KMT Newsletter, February '16 Edition

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Stakeholders Seek Sustainable Livestock Sector Solutions

At Kenya Markets Trust, we believe that sustainable development in the sectors we work in is best driven by the Sector Stakeholders. For this reason, we facilitated the coming together of private and public sector players in the Livestock Sector to

Aden Mohammed, the Cabinet Secretary for Industry, Investment and Trade officially opens Livestock stakeholders meeting in Nairobi
brainstorm on the way to strengthen Kenya’s meat exports market to improve the sector.

Read more about the roundtable discussion here and see how it is a great step forward in helping Kenya optimize on global export potentials for Livestock products.

During the roundtable, livestock traders brought up the issue of, among others, multiple intra-county cess levies as a burden to investment in the sector. Aden Mohammed, the Cabinet Secretary for Industry, Investment and Trade, who was present at the roundtable, emphasised that the government is keen on supporting business start-ups because they hold the key to ending poverty and unemployment. Read what the CS said during the launch of the World Bank report on Ease of Doing Business, here, following discussions at the roundtable.

KMT Opens Turkana Office

We have opened an office in Lodwar, Turkana County, to help us work more closely with our partners in the Arid and Semi Arid Lands (ASALs), in our efforts to have a market system that is profitable to investors, improves incomes for suppliers and is beneficial to

United Kingdom’s Trade envoy to Kenya and Tanzania, The Lord Clive Richard Hollick cuts the ribbon to officially open KMT Turkana Office.
consumers.

The office was officially opened by the United Kingdom’s Trade envoy to Kenya and Tanzania, The Lord Clive Richard Hollick, on Thursday 18 February, 2016. Lord Hollick was accompanied by the British High Commissioner to Kenya, H.E Nic Hailey, and a delegation from the British High Commission.

80% of Kenya’s Livestock comes from ASALs, but only 14% of this is sold into the market. We are establishing an office in Lodwar to deepen our engagement with market actors in Turkana and surrounding counties to help them adopt innovative business models that would result in a competitive, inclusive and sustainable livestock market.

We hope that our physical presence in Northern Kenya will help stakeholders sustainably tackle the challenges in the Livestock sector and exploit its full potential.

Have a look at coverage of the launch by Brits In Kenya Website here.

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**Regional Mazao Forums Launched**

We recognise the pivotal role played by agro-dealers in enabling farmers to access the right seed and information to boost their productivity. Together with our partner in the Crop Seeds work, Agri-Experience, we developed the Mazao
Seed companies exhibit their products at the first regional Mazao Forum in Kisumu

platform to develop and network as distributors of crop seed and general inputs to farmers. The Forum is aimed at creating links within the agricultural industry and providing innovative and relevant solutions to challenges experienced by agro-dealers.

The first two Mazao Forums were held in Nairobi, with agro-dealers coming from the farming counties to look at issues nationally. However, with devolution coming in, stakeholders resolved to holding the conferences in their respective regions to discuss area specific issues for possible solutions.

The first regional Mazao Forum was held on the 18th and 19th of February 2016 in Kisumu. For a day and a half, over 120 agro-dealers drawn from 12 counties across the Western region, seed company representatives and local farmers met to hear from industry players and network with each other.

Read more about the first regional Mazao Forum [here](#).

Seed Certification: Lessons from South Africa

At a time when Kenya is considering changing its approach to crop seed certification – a major point of discussion and negotiation between the private and public sectors – a trip to South Africa to study the country’s advanced certification
process proved to be very timely.

From February 15 – 19, a delegation from Kenya, led by our partner in the Crop Seeds work, Agri Experience, travelled to South Africa where they learned about crop seed certification work by the South African National Seed Organization (SANSOR) and the IT system behind the process. The delegation also visited the national official seed lab, learned about the government’s extremely important but clearly limited role in seed certification, and attended a very innovative farmer field day hosted by a large local seed company.

Read more about the lessons Kenya can learn from South Africa on crop seed certification and regulation here.

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**Meter Leasing Model for Effective Water Provision**

One of the major issues affecting water utilities in Kenya and other developing countries is Non-revenue water (NRW), which is the difference between the amount of water put into the distribution system and the amount that is billed to consumers.
Water service providers in Kenya record high levels of NRW due to, among many other reasons, commercial losses related to faulty water equipment, majorly water meters. This has seriously affected the financial viability of the water utilities, through lost revenues and increased operational costs, consequently making the providers unable to effectively supply clean and safe drinking water to Kenyans.

Together with our implementing partner in the water work, SNV, we have helped devise a meter leasing model which will help address this problem.

In this model, a financial entity will partner with a water utility and do a credit assessment for the utility. The water utility will then identify its meter needs and communicate them to an identified supplier. The equipment supplier will supply the meters, and invoice the financial entity. Once the supplier is paid by the commercial entity, the meters will be delivered to the water utility and start being used. The financial entity will then collect monthly charges from the water utility for an agreed period of time to recover the cost of the meters.

We are piloting the model, with KCB Foundation as the financial entity, Rift Valley Machineries as the equipment supplier and 5 Water Utilities- Kanyadiang, Navakholo, Elgon East, Tachasis and Wandiege.

The aim is to help water utilities effectively supply the 45% of Kenyans who do not have access to clean and safe drinking water while running a profitable business,
and provide viable investment opportunity for financial entities and equipment suppliers.

Management Trainee Programme Kicks off

Since its inception in 2012, Kenya Markets Trust (KMT) considers internships an important tool in its recruitment strategy. KMT has run a successful internship programme featuring academic and graduate interns. Academic interns have been final-year university students on 12-week work placements in fulfilment of their degree requirements. Graduate interns, on the other hand, have been recent graduates looking to gain work experience in a specific KMT functional area for 12 months.

At the end of their internship, graduate interns have been eligible to apply for suitable vacant positions within the organisation.

Out of 13 interns, five have gone on to become full-time KMT employees, with one growing into an entry-level management position.

It is against this success that KMT has decided to upgrade into "Trailblazer" programme, a fully-fledged 24-month management trainee programme targeting recent graduates with the potential to grow into future leaders who can promote inclusive growth through transformation of markets in Kenya.

From left: Leah Mwaura, Samuel Kibicho and Hellen Mutogoh
We are pleased to introduce the first trailblazers who will undergo an accelerated induction and development program that features a combination of functional exposure, work assignments, project management and formal training in various functions within KMT and its projects with implementation partners.

Leah Mwaura has a BSc in Agricultural Economics. Leah has a passion for improving people's livelihoods and is happy to be part of KMT, whose work in agriculture goes a long way to do exactly that. "KMT management trainee programme would be an ideal way to start my career in the agribusiness profession", says Leah.

Samuel Kibichio is a Bachelor of Commerce (Finance) graduate from the University of Nairobi. Samuel has a great passion for sustainable development and economic empowerment. His drive for joining KMT is to learn, grow and help impact the society.

Hellen Mutogoh is a graduate Actuary with a strong inclination towards analysis and finance. "I hope to be using my theoretical as well as practical knowledge gained across all sectors, together with the KMT team, to come up with optimal interventions that will definitely change people's lives for the better", says the BSc Actuarial Science graduate of The University of Nairobi.

We welcome them to KMT Family!

**New Arrivals**

Mr. Herman Githinji has joined KMT as the Agri-Business Director.

Herman brings into KMT over 20 years' experience in delivering
improved business performance for leading private sector companies in East Africa and Australia.

In his career, Herman has achieved quality results through his performance at various East Africa regional roles at East Africa Breweries Limited (EABL) and Unia Holdings, where he held senior management and leadership positions.

His understanding of supply and value chains especially in Agriculture and the commercial implications of these on market systems should be an invaluable addition to KMT’s markets transformation agenda.

Herman is a winner of the prestigious Human Warrior award from Marketing Society of Kenya. He holds a bachelor’s and master’s degrees in marketing and a bachelor’s degree in Law. He is also a qualified ACCA-accountant.

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**Kenya Markets Trust (KMT)** is a Kenyan organization that works in partnership with the private sector, county and national government to unleash large scale, sustainable market growth by changing the underlying incentives, capacities and rules that shape how markets work.

We focus on markets as they are the main mechanism through which wealth is created and growth occurs and our long-term goal is to deliver large scale, systemic change in selected markets that benefits all players including small businesses, larger firms, investors, producers and consumers.

*We highly value your feedback, so please write to us*
at comms@kenyamarkets.org for any comments and suggestions you may have on this newsletter.

Please also visit our Facebook, Twitter and LinkedIn accounts for regular updates.

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