PVSs: Training is now regular phenomenon and farmer are learning major issues on food safety and hygiene not just for export products but for the domestic market
- Environmental awareness, especially on areas of waste management, pollution control,
- A framework of traceability
- Organisational improvements and managerial specialisation: Specialisation in the value chain in terms of quality management allow farmers to concentrate on farming as well as other roles such as pest and disease management. Farmer groups have had to hire staff in areas such as documentation, pest and disease management and control
- Field hygiene practices
- Trust and long term relationship building: Export Companies tend to have long

term relationships with groups that have taken a proactive approach to implement these standards.

- Tendency by other exporter to reap where they have not sowed has drastically dropped, although the effects are still there.

It should be noted that requirements of importing countries with respect to labour and environmental standards as well as defining technical competence often vary – and are specified in addition to standard GlobalGAP compliance. An example of this would be Tesco's Natures Choice as an additional PVS required by Tesco on top of GlobalGAP. In addition most of the quality management systems are generic and owned by exporters, hence those systems are likely to fail in the event the relationship between the company and farmer group ceases.

Key Lessons

- Small growers can attain and sustain certification provided the major prohibitive costs such as residue analysis, water and soil analysis are met or a system is put in place to monitor this from the risk assessment point of view.
- Central management system allows several producers access key services and quality produce thereby reducing the per capita cost of production.
- All growers are able to access required documentation which can be centrally accessed
- Even smallholders can achieve high production standards as prescribed in the PVSs

Solutions for improvement and Sustainability

- Growers must learn the fundamentals in developing their own quality management system hence creating good understanding and ownership
- High cost aspects such as residue monitoring as well as analysis for soil and water should not be compulsory for every farmer – rather a risk based assessment should be carried out whereby samples are taken from a selection of members rather than the entire group. The frequency of sample taking should also be address with the risk assessment.

- Framework for internal audits established such that a generic model with basic key points considered and not the whole standard.