



*Improved Agricultural Rural Transport for Kenya:  
A Natural Resources International Limited (NRIL) - Crop Post-Harvest  
Programme (CPHP) Supported Project.*

# Progress Report

Mid June to Mid September 2004

***A GIANT MILESTONE:  
“Partnerships Bearing Fruit for Community Parliaments”***

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## Project Details

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2. Donkey Placement Response Unit in Kalama
3. ILO – Advisory Support Information and Training (ASIST) *Stephen Muthua*
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5. International Forum for Rural Transport and Development (IFRTD) *Peter Njenga*
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7. Kenya Network for Draft Animal Technology (KENDAT) P. G. Kaumbutho (Team Leader)

## List of Abbreviations

ASIST	Advisory Support Information Services and Training
BIAMF	Busia Integrated Agricultural and Marketing Forum
COP	Code of Practice
CPHP	Crop Post-Harvest Programme
DFID	Department for International Development
DRE	District Roads Engineer
EAGA	East African Growers Association
FAO	Food and Agriculture Organization
HCDA	Horticultural Crop Development Authority
HDC	Horticulture Development Center
IFRTD	International Forum for Rural Transport and Development
ILO	International Labour Organization
IMT	Intermediate Means of Transport
ITDG	Intermediate Technology Development Group
KACE	Kenya Agricultural Commodity Exchange
KDUC	Kalama Donkey Users Club
KENDAT	Kenya Network for Draught Animal technology
LAMP	Lari Agricultural and Marketing Programme
LST	Labour Saving Technology
MoU	Memorandum of Understanding
MRL	Minimum Residue Level
MTMO	Mwea Transport and Marketing Organization
NGOs	Non-Governmental Organizations
NRIL	Natural Resources International Limited
PCN	Produce Collection Notes
PPU	Proposed Pesticide Use
PVC	Polyvinyl Chloride
RELMA	Regional Land Management Unit
RTS	Rural Transport Services
ToR	Terms of Reference
ToT	Training of Trainers
UK	United Kingdom
USAID	United States Agency for International Development

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## **Progress Report for the 3<sup>rd</sup> Quarter (Mid June –Mid September, 2004)**

### ***“Partnerships Bearing Fruits for Community Parliaments”***

#### **1.0 Introduction**

This report highlights the activities, key achievements and challenges for the 3<sup>rd</sup> quarter and outlines the plans for the last quarter of the year 2004. The activities for the 3<sup>rd</sup> quarter of the year mainly focused on development and strengthening of partnerships within the focal activities of the project. As a result of the partnerships, the Community Parliaments have started realizing the long awaited benefits. The significant results create assurance for sustainability of the various activities being undertaken by the Community Parliaments. It is noteworthy that very successful and productive partnerships are emerging with the private sector, who have the overall aim of enhancing their businesses while the community are focused on alleviating poverty through higher incomes in agricultural production and marketing.

Capacity building has also been an emphasis during this quarter, particularly in the area of savings and credit programmes for individual groups. As a result of the capacity building in the area of micro finance constituent group members are able to regularly contribute towards the savings and credit programme.

Despite the achievements made in developing and strengthening partnerships and capacity building in micro finance there were challenges which have mainly resulted in delays in implementing the project activities. However, activity plans have been revised through Community Parliament meetings to enable completing them at the end of year 2004.

#### **2.0 Activities Undertaken During the 3<sup>rd</sup> Quarter, 2004**

##### ***2.1 Development and Strengthening of Partnerships***

Significant partnerships have been developed in the 3 project areas of Mwea, Lari and Busia, mainly with the private sector.

In Mwea, the horticultural farmers have always experienced problems in accessing reliable markets for their produce, regardless of quality. The Community Parliament in the area has through KENDAT entered into a Memorandum of Understanding (MoU) with East African Growers Association Ltd (private horticultural produce exporters). The MoU provides for the farmer groups to enter into contracts with the company (see appendices V and VI). This has already taken effect with the first lot of 7 groups each with 20 farmers already planting French Beans for export to the European markets. This arrangement makes it easier for the private company to control production, while meeting the European market requirements, because other than achieving programmed production the company will train farmers and ensure that their production is in accordance to market specifications. This creates an opportunity for the private company to adequately meet its export targets as the farmers benefit from a reliable market throughout the year.

Through communal work days organized by Community Parliaments in Lari, water pans are being constructed to ensure that farmers have adequate irrigation water throughout the year. This would enable them produce high value horticultural produce for local and export markets. About 30 water pans with an estimated water holding capacity of 180,000 litres each have already been dug

in the farmer's smallholder plots in the area. Seracoatings Ltd, a private company involved in installation of Polyvinyl Chloride (PVC) dam lining in the region, has foreseen good business in the area and has established partnership with KENDAT and the Community Parliaments in Lari. The company, in collaboration with KENDAT is training the farmers in water harvesting and subsequent storage in PVC-lined water pans, which prevents water loss through percolation. KENDAT is fixing one water pan with PVC lining from Seracoating Ltd. to serve as a demonstration and hopefully, farmers will venture into it privately. Installation of the PVC lining on each dam of the aforementioned capacity costs about Kshs. 15,000 (US\$ 188), meaning that if Seracoatings Ltd installed PVC lining on all the 30 water pans, they would make a gross income of Kshs. 450,000 (US\$ 5625), which is good enough for the Company.

In Busia, the Community Parliament and KENDAT are collaborating with Horticultural Development Centre (HDC), a USAID-funded project with a view to improve horticultural production and marketing. Through the joint effort two more demonstration plots were set up in the area during this 3<sup>rd</sup> quarter to make a total of three demonstration plots. High value horticulture crops including passion fruits, Vanilla and Chilies are already in the demonstration and farmers have started producing them in their private farms. Training at the demonstration farms are conducted on a weekly basis.

Placement of technologically advanced Intermediate Means of Transport (IMTs) in the project areas, Mwea and Busia is of great importance to the farmers. Zuzuka Ltd, a private company involved in importation of various types of motorized IMTs from China into Kenya, has already supplied 2 motorized trailers for placement in Mwea and Busia. The IMTs will be operated on a pilot basis, but field reports indicate that there looms a high demand for this specific IMT in Busia and Mwea. Zuzuka Ltd already realizes the potential for her business and has proposed for KENDAT partnership in the formation of Micro and Small Enterprise Rural Asset Leasing for the purpose of providing lease financing and developmental support services to rural farmers in East and Central Africa. Zuzuka Ltd now believes that the initiative would not only be a viable niche for the company but also infuse the much-needed technologically advanced IMTs to the productive and promising Agriculture Sector.

## **2.2 *Establishment of a Savings and Credit Scheme for Farmers***

The Community Parliaments system had been weakened by the parliamentarians who, with a view to share out the money mean for the savings and credit scheme, had ignored their constituent groups and targeted to benefit as individuals. On realizing this KENDAT hired a microfinance consultant to design and initiate the scheme.

Community Parliament's representatives (Cabinet) from the four project areas, Mwea, Lari, Busia and Kalama were taken through a 2-day training (see workshop Report) course on setting up a microfinance scheme at community level. This is what would in other words be referred to as "village banks". The trained participants trained the other Parliamentarians, who in turn trained the members of constituent groups. The Training of Trainers (ToT) approach used was effective and paved way for establishment of the savings and credit schemes at constituent group level. Constituent groups of each Community Parliament were assessed on the basis of their legal status, number of members, possession of bank accounts and involvement in savings and credit activities. This was meant to determine their suitability for the savings and credit scheme. In each locality, at least five groups, each with an estimated 30 members are ready to receive loans. However, most groups affiliated to the Community Parliaments have their members contributing regularly towards the savings, as required by the guidelines of the scheme.

### **2.3 *Improving Means of Transport in Kalama***

In Kalama Project area, Kalama Donkey Users Club (KDUC), introduced an additional 7 donkeys (3 males and 4 females) with the support of RTS project. (See report on donkey purchase). The average cost for the males was Ksh. 4,233 (US\$ 53) each and that of females was Ksh.5,800 (US\$ 72.5). The club members raised 30% of the donkey purchase cost and the RTS project catered for the other expenses, which included the remaining 70% purchase cost, Ksh. 10,000 (US\$ 125) for transportation and Ksh. 15,000 (US\$ 187.5) for drugs and Veterinarian's fee. It is noteworthy that the club has developed rules and regulations for handling, care and management of the donkeys. The introduced donkeys are expected to make significant difference in Kalama Division in the means of transport.

### **2.4 *Visitors to the RTS Project***

During the quarter, RTS project received two visitors. Paul Spray the Head of Research Department in British Department for International Development (DFID) had a chance to visit Lari project area where two activities were going on during the time of his visit; members of Community Parliament from the Escarpment area were being trained on water pan PVC lining by an expert from Seracoatings Ltd. and at the same time constituent groups were being assessed to determine whether they were prepared for the savings and credit scheme. Through his speech to the community members, Paul stated that he was impressed by the projects that were being implemented by the Community Parliament.

Frank Almond, a Partnerships Adviser had been sent by Natural Resources International Ltd. to advise the RTS project Partners. He delivered his lecture to the RTS project stakeholders who included representatives of Community Parliaments, International Forum for Rural Transport and Development (IFRTD), Food and Agriculture Organization (FAO), Regional Land Management Unit (RELMA), Kenya Network for Draught Animal Technology (KENDAT), Intermediate Technology Development Group (ITDG) and International Labour Organization – Advisory Support Information Services and Training (ILO/ASIST). After the lecture he met and gave pertinent advice core project implementing coalition members. Frank had a chance to visit groups affiliated to the Community Parliament in Mwea, on a day that they were negotiating for horticultural production and marketing contracts with East African Growers Association Ltd. He advised the farmers to sustain productive partnerships that will help market their produce.

## **3.0 Achievements Highlights for the 3<sup>rd</sup> Quarter, 2004**

- The created partnerships are crucial for the predominantly farming communities who will now use them to improve their agricultural production and marketing. Hopefully, this will improve their income levels and contribute in improving the living standards and poverty alleviation.
- Establishment of savings and credit scheme within the 3 project areas, Mwea, Lari and Busia, will facilitate acquisition of farm inputs and other necessities on a credit basis by the farmers in these localities. In addition, the savings and credit scheme has enlightened the farmers on the need to save for various future needs such as drought, sickness, school fees etc. In Mwea farmers are already acquiring French Beans seed on credit basis through the scheme.
- Significant increase in the number donkeys has been realized in Kalama area, particularly the female donkeys (now 5) which are expected to breed and further contribute to the increase in donkey population in the area.

#### **4.0 Challenges during the 3<sup>rd</sup> Quarter, 2004**

- Business oriented (profit focused) private sector takes time to response to participation in community development-linked projects. Even when they do accept to collaborate in such projects; they initially portray a lot laxity and caution, mainly trying to study the situation in a bid to establish their a business line. This was experienced during 3<sup>rd</sup> quarter, 2004 while dealing East African Growers Association Ltd. Delays in implementation of project activities were therefore inevitable.
- The microfinance scheme was initiated during the 3<sup>rd</sup> quarter, 2004. Community members developed more interest in the scheme and disregarded the many other activities they were to implement. This has contributed to some of the activities such as spot improvement of roads lagging behind in implementation.
- The gradual de-linking of parliamentarians from their original constituent groups weakened the Community Parliaments. A lot time and effort were devoted in getting back the constituent groups to the Community Parliament system. This has prompted development of a database of the constituent groups with a view to intensive follow-ups and support for the groups.

#### **5.0 Plans for Last Quarter, 2004**

Appendices I, II, III and IV are the indicative activity plans for the period July to December 2004. Some activities were however implemented during the 3<sup>rd</sup> quarter. The activities to be implemented during the last quarter, 2004 are as follows;

- Placement and operationalization of pilot IMTs in Busia and Mwea. The IMTs include motorcycle trailer, carts (*Mkokoteni*). This will include training of artisans in repair and maintenance of the IMTs.
- Spot improvement on the already earmarked sections of rural roads within the 3 project areas Mwea, Busia and Lari. The community members will be trained in Labour Based Methods. In Mwea roads signs will be placed on some sections of the main road.
- Experiential visits for farmers will be conducted separately for farmers in Busia, Lari and Mwea to help then gain more knowledge and skills in agricultural production and marketing.
- Disbursement of funds for the microfinance scheme to the various parliaments will continue in the three project areas. The Community Parliaments will also be trained on record keeping and assisted in acquiring well printed loan application forms, members' passbooks and cash collection record forms.
- Piloting of new crops, enhancement of production and marketing systems through training and demonstration will be undertaken in the 3 project areas.
- In Lari, the demonstration water pan will be fitted with PVC lining and demonstration of the use of money-maker pump done.
- To facilitate creation of more partnerships. Towards this end, the Community Parliaments will participate in planned national workshop which will bring together potential partners from the public and private sectors.
- Members of KDUC and other donkey owners and users will be trained on appropriate donkey handling, care and management. This is will be done in collaboration with KENDAT's Brook Hospital for Animals (BHA) project.



## Appendices

### Appendix I: Activity Plan for Mwea for the period July to December 2004

General Activity	Specific Activity and Timing (When)	Roles/Responsibilities	Remarks
<b>Output One: Improved IMTs and Infrastructure.</b>			
Acquisition and placement of IMTs (tricycle, <i>mkokoteni</i> and <i>weremavu</i> cycle).	<ul style="list-style-type: none"> <li>Motorized cycle already acquired will be placed by the end of <b>July</b>.</li> </ul>	<ul style="list-style-type: none"> <li>KENDAT and MTMO will organize the placement procedure for the motorized cycle.</li> </ul>	<ul style="list-style-type: none"> <li>Motorized cycles have already been acquired.</li> <li>A specific date and probably a small ceremony will be organized for the cycle placement.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Mkokoteni</i> and <i>weremavu</i> cycle will be made during the month of <b>July</b> and placement be done in <b>August</b>.</li> </ul>	<ul style="list-style-type: none"> <li>KENDAT will liaise with MTMO to assign contracts to artisans to make the IMTs.</li> <li>Upon completion MTMO will liaise with KENDAT and organize a placement day.</li> </ul>	<ul style="list-style-type: none"> <li>Quotations for making the <i>mkokoteni</i> and <i>weremavu</i> cycle have already been forwarded to MTMO cabinet by artisans.</li> <li>Another placement day will be decided upon for the 2 types of IMTs.</li> </ul>
Spot improvement on key roads, construction of parallel lanes and placement of road signs.	<ul style="list-style-type: none"> <li>Mapping of spots to be completed by <b>Mid-July</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Mapping will be done by MTMO, but KENDAT will get copies of the maps.</li> </ul>	<ul style="list-style-type: none"> <li>The District Roads Engineer (DRE) and the area MP will be asked to participate.</li> </ul>
	<ul style="list-style-type: none"> <li>2 spot improvement days will be done during the month of <b>August</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Community mobilization will be done by MTMO.</li> <li>KENDAT will give technical support in liaison with DRE.</li> </ul>	<ul style="list-style-type: none"> <li>This will preferably be done after placement of all the IMTs.</li> </ul>
	<ul style="list-style-type: none"> <li>Construction of parallel lanes will be done during the month of <b>September</b>, but consultation with the DRE start <b>immediately</b>.</li> </ul>	<ul style="list-style-type: none"> <li>DRE/KENDAT will give technical support.</li> <li>MTMO shall mobilize the community</li> <li>KENDAT will give limited financial support.</li> </ul>	<ul style="list-style-type: none"> <li>The District Roads Engineer will be a key person in these activities.</li> <li>The support of area MP will be solicited for this activity.</li> </ul>
	<ul style="list-style-type: none"> <li>Road signs will be made in September and placed immediately after construction of parallel lanes.</li> </ul>	<ul style="list-style-type: none"> <li>MTMO will provide labour.</li> <li>KENDAT will provide technical support and limited financial support.</li> </ul>	
Community awareness on IMTs, infrastructure use and capacity building for IMTs regulation.	<ul style="list-style-type: none"> <li>A seminar will be conducted during the month of <b>October</b>.</li> </ul>	<ul style="list-style-type: none"> <li>MTMO with the assistance of KENDAT will organize the seminar.</li> <li>KENDAT will identify and engage resource persons.</li> </ul>	<ul style="list-style-type: none"> <li>This activity will be best undertaken after various constructions have been done and road signs fixed.</li> <li>Those to attend the seminar shall include; DRE, Police, Provincial Administration, Politicians, Community, IMT operators and owners and artisans.</li> </ul>
	<ul style="list-style-type: none"> <li>1 artisan will be trained on repair and maintenance of the placed IMTs by the end of <b>October</b>.</li> </ul>	<ul style="list-style-type: none"> <li>MTMO will identify the artisan to be trained.</li> <li>KENDAT will provide technical training.</li> </ul>	<ul style="list-style-type: none"> <li>The trained artisan will be expected to train others.</li> </ul>
<b>Output Two: Establishment of improved group horticultural production and marketing systems.</b>			
Groups inventory, mapping and set-up of production and marketing systems.	<ul style="list-style-type: none"> <li>Group inventory and mapping will be done between before 5<sup>th</sup> July and reports submitted to EAGA by KENDAT on 6<sup>th</sup> <b>July</b>.</li> </ul>	<ul style="list-style-type: none"> <li>MTMO assisted by KENDAT (Gichobi) will do the inventory and mapping.</li> <li>KENDAT will receive reports for subsequent response to EAGA.</li> </ul>	<ul style="list-style-type: none"> <li>The timing of activities here will be strict so that the planting cycle as given by EAGA is not affected in terms of time.</li> <li>EAGA will play a big role in guiding the farmers into what</li> </ul>

General Activity	Specific Activity and Timing (When)	Roles/Responsibilities	Remarks
	<ul style="list-style-type: none"> <li>MoU between KENDAT and EAGA will be signed by 15<sup>th</sup> July</li> </ul>	<ul style="list-style-type: none"> <li>KENDAT and EAGA will jointly develop the MOU.</li> <li>MTMO is to provide the necessary community level information required for the development of the MOU.</li> </ul>	<p>to plant, European Union guidelines/regulations.</p> <ul style="list-style-type: none"> <li>EAGA has already hinted that they will set up a team to supervise field operation to ensure that the right quality is produced.</li> <li>Efforts will be made to seek assistance and/or collaboration from HDC.</li> <li>The meetings and training will include farm demonstration which will be held at the demonstration farm.</li> <li>Arrangements for micro-credit scheme is at an advanced stage – borrowing and repayments procedures will be completed by mid July.</li> </ul>
<ul style="list-style-type: none"> <li>A series of meetings and training of the groups will be conducted in <b>July/August</b> before planting.</li> </ul>	<ul style="list-style-type: none"> <li>HDC/EAGA in collaboration with KENDAT will conduct the trainings.</li> <li>KENDAT will identify and engage resource persons to train the group in record keeping and group dynamics.</li> </ul>		
<ul style="list-style-type: none"> <li>Planting cycle will be started by farmers in the month of <b>August</b></li> </ul>	<ul style="list-style-type: none"> <li>MTMO will liaise with KENDAT and EAGA before they start planting.</li> </ul>		
<ul style="list-style-type: none"> <li>Marketing systems including produce collection centres and procedures will be established by the end <b>August</b>.</li> </ul>	<ul style="list-style-type: none"> <li>MTMO, KENDAT and EAGA will all participate in designing, developing and operationalizing the produce marketing systems.</li> </ul>		
<ul style="list-style-type: none"> <li>Provision of group ran credits for horticulture production and marketing will start in <b>August</b> and continue on a revolving fund basis.</li> </ul>	<ul style="list-style-type: none"> <li>MTMO assisted by KENDAT will come up with an appropriate lending and loan repaying system.</li> <li>Farmers will borrow the money for horticulture production from MTMO.</li> </ul>		
<b>Output Three: Improved Information access and exchange to enhance crop production and marketing</b>			
Establishing of information acquisition and exchange structures and procedures	<ul style="list-style-type: none"> <li>Establish well defined and workable information flow procedures including development of brochures, flyers, newsletters, radio/TV messages etc to be shared among the various collaborators including EAGA, MTMO, KENDAT, HCDA, HDC, KACE by <b>August</b>.</li> </ul>	<ul style="list-style-type: none"> <li>KENDAT will design the flow procedure and facilitate development of materials and messages.</li> <li>Collaborators will be expected to give information for circulation.</li> </ul>	<ul style="list-style-type: none"> <li>This initiative will be very instrumental in enhancing the participation of the various collaborators.</li> </ul>
	<ul style="list-style-type: none"> <li>Farmer visits to farms, industries, organizations and other places of interest in the Months of <b>September</b> and <b>November</b></li> </ul>	<ul style="list-style-type: none"> <li>MTMO will appoint the farmers to go for the visit and collect their contributions.</li> <li>KENDAT will book the various places to be visited by the farmers and give limited financial support.</li> </ul>	<ul style="list-style-type: none"> <li>These visits will help the farmers understand more about horticultural crop production and sale process.</li> </ul>

## Appendix II: Activity Plan for Lari for the Period July to December 2004

General Activity	Specific Activity and Timing (When)	Roles/Responsibilities	Remarks
<b>Output One: Community develop and run improved marketing systems</b>			
Conduct 3 community sensitization meetings and create awareness on the plight of farmers in Lari Division.	<ul style="list-style-type: none"> <li>• First meeting conducted on <b>24<sup>th</sup> June 2004</b> at Nyambare</li> </ul>	<ul style="list-style-type: none"> <li>• Gitithia group led by Peter Kinyanjui organized the meeting at community level</li> </ul>	<ul style="list-style-type: none"> <li>• The first meeting has already been done but the report is yet to be submitted to KENDAT by Kamau.</li> <li>• Meetings will be announced in good time.</li> <li>• KENDAT will give logistical support in organizing the meeting.</li> <li>• Instead of having separate barazas with radio and TV coverage, KENDAT and LAMP will pursue radio and TV coverage of these meetings.</li> </ul>
	<ul style="list-style-type: none"> <li>• Second meeting will be held in July (date not specified) at Kinale.</li> </ul>	<ul style="list-style-type: none"> <li>• LAMP group members will first set the date and then organize the meeting.</li> </ul>	
	<ul style="list-style-type: none"> <li>• Third meeting will be held on <b>8<sup>th</sup> August 2004</b> at Kagwe.</li> </ul>	<ul style="list-style-type: none"> <li>• LAMP members from Gatamayu led by Willy Munana will organize the meeting.</li> </ul>	
	<ul style="list-style-type: none"> <li>• Flyers and brochure will be developed in <b>July</b> and used in awareness creation among the community members</li> </ul>	<ul style="list-style-type: none"> <li>• KENDAT will liaise with and develop the flyers and brochures.</li> <li>• LAMP members will use the brochure in sensitization and awareness creation.</li> </ul>	
Establish improved marketing systems and procedures.	<ul style="list-style-type: none"> <li>• Establishment of temporary weighing sheds with weighing balances in 3 selling centres; Nyambare on <b>24<sup>th</sup> June</b>; Kinale date was not agreed upon; Kagwe on <b>8<sup>th</sup> August 2004</b>.</li> </ul>	<ul style="list-style-type: none"> <li>• LAMP members will mobilize resources to set up the temporarily centres</li> <li>• KENDAT will buy the weighing balances.</li> </ul>	<ul style="list-style-type: none"> <li>• The inauguration of the selling by Kilo system will be done on the days when sensitization meeting are being done.</li> <li>• In Nyambare the temporary weighing place has been established but the farmers are using a borrowed weighing balance.</li> <li>• The farmers will pursue building a more permanent weighing shed.</li> </ul>
	<ul style="list-style-type: none"> <li>• Formation and registration of a farmers' co-operative by the end of <b>August</b></li> </ul>	<ul style="list-style-type: none"> <li>• LAMP will mobilize community members to join the co-operative.</li> <li>• KENDAT will give advisory support.</li> </ul>	
Group strengthening through training.	<ul style="list-style-type: none"> <li>• Micro-enterprise and group dynamic training will be conducted on <b>14<sup>th</sup> and 15<sup>th</sup> July</b></li> </ul>	<ul style="list-style-type: none"> <li>• KENDAT will engage a resource person to train the members of parliament.</li> <li>• Community parliaments will elect the members to be trained.</li> </ul>	<ul style="list-style-type: none"> <li>• The training will help prepare the groups for the micro-credit programme.</li> </ul>
<b>Output Two: Farmers in semi-arid escarpment zone have improved access to water resources</b>			
Develop a demonstration water pan in the semi-arid escarpment zone for farmers to emulate.	<ul style="list-style-type: none"> <li>• One training course will be done on water pan lining and management on <b>3<sup>rd</sup> August</b> at Gitithia.</li> </ul>	<ul style="list-style-type: none"> <li>• KENDAT will engage a resource person to train the community members.</li> <li>• LAMP members will avail themselves for the training, construction and cost-share the purchase of the water lining and shed construction material with KENDAT.</li> <li>• LAMP will avail the moneymaker pump for demonstration.</li> </ul>	<ul style="list-style-type: none"> <li>• Establishment of a demonstration water pan will help farmers learn and develop the technology.</li> <li>• It is noteworthy that the water pan pit has already been dug.</li> <li>• It was anticipated that the training, construction of water pan shed and demonstration of moneymaker could be done in one day.</li> </ul>
	<ul style="list-style-type: none"> <li>• Construction of water pan shed and fitting the lining on <b>3<sup>rd</sup> August</b> at Gitithia.</li> </ul>		
	<ul style="list-style-type: none"> <li>• Demonstration of moneymaker pump on <b>3<sup>rd</sup> August</b> at Gitithia.</li> </ul>		

General Activity	Specific Activity and Timing (When)	Roles/Responsibilities	Remarks
<b>Output Three: Community has participated in infrastructure maintenance and are operating improved means of transport</b>			
Conduct road maintenance training and undertake rural roads repairs.	<ul style="list-style-type: none"> <li>Conduct training in Labour Based Methods for the community members in <b>August</b>.</li> </ul>	<ul style="list-style-type: none"> <li>KENDAT will liaise with ILO/ASIST who will facilitate the training.</li> <li>LAMP farmers will select the team to be trained.</li> </ul>	
	<ul style="list-style-type: none"> <li>Review of the trouble road spots earmarked for repair within Lari Division in <b>July</b></li> </ul>	<ul style="list-style-type: none"> <li>LAMP will do the review with assistance from KENDAT.</li> </ul>	<ul style="list-style-type: none"> <li>Mapping of trouble spots had already been done, but a review would be necessary.</li> </ul>
	<ul style="list-style-type: none"> <li>Conduct 2 communal spot improvement days for the identified trouble spots in <b>September</b>.</li> </ul>	<ul style="list-style-type: none"> <li>LAMP will mobilize community members and seek the necessary support from Provincial Administration.</li> <li>KENDAT will solicit for technical support, including that from DRE.</li> </ul>	<ul style="list-style-type: none"> <li>The assistance of the DRE will be necessary.</li> </ul>
Promote use of improved IMTs	<ul style="list-style-type: none"> <li>Conduct 1-day donkey use and care training in <b>October</b>.</li> </ul>	<ul style="list-style-type: none"> <li>LAMP members and Donkey-user group members (BHA) will liaise with KENDAT and plan for the training.</li> <li>KENDAT will engage a technical person to train the donkey users.</li> </ul>	<ul style="list-style-type: none"> <li>The support of BHA project in KENDAT will be required here.</li> </ul>
	<ul style="list-style-type: none"> <li>Acquisition and placement of motorized tricycle in <b>July</b></li> </ul>	<ul style="list-style-type: none"> <li>KENDAT and LAMP will participate in the IMT placement.</li> </ul>	<ul style="list-style-type: none"> <li>The motorized tricycle has been acquired.</li> </ul>
<b>Output Four: Communities are better informed in production and marketing possibilities.</b>			
Undertake agricultural production capacity building activities for LAMP farmers.	<ul style="list-style-type: none"> <li>1 day training in horticultural crop production and marketing in <b>September</b>.</li> </ul>	<ul style="list-style-type: none"> <li>KENDAT will engage competent persons and credible companies to train the farmers.</li> <li>LAMP will select the team of farmers to be trained.</li> </ul>	<ul style="list-style-type: none"> <li>The trained farmers will be expected to train others.</li> </ul>
	<ul style="list-style-type: none"> <li>Conduct 2 experiential farmer visits to various places including; farms, markets and companies in <b>September and November</b></li> </ul>	<ul style="list-style-type: none"> <li>The farmers will contribute money for the visits.</li> <li>KENDAT will organize the visits and provide limited financial support.</li> </ul>	
	<ul style="list-style-type: none"> <li>Provision of credit to the farmers by <b>August</b>.</li> </ul>	<ul style="list-style-type: none"> <li>KENDAT will provide money for the revolving credit fund.</li> <li>The community parliament assisted by KENDAT will put in place systems for managing the fund.</li> </ul>	<ul style="list-style-type: none"> <li>Farmers will be trained in preparation for the micro-credits in mid July and credit acquisition procedures are expected to be ready by end of July.</li> </ul>

### Appendix III: Activity Plan for Busia for the period July to December 2004

General Activity	Specific Activity and Timing (When)	Roles/Responsibilities	Remarks		
<b>Output One: Increased range of horticultural produce and improved production and marketing</b>					
Introduction of new horticultural crops into the project area.	<ul style="list-style-type: none"> <li>• Identification and preparation of two demonstration farms by end of <b>July</b>.</li> </ul>	<ul style="list-style-type: none"> <li>• KENDAT and HDC will provide technical backup.</li> <li>• Farmers will provide demonstration farms.</li> </ul>	<ul style="list-style-type: none"> <li>• I am not sure whether these activities have been done or not, I might need to find out from Lucy.</li> </ul>		
	<ul style="list-style-type: none"> <li>• Introduction and piloting of new crops in 2 demonstration farms in <b>August</b>.</li> </ul>				
	<ul style="list-style-type: none"> <li>• Conduct demonstrations on the new horticultural crops in <b>August</b>.</li> </ul>				
Capacity building and Provision of support to farmers in order to improve horticultural production and marketing.	<ul style="list-style-type: none"> <li>• Train the members of community parliament on micro-credits on <b>14<sup>th</sup> and 15<sup>th</sup> July</b>.</li> </ul>	<ul style="list-style-type: none"> <li>• KENDAT will engage a resource person to train the members of parliament.</li> <li>• BIAMF will collaborate with KENDAT in running the micro-credit scheme.</li> </ul>	<ul style="list-style-type: none"> <li>• The trained members of parliament are expected to train the other farmers.</li> <li>• The credits provided to the farmers are expected to support farmers in procurement of farm inputs.</li> </ul>		
	<ul style="list-style-type: none"> <li>• Credit access procedures are expected to be completed by end of <b>July</b> and credits provision to the farmers will start in <b>August</b>.</li> </ul>				
	<ul style="list-style-type: none"> <li>• Form production and marketing management committee by end of <b>July</b>.</li> </ul>			<ul style="list-style-type: none"> <li>• BIAMF will lead the formation of the committee.</li> <li>• KENDAT will play an advisory role during the committee formation.</li> </ul>	<ul style="list-style-type: none"> <li>• The committee will be expected to deal with production and marketing issues including building up links and collaborations.</li> </ul>
<b>Output Two: Community is better informed in production and marketing</b>					
Establish information exchange systems that would improve horticultural crop production and marketing.	<ul style="list-style-type: none"> <li>• Set up information flow channels including email, mobile phone, print media and radio by the end of <b>August</b>.</li> </ul>	<ul style="list-style-type: none"> <li>• BIAMF will take lead in setting up the information systems.</li> <li>• KENDAT will play an advisory role and provide limited finances.</li> </ul>	<ul style="list-style-type: none"> <li>• Production and market information will help farmers have access to the many possible production and marketing alternatives.</li> </ul>		
	<ul style="list-style-type: none"> <li>• Conduct at least 5 training sessions in efficient crop production and marketing in <b>August to October</b></li> </ul>			<ul style="list-style-type: none"> <li>• KENDAT and HDC will engage credible persons to conduct the trainings</li> <li>• BIAMF will mobilize the farmers to be trained.</li> </ul>	<ul style="list-style-type: none"> <li>• The trainings will include labour saving technologies.</li> </ul>
	<ul style="list-style-type: none"> <li>• Conduct 2 experiential farmer visits to various places including; farms, markets and companies in <b>September and November</b></li> </ul>			<ul style="list-style-type: none"> <li>• The farmers will contribute money for the visits.</li> <li>• KENDAT and HDC will organize the visits and provide limited financial support.</li> </ul>	
<b>Output Three: Improved means of transport and improvement in other production and marketing infrastructures</b>					
Spot improvement of roads within the project area and placement of IMTs.	<ul style="list-style-type: none"> <li>• Mapping of trouble road spots and earmarking for repair to be done by end of <b>July</b>.</li> </ul>	<ul style="list-style-type: none"> <li>• The mapping will be done by BIAMF with assistance from KENDAT.</li> <li>• KENDAT will liaise with ILO/ASIST who will facilitate the training.</li> <li>• BIAMF farmers will select the team to be trained.</li> </ul>	<ul style="list-style-type: none"> <li>• The assistance of DRE and Provincial Administration will be solicited during the whole exercise of spot improvement.</li> </ul>		
	<ul style="list-style-type: none"> <li>• Conduct training in Labour Based Methods for the community members in <b>August</b>.</li> </ul>				

General Activity	Specific Activity and Timing (When)	Roles/Responsibilities	Remarks
	<ul style="list-style-type: none"> <li>Conduct 2 spot improvement days in <b>September</b>.</li> </ul>	<ul style="list-style-type: none"> <li>BIAMF will mobilize community members to do the spot improvement.</li> <li>KENDAT will provide technical support and consult DRE for further support.</li> </ul>	
	<ul style="list-style-type: none"> <li>Placement of the acquired motorized tricycle by <b>mid-July</b>.</li> </ul>	<ul style="list-style-type: none"> <li>BIAMF in collaboration with KENDAT will do the placement of the tricycle.</li> </ul>	
Improving security in the farms and promoting the farming activities.	<ul style="list-style-type: none"> <li>Instill security arrangements in farms by the end of <b>August</b>.</li> </ul>	<ul style="list-style-type: none"> <li>BIAMF will make the security arrangements.</li> </ul>	
	<ul style="list-style-type: none"> <li>Organize 2 promotional and progress assessment field days in <b>November</b> and <b>December</b>.</li> </ul>	<ul style="list-style-type: none"> <li>The field days will be organized by BIAMF with assistance from KENDAT and HDC.</li> </ul>	

## Appendix IV: Activity Plan for Kalama for the period July to December 2004

General Activity	Specific Activity and Timing (When)	Roles/Responsibilities	Remarks
<b>Output One: Community is operating IMTs</b>			
Capacity building, acquisition and use of IMTs.	<ul style="list-style-type: none"> <li>Purchase of donkeys by community groups by the end of <b>August</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Kalama community parliament will identify the source of donkeys and contribute towards their purchase.</li> <li>KENDAT will give limited financial support towards purchase of the donkeys.</li> </ul>	<ul style="list-style-type: none"> <li>There are already 7 donkeys introduced into the area but more are needed by the community.</li> </ul>
	<ul style="list-style-type: none"> <li>One-day training in donkey care in <b>August</b></li> </ul>	<ul style="list-style-type: none"> <li>Kalama community parliament will mobilize the community to attend the training day.</li> <li>KENDAT will, through BHA project, engage resource persons to train the community.</li> </ul>	
	<ul style="list-style-type: none"> <li>Purchase and placement of donkey carts in <b>August</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Community members will cost-share the purchase of donkey carts with KENDAT.</li> </ul>	<ul style="list-style-type: none"> <li>It is important that community members contribute towards the purchase of the carts as they do for the donkeys.</li> </ul>
	<ul style="list-style-type: none"> <li>Constituting by-laws on donkey use by individuals, households and constituent subgroups by end of <b>August</b></li> </ul>	<ul style="list-style-type: none"> <li>Community parliament will facilitate the formulation of the by-laws.</li> </ul>	
<b>Output Two: Improved horticultural production and access to markets and market information</b>			
Capacity building in horticultural production and marketing.	<ul style="list-style-type: none"> <li>One training course in labour saving technology (LSTs) in <b>September</b></li> </ul>	<ul style="list-style-type: none"> <li>Kalama Community Parliament will mobilize the farmers to attend the training.</li> <li>KENDAT will engage the resource persons who will conduct the training.</li> </ul>	<ul style="list-style-type: none"> <li>There are possibilities of combining some activities in the RTS project with those in Farm Africa Project.</li> </ul>
	<ul style="list-style-type: none"> <li>Acquisition of trial equipments for labour saving technologies by end of <b>September</b></li> </ul>	<ul style="list-style-type: none"> <li>KENDAT will buy the equipments (1 ripper and 1 ridger) and hand them over to the farmers.</li> </ul>	<ul style="list-style-type: none"> <li>The equipment are meant for demonstration, which will motivate farmers to apply LSTs.</li> </ul>
	<ul style="list-style-type: none"> <li>Conduct 2 training sessions in efficient crop production and marketing in <b>September</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Kalama Community Parliament will mobilize the farmers to attend the training.</li> <li>KENDAT will engage the resource persons to train the farmers.</li> </ul>	<ul style="list-style-type: none"> <li>The trainers will preferably come from the horticultural produce marketing companies.</li> </ul>
	<ul style="list-style-type: none"> <li>Conduct 2 experiential farmer visits to various places including; farms, markets and companies in <b>September</b> and <b>November</b></li> </ul>	<ul style="list-style-type: none"> <li>The farmers will contribute money for the visits.</li> <li>KENDAT will organize the visits and provide limited financial support.</li> </ul>	<ul style="list-style-type: none"> <li>There are possibilities of having the farmers from the 4 project sites going for the visits at the same time.</li> </ul>
	<ul style="list-style-type: none"> <li>Conduct trials on a range of horticultural crops in <b>October</b>.</li> </ul>	<ul style="list-style-type: none"> <li>The farmers will contribute land for establishment of trial plots.</li> <li>KENDAT will liaise with horticultural exporters to provide technical support.</li> </ul>	

General Activity	Specific Activity and Timing (When)	Roles/Responsibilities	Remarks
	<ul style="list-style-type: none"> <li>• Establish group co-ordinated production and marketing system by end of <b>September</b>.</li> </ul>	<ul style="list-style-type: none"> <li>• Kalama Community Parliament will oversee the group formation</li> <li>• KENDAT will play an advisory role.</li> </ul>	
	<ul style="list-style-type: none"> <li>• Micro-enterprise and group dynamic training will be conducted on <b>14<sup>th</sup></b> and <b>15<sup>th</sup> July</b></li> </ul>	<ul style="list-style-type: none"> <li>• KENDAT will engage a resource person to train the members of parliament.</li> <li>• Community parliaments will elect the members to be trained.</li> </ul>	<ul style="list-style-type: none"> <li>• The trained members of parliament are expected to train other community members.</li> </ul>



## Appendix V: A sample of the MoU signed between EAGA Ltd and KENDAT.

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**EAST AFRICAN  
GROWERS LTD.**

P.O. Box 49125-00100  
Tel: 822017/25/29/34  
Fax 822155  
Nairobi. Kenya.

**Rural Transport Services Project for  
Kenya**

**...linking farms to markets...**

An action-research and development poverty-fighting project aimed at empowering farmers to be active business members of smallholder agricultural and horticultural sectors.

**KENDAT**



P.O. Box 2859,  
00200 City Square  
Tel/Fax: 254-20-6766939  
Nairobi. Kenya

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### *Re: Memorandum of Understanding between East African Growers and KENDAT*

#### **Preamble:**

There is dire need to help support the ongoing national poverty reduction strategies as much as sectoral efforts to improve and make profitable the horticultural farming business in Kenya. To this end, and to support new government initiatives towards renewed growth, a merger of farming community entrepreneurship, private sector business venture and NGO catalytic development assistance are necessary.

Without such a merger of multi-level efforts, government plans will be unlikely to satisfy community needs. Like before, private sector business acumen will easily be mistaken for exploitation of the less able and uninformed farmers. Now, more than before, coalition innovative actions are needed to help reduce drudgery of farming operations, provide for low cost, informed and sustained, market-targeted smallholder business that puts the farm manager on the drivers seat.

To investigate the needs and structures of a partnership innovation system and to provide institutional learning on the subject, East African Growers and KENDAT hereby agree to work together as per the background information below and TOR forming this *Memorandum of Understanding*:

#### **Background:**

The Kenya Network for Draft Animal Technology (KENDAT) is implementing a Crop Post-Harvest Programme (CPHP), Natural Resources International Ltd (NRIL), funded project. NRIL is supported by UK Government, Department for International Development (DFID). The Project is being implemented by the KENDAT Consortium including the Ministry of Agriculture (Horticulture Department), International Forum for Rural Transport and Development (IFRTD), Intermediate Technology Development Group (ITDG), ILO ASIST and community parliaments in the 4 areas of Nambale (Busia), Mwea (Kirinyaga), Lari (Kiambu) and Kalama (Machakos).

The overall aim of this action-research project is to help form and exemplify good-practice rural development coalitions in innovation systems and institutional support models that help fight persistent poverty and food insecurity.

The objective is to empower communities in the existing agricultural and horticultural farming systems, by helping them have self-emancipating, practical ways and informed voices in developing productive and dynamic links between farms and markets.

The approach is one of establishing community stakeholder parliaments at which partnerships can be nurtured and strengthened to build common strategies in solving common problems as well as taking on new challenges in a dynamic development environment. At the parliaments, community approved activities are planned for and undertaken while considering individual as well as group benefits. The mutual benefits of all that are involved, including supporting organizations, as well as longer-term sustenance of efforts and achievements are not forgotten. In a self-emancipation strategic approach, communities begin by learning about their own capacities to influence development and how to exploit the available information and support of coalition and collaborating partners in both the public and private sectors. In the long-run a participatory development plan with clear interventions will arise.

The goal is one of input – efficient, productive and vibrant as much as dynamic and profitable, labour saving, environment sensitive, agricultural and horticultural development systems for the communities involved.

Interventions so far and to varying extents according to locality needs have included:

- Common interest group formation and dynamics training including security of organization registration.
- Contacts with the range of stakeholders and defining roles and possible support in interventions.
- Meetings to define shortcomings in the existing farming, transport and marketing structures; issues of possible farmer exploitation and why.
- Setting action plans and means of building synergies with coalition and other collaborators' projects.
- Improved farming systems, like oxen or donkey powered ridging and conservation tillage, irrigation water saving exposure.
- Trying out various intermediate means of transport (hand carts, donkeys, rickshaws, motorbike trailer etc.)
- Publicity building interventions for road users and policy makers alike.
- Experience exchange workshops.

## **Outputs**

Among other products and partnerships advancement, the project aims to build and document a best-practice horticultural development model that can be duplicated across the agricultural and horticultural sectors. This will take the form of a **toolkit** documentation. Such a model will be useable by those out to assist further, providing diligent and stakeholder information towards opportunities in bridging the gap between community level interventions and the policy-making actors.

The model will be one with an end-user emancipation theme and structural conditions needed for demonstrated institutional histories and arrangements that bring opportunity for sustained growth. It will define the place for elaborate support structures in the empowerment process and needs or roles in linking farms to markets. Kenya's highly entrepreneurial communities will, in a sustained way, have a renewed chance to innovate and see to the prosperity and growth of the high potential agricultural and horticultural sectors.

### **The KENDAT Consortium will:**

- Help EAGA with bringing together “ready-to-go and comply” informed farmers, who can be contracted and trained to grow market-dictated and established or new crops as a group. Developed and clear farming cycles and centralised outlets, without demand and supply-uncertainties, cost and other inefficiencies, will result in Mwea and expand to other localities later.
- Assist with development of farmer-community managed, infrastructure and intermediate means of transport, socio-economic, policy and other business coalition interventions as called for from time to time.

- In collaboration with others like HCDA and HDC – the Horticultural Development Centre, identify training needs in crop selection - including new varieties, labour saving conservation agriculture methods for farm operations, irrigation water economies, user-managed intermediate means of transport, market information including EU regulations, etc. for a system that is mutually secure and sustainably, profit-generating for both farmers and East African Growers.

**East African Growers will:**

- Support in developing participatory and non-exploitative (level playing ground) farming and marketing structures for an advancing environment and resource preserving farming systems, within a smallholder business and self-employment, rural development process.
- Help KENDAT help her to ensure Kenyan horticultural produce is safe to human health, of quality and cost-competitive, more so, for the otherwise profitable and open international market.
- Train farmers about crop-selection, timely farm planning, produce-preserving transport systems, and world trade regulations of food safety and quality.
- Participate in discussions regarding a conducive policy environment that helps and supports smallholder agriculture and horticulture innovations such as special interest group formation, IMT utilisation; be it in jua kali manufacture, acquisition, operational maintenance and infrastructural support including road design and ownership by locals.
- Help build partnerships with farmers and their helpers as viable members of the operational horticultural and economic chain, from farm to market.
- Contract farmers within the dictates of the local and international market for crop and market security, fair play and ethical trade as well as enhanced productivity and mutual benefits of all parties, hence, the much sought sectoral and national economic growth.
- Support to training and exposure programmes as a way of ensuring understanding of operations on the part of farmers, hence quality produce at the farm gate in a sustained manner.
- Help train farmers on sustained soil fertility, crop production and care inputs, post-harvest preservation and value-adding processing if applicable and to meet exporters rules, regulations and enhanced profits.
- Help farmers to get into a cropping cycle that is dynamically, market targeted, through agronomic and extension service support (variety selection, land preparation, irrigation schedules, spray chemical selection and application timing, harvest and post-harvest handling, securing or adding quality and value), among other collaborative venture.
- Support micro-finance inputs for farmer innovation, advancement and growth.
- Create incentives by rewarding good farmer practice and performance.
- Support the collaborative effort of other KENDAT initiative supporters including HCDA, HDC and local group supporters including administrative and policy actors.

*In accordance with the above understanding the named parties hereby sign this MOU. The signatures symbolise the dedication needed to meet but not be limited to the TOR spelt out. Indeed the TOR will not limit creativity in time and space, as will be called upon from time to time and as the partnership grows to engage other actors.*

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**Pascal Kaumbutho**  
*Executive Coordinator, KENDAT  
 and Team Leader, ART Kenya Project*

-----  
**George Solomon**  
*Outgrowers Scheme Manager  
 East African Growers Ltd*

Date.....

Date.....

cc: Tim Donaldson: Manager Crop Post-Harvest Programme, Natural Resources International Ltd  
 Dan Kisauzi: NR International Regional Office, Kampala Uganda

## **Appendix VI: A sample of the contract form used by EAGA Ltd to contract farmers.**

**MEMORANDUM OF AGREEMENT MADE THIS First day of August, 2004** between, **EAST AFRICAN GROWERS LTD**, Exporters of Fresh Horticultural Produce, and **KENDAT** (Kenya Network for Draft Animal Technology of P.O. Box 2859 – 00200 City Square, Nairobi, and Groups pursuant to the KENDAT Rural Transport and Marketing Project, hereinafter referred to as “The Farmer”.

This contract specifies the terms and conditions under which the Farmers will grow specified crops and the Company will promote, purchase, process and market them.

### **The Company agrees:**

- To assess the suitability of the plot proposed by the Farmer for planting.
- To provide seeds to the Farmer in good time and quantity for planting.
- To supply seeds as per schedule in Appendix I. Seed supply and payment arrangement.
- To advise the Farmer on all technical aspects of growing the agreed specified crop.
- To buy all agreed specified crops of acceptable quality & Specification grown by the Farmer at the behest of the Company’s planting programme, hereof defined on page two, for a price detailed in the Price bulletin.

The quality requirements will be as described in Schedule 1 – Crop Specification.

It must be understood that the grading done on the farm is a pre-grading exercise only and that a full grading exercise will be done on reaching the Airport packing facility, or any other designated Company packing facility, and **only then** can a full analysis be done.

- To provide all necessary packaging material (crates) for the produce grown on the contract farm. These packaging materials remain the property of EAGA and deductions of Kenya Shillings Five Hundred (KShs. 500/-) will be made for any packaging material lost or not accounted for.
- To pay the Farmer his/her dues as described in the Price Bulletin and schedule below and as per grade. Rejects should be returned to the farmers within 48 hours of processing or disposed of.

Payments to the Farmer will be made twice a month on the following dates :-

Produce Delivered between the 1<sup>st</sup> to the 15<sup>th</sup> of every month will be paid on the 22<sup>nd</sup> of each month.  
Produce Delivered between the 16<sup>th</sup> to the 30<sup>th</sup> of every month will be paid on the 6<sup>th</sup> of the following month.

Mode of Payment : Direct telegraphic Transfer or Cheque in favour of farmer.

- Test at random, received produce from the farmer for Maximum Residue Levels (MRL) in line with the new EU regulations. The cost of such random testing will be borne by the farmer.

### **The Farmer agrees:**

- To use the part of his/her farm that has been surveyed and approved by the Company, for the purpose of growing agreed specified crops for the duration of this agreement.
- To plant the agreed specified seeds supplied by the Company on this land, on the dates and following the procedures advised by the Company, defined by the planting programme.
- To advise the Company on a weekly basis (every Thursday), Confirmed Plantings as per agreed schedule, and if varied, reasons as to why.

- To follow all technical recommendations made by the Company with regard to planting, irrigating, weeding, fertilizing, controlling pests and diseases, picking, sorting and packing of the agreed specified crop.
- To maintain proper records for all farm activities aimed at improving produce quality and where risks are involved on workers and consumers.
- To sell all agreed specified crops of acceptable quality grown on the farm to the Company as defined in the planting programme, for the price and following the procedure outlined below.
- Payment for agreed specified crops and production inputs shall be determined as outlined in the price bulletin as per the grade of the produce.
- To bear the cost of the random testing of Maximum Residue Levels (MRL).
- Endeavour to be EUREPGAP compliant by the thirty first day of December, 2004 (31/12/2004) latest.
- To maintain confidentiality at all times of all technical information, recommended spray regimes, Contract details and conditions, and / or any other matters within and without the boundaries of the relationship between the farmer and the Company.
- That all members are jointly and severally bound by this agreement.

**Planting programme:**

1) Plantings to continue as below agreed:

BEANS - Fine	- One hectare (1 ha) per week.
BEANS – Extra Fine (XF)	- Two hectares (2 ha) per week
BABY CARROTS	- NIL
OKRA	- Zero point five hectares (0.50) per week.
RAVAYA	- Zero point five hectares (0.50) per week.
FRESHNO CHILLIES	- Zero point five hectares (0.50) per month.
BABY CORN	- One hectare (1 ha) per week.
PASSION FRUIT	- NIL

2) To adhere at all times, to all aspects of the Company’s spray program and Code of Practice (COP).  
NOTE : No variation or substitute chemicals should be used except those expressly stated in the Companies List of Proposed Pesticide Usage (PPU)

Failure to adhere to these practices will force us to reject produce, and / or terminate this contract. These standards MUST be strictly adhered to at all times.

More emphasis must be placed on the following aspects :-

- YOU MUST at all times ensure that adequate protective clothing is used by those concerned with issuing, mixing or applying agricultural chemicals on the farm.
- YOU MUST ensure that all empty Chemical Containers are punctured, triple rinsed, burnt and buried in accordance with safe use requirements.
- YOU MUST provide suitable secure storage space for all chemicals used on the farm, which should be well organised and clean. Neat legible stock records must be kept at all times.

- iv. YOU MUST adhere strictly to chemical pre-harvest intervals (PHI) when spraying any agricultural fungicide/pesticide as per the Company's Recommended Pesticide List (hereon forwarded) on crops grown under this agreement. These PHIs are to be recorded in every instance.
- 3) To report immediately to any member of the EAGA / WILHAM / SHALIMAR Production Team any situation arising on the farm which at any time may compromise the agreed programme or endanger the health of the consumer.
- 4) To endeavour at all times to improve post harvest and cold chain procedures on the contract farm through the use of field shades, wet wall technology and charcoal / electric coolers.
- 5) To ensure that all collections / deliveries are documented on Produce collection notes (P.C.N.s).
- 6) To ensure that all traceability forms are duly filled and accompany harvested produce.

### **Ethical Trading:**

*It is a requirement for all growers to ensure that Company's business is at no time put at risk as a result of contraventions of the International Labour Organisation (ILO), or our customer's standards relating to the employment of staff.*

- The conditions under which workers are employed must not deny or demean their basic human rights, freedoms and dignity. Growers may not use forced labour, nor shall workers be required to surrender identity papers or lodge deposits prior to commencing employment.
- Growers should provide a safe and hygienic working environment, clean toilet facilities and potable water. Workplace hazards must be removed or minimized. Any accommodation must be safe and clean, with hygiene food storage, and meet the basic needs of the worker.
- Growers cannot use child labour (under 16). Young persons (16-18) must not work at night or in hazardous conditions.
- Growers must not engage in or threaten physical, sexual or verbal abuse and shall not employ harassment or intimidation of any kind.
- Growers should provide equal opportunities and remuneration for equivalent jobs to both male and female workers. Discrimination in any form, for any reason, is discouraged.
- Workers should not, on a regular basis, be expected to work more than 48 hours per week, plus a maximum of 12 hours of voluntary overtime (which should be paid for at a premium rate). Workers should be provided with at least one day off in any 7-day period.
- Wages should be paid, consistent with legal or industry minimum standards (whichever is the higher). Deductions from wages should not be made for disciplinary purposes. Any deductions should be made only with the prior agreement of the worker. All disciplinary measures should be recorded.
- Growers should respect the right of their employees to join or form trade unions of their own choosing.

### **Penalties and Bonuses:**

- If the Farmer delivers agreed specified crops which do not meet the agreed quality standards, the Company will reject them. The Farmer may re-submit them after sorting, but the Company is under no obligation to accept produce which does not meet the agreed quality standards.

- If the Farmer fails to follow the procedures detailed in this agreement, he / she will be warned verbally and in writing. After two written warnings the Company has the right to terminate the agreement without further reference to the farmer.
- **PROVISO : That the breach does not endanger the Company 's business and reputation, and / or that the breach does not pertain to C O P and / or MRL issues. In the above proviso, the penalty is immediate dissolution of the contract.**

**Duration of the Agreement:**

- This document will be binding between the parties referred to above, for a period of One Year from the date of signing.
- If both parties are satisfied with the outcome of the agreement it may be renewed for a further period, but there is no obligation on either party to renew the agreement.

**Dispute Settlement:**

- Any dispute arising as result of this agreement will be settled whenever possible by discussion between the Company, the Farmers' Groups and the Farmer.
- Any dispute which cannot be settled by this process will be referred to an independent arbiter acceptable to all the parties involved.

**Signature:**

I have read and understood the contents of this agreement and I sign it of my own free will.

Farmer Groups	Officials
<b>Kanaro Farmers area Project</b>	<b>Chairman</b> .....
	<b>Secretary</b> .....
	<b>Treasurer</b> .....
<b>Kanguma Horticultural Youth Group</b>	<b>Chairman</b> .....
	<b>Secretary</b> .....
	<b>Treasurer</b> .....
<b>Kionereria Horticultural Self-Help Group</b>	<b>Chairman</b> .....
	<b>Secretary</b> .....
	<b>Treasurer</b> .....
<b>Kiwe Agricultural Self-Help Group</b>	<b>Chairman</b> .....
	<b>Secretary</b> .....
	<b>Treasurer</b> .....
<b>Koka Youth Self-Help Group</b>	<b>Chairman</b> .....

**Secretary** .....  
**Treasurer** .....  
**Murubara Horticultural Self-Help Group**  
**Chairman** .....  
**Secretary** .....  
**Treasurer** .....  
**Nyangati Murima Hortic. Farmers Group**  
**Chairman** .....  
**Secretary** .....  
**Treasurer** .....  
**Kenya Network for Draft Animal Technology (KENDAT)** .....  
**Date** .....  
**East African Growers Ltd.** .....  
**Date** .....  
**Horticultural Crop Development Authority (HCDA)** .....  
**Date** .....

**Schedule - 1**

Grades and Quality Requirements of Specified Crops

Grade specifications: No other sizes will be accepted.

Recommended Pesticide List.

Quality Requirements:

- 1) Free from pests, wounds, scars, bruises;
- 2) Free from mud, dust or other debris;
- 3) Not broken or damaged in any manner;
- 4) Not bent;
- 5) Picked with the remains of the calyx intact;
- 6) Fresh and not pre-wilted by sun-burn or other sources of heat;
- 7) Naturally green, not tainted by disease, smoke etc.