

Participation of Small-Scale Farmers in Collective Marketing of Potato in Nakuru County, Kenya

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SUMMARY

Potato (*Solanum tuberosum* L) is the second major staple food crop in Kenya after maize. Its production involves more than 790 000 small-scale farmers producing 2.9 million metric tonnes about 158,000 hectares. Potato has potential for reducing food insecurity, unemployment and low farm incomes due to its high productivity per unit area. The crop's yield per unit area is currently declining at a rate of 11% annually mainly due to poor quality seed. Regional Universities Forum for Capacity Building in Agriculture (RUFORUM) launched a Seed Potato Value Chain (SPVC) Community Action Research Project (CARP+) at Egerton University in 2017 with an aim to enhance its production thereby improving food security. The project also aims to improve income of small scale farmers through the use of good quality seeds. This article mainly focusses on the participation of small-scale farmers in the collective marketing of potato in Nakuru County, Kenya. It uses baseline survey conducted as part of the CARP+ project. Nakuru county is one of the major potato growing areas hence its selection as the study area. A cross-sectional survey research design was used. A total of 175 respondents were selected randomly from four wards and interviewed using structured questionnaires. Data was subjected to descriptive statistical analysis using Statistical Social Package for Scientists (SPSS) version 20. The results showed that 74% of respondents belonged to different groups. Results further show that 88.4% of the groups are officially known as they are registered. The main purposes of the groups included: farming, merry go round (saving group), marketing, table banking and social welfare. More than half of respondents participated in groups for the purpose of farming while the least percentage, 4.7, participated in collective marketing. The study findings will help in promoting understanding on the participation of small-scale farmers' in collective marketing and consequently, provide information that can be used to advocate for increased participation of small-scale farmers in collective marketing.

Keywords: *Accessibility, Baseline survey, Clean seed, Collective Action, Food insecurity, Productivity,*

INTRODUCTION

Engagement with markets is one important strategy which can assist small scale farmers to move out of poverty. Collective action through farmers' groups has been identified as a strategy to improve the participation of small scale farmers in markets. Collective action promotes the empowerment of farmer groups and allow them to overcome specific barriers to becoming part of market economy (Fischer & Qaim, 2013). It is estimated that about 80 percent of small scale farmers in Sub Saharan Africa depend on agriculture for their livelihood directly or indirectly (International Fund for Agricultural Development [IFAD], 2011). They have a great role to play in contributing towards global food security and nutrition, strengthening their commercial capability can increase their capacity to contribute broadly to the Sustainable Development Goals (SDGs) (International Food Policy Research Institute [IFPRI], 2016). However, small scale farmers are still vulnerable to shocks which include price and weather fluctuations, hence the risk of entering new markets for many is a big challenge. Additionally, small scale farmers lack marketing knowledge and skills to sell their products as a result, many of them often go for lower prices at farm gate or in the local markets (Gyau *et al.*, 2016). Organisation of farmers in groups to do collective marketing is seen as a possible solution to overcome market failures in developing countries (Markelova *et al.*, 2009).

Collective action is defined as voluntary action taken by a group of individuals, who invest time and energy to pursue common shared interests and goals (Markelova *et al.* 2009). It has been identified as a strategy to improve production and accessibility of farm produce to improve food security and increase farmers' income. In most countries, individual small scale farmers who have joined up with others are known to have increased their income by collectively marketing their goods, purchasing of inputs and coordinating of farming techniques. Collective marketing has also been used as a strategy to strengthen linkages and build trust among farmers, traders and the private sector in agroforestry value chains (Facheux *et al.*, 2007). Both research and practice have the evidence that small-scale farmers overcome market failures and maintain their position in the market when they market their produce as a group (Gyau *et al.*, 2014; Markelova *et al.*, 2009).

Collective marketing has several benefits including: it enables farmers to reduce transaction costs, increase market efficiencies, obtain the necessary market information, secure access to new technologies and utilize high-value markets, improve access to credit facilities, increase economies of scale and improve bargaining power in the value chain which gives them an advantage when competing with large-scale farmers (Markelova *et al.*, 2009; Lapar *et al.*, 2010; Tansmania Institute of Agriculture [TIA], (2014); Taiy *et al.*, 2016). It has played a significant role in the marketing of farmers produce throughout the world. Both research and practice have the evidence that small-scale farmers overcome market failures and maintain their position in the market when they market their produce as a group (Markelova *et al.*, 2009; Gyau *et al.*, 2014).

In Kenya, the formation of farmer groups has been one of the initiatives by the government to promote the active participation of small-scale farmers in markets (Shiferaw *et al.*, 2009). Vulnerable groups such as women, ethnic minorities and the underprivileged have benefitted from participating in collective marketing (Mwangi *et al.*, 2013). Despite the importance of collective actions and the potential benefits that it has, very few farmers in Nakuru County participate in collective marketing (Taiy *et al.*, 2016). A study conducted in Nakuru and Baringo counties by Farm Attachment Program (FARMUP) (2015) indicated that out of 39.1 percent of farmers who were involved in collective actions, only 1.7% of them participated in collective marketing in the year 2014 despite exploitation by intermediaries (Taiy *et al.*, 2016). Despite having few farmer groups participating in collective marketing, there is no study which was done to assess participation of farmers specifically in Irish Potato collective marketing. Studies have shown that several socio economic characteristics such as age, gender, marital status, income levels

and level of education influence the participation in collective marketing among small scale farmers (Mathenge et al 2010). It is therefore important also to determine the socio economic factors affecting potato small scale farmers. Hence this paper seeks to assess the participation of small-scale farmers in the collective marketing of potato in Nakuru County.

The study focused on Potato because it is one of the major crops of economic significance in Kenya. It is the second most important staple food crop after maize (FAOSTAT, 2012). Its importance is attributed to its high nutritive value, good productivity and good processing qualities for starch, flour, bread, soap, alcohol, weaning foods and animal feed (KEPHIS 2016). Irish Potato in Kenya is currently grown on 161,000 hectares with a production of about 1.5 million tonnes worth about 40 to 50 billion Kenyan Shillings (KShs) annually. It directly and indirectly, employs approximately 800 thousand growers and about 3.3 million people as market agents, transporters, processors, vendors, retailers and exporters (KEPHIS, 2016). Irish Potatoes provides a reliable source of income, employment and food for many populations in the developing countries like Kenya (FAO, 2014). However, the crop is facing decline in its productivity at a rate of 11% per year (FAO, 2010) due to poor quality seeds (Riungu et al. 2011). In order to enhance potato production in Kenya and improve food security and income of small scale farmers through the use of good quality seeds, the Regional Universities Forum for Capacity Building in Agriculture (RUFORUM) launched a Seed Potato Community Action Research project at Egerton University in 2017. The project is being implemented in Nakuru County over a period of four years from 2017. The stakeholders involved include farmers, students, County government, National Potato Council of Kenya, ADC Molo, Kenya Agricultural Research and Livestock Organization (KARLO) and Baraka College.

There is high demand for the Irish Potato in Kenya. However, small scale farmers do not benefit much as they are not organised in groups to enjoy the benefits of collective marketing. The benefits include reduction in transaction costs, economies of scale and increased bargaining position in the value chain (Markelova *et al.*, 2009). In the case of potato production in Nakuru County, there is little information on participation of small scale farmers in collective marketing and the factors that influence their participation.