



## ACDI/VOCA IN KENYA

### SUMMARY

ACDI/VOCA has worked in Kenya for nearly 50 years, strengthening the livestock market system, developing cooperatives, improving food security, and building resilience to shocks and stresses.

### PRACTICE AREAS

- Market Systems
- Catalyzing Investment
- Climate Smart Agriculture
- Empowerment and Resilience
- Institutional Strengthening

ACDI/VOCA is a global development design and delivery partner based in Washington, D.C. We have implemented effective economic and social development projects around the world since 1963.

### 50 YEARS OPERATING IN KENYA

Our programs in Kenya address the needs of disadvantaged groups and find solutions that foster the growth of inclusive market systems. Over the last 50 years, we have supported Kenyan farmers, cooperatives, value chains, and market systems. We analyze the social dynamics between women and men to promote equitable access to resources and information. We empower youth to drive innovative change in their communities. As gains in agricultural productivity alone do not necessarily improve nutrition, we integrate nutrition-sensitive activities into agriculture value chains. Food and nutrition security at the individual and household levels are crucial to community resilience.

### MARKET-LED APPROACHES TO BUILDING RESILIENCE

We foster the development of market-based livelihoods and build resilience for sustainable poverty reduction. We do this by using an iterative, sequenced, and layered “push-pull” approach – combining market systems change (PULL) and household focus (PUSH) leading to sustainable and resilient escapes from poverty. This simultaneously builds capacity and shared incentives among producers and buyers and explores market-led opportunities to strengthen diverse livelihoods options, facilitating an increased ability to withstand shocks and stresses within communities.

### Kenya Maize Development Program (KMDP) I and II

2002-2012

Totalling \$14.2 million, the USAID-funded KMDP I and II engaged with the Cereal Growers Association of Kenya, Farm Input Promotions Africa Limited, and the Kenya Agricultural Commodity Exchange as well as private sector service providers and various Kenyan government agencies. The programs increased household incomes through the improved production and marketing efficiency of targeted smallholder maize farmers. During KMDP I, farmers increased their profit margins per 90-kilogram bag of maize from KES 26.25 in 2002 to KES 1,213 in 2009. These farmers also saw their annual household incomes increase



the equivalent of \$533. During KMDP II, the average price of a 90-kilogram bag of maize increased from KES 1,575 in 2010 to KES 2,671 in 2012, and household incomes increased by 22.8 percent. Over a decade, these programs successfully improved the livelihoods of maize and other staple farmers, created demand for diversified staple crop production, and laid the groundwork for future USAID investment in staple crop sectors.

### African Institutions Innovation Mechanism-Assist (AIIM-Assist)

2012-2016

Through AIIM-Assist, ACDI/VOCA bolstered the efforts of regional public, private, and civil society actors to innovate, scale up successes, and share learning to reduce poverty through agriculture. Designed to provide support to Kenyan organizations funded by the USAID AIIM project, ACDI/VOCA implemented AIIM-Assist in partnership with Act Change Transform. AIIM sought to increase the number of African organizations with which USAID/East Africa could partner. African regional organizations had opportunities to apply for activity funding with the potential to contribute significantly to the regional Feed the Future Initiative agenda. AIIM-Assist completed organizational capacity assessments for a number of local institutions, including Agricultural Market Development Trust, East African Farmers Federation, East African Market Development Associates, Kenya Livestock Producers Association, Cereal Growers Association, AfriBanana Ltd., and LENGO Agricultural & Demonstration Training Centre.

### AflaSTOP: Storage and Drying for Aflatoxin Prevention

2012-2017

USAID and the Gates Foundation co-funded this project, jointly implemented by ACDI/VOCA and our affiliate organization Tanager, under the direction of Meridian Institute. Aflatoxin, a naturally occurring and highly toxic fungus residue, is a significant concern for maize, groundnut, and livestock industries. The project identified the most promising storage options to impede the growth of aflatoxin and designed viable drying options, enabling smallholder farmers to dry their grain to safe storage levels. AflaSTOP enabled businesses operating in Africa to provide these devices to smallholder farmers. The EasyDry M500, a portable grain dryer developed through the project, received an award and cash prize at the first All Africa Postharvest Technologies and Innovation Challenge.

## Feed the Future Kenya Resilience and Economic Growth in Arid Lands-Accelerated Growth (REGAL-AG) Activity

2012-2018

REGAL-AG built a more inclusive and competitive livestock value chain that increased economic growth among pastoralists in Northern Kenya. With healthier livestock earning higher prices in a more competitive market, actors at all levels of the livestock value chain drove investment opportunities forward and eliminated value chain constraints. REGAL-AG constructed 20 livestock markets, established sustainable Livestock Marketing Associations to manage them, and supported 36 businesses through \$2.6 million in grants (matched by \$1.37 million in private funds). Results included \$15.5 million in incremental sales in live animals, fodder, and dairy value chains and the creation of 150 direct full-time jobs. REGAL-AG reached 400,000 people across Garissa, Isiolo, Marsabit, Turkana, and Wajir counties.

## AgResults Kenya On-Farm Storage Challenge Project

2015-2019

This four-year project promoted high-impact agricultural innovations in grain storage to promote Kenyan food security and provide income benefits for smallholder farmers. Instead of “pushing” development models on the private sector to promote smallholder farmer access to storage, ACDI/VOCA’s affiliate organization Tanager managed a “pull” mechanism, partnering with storage device manufacturers and offering them incentives for successful marketing and sale of large volumes of storage devices to smallholder farmers in the Rift Valley and eastern regions of Kenya.

### The Ag-Results project facilitated

- the participation of **9** private sector storage manufacturing companies
- the sale of **1 million** improved storage devices to an estimated **200,000** smallholder farmers, and
- the creation of **300** metric tons of new storage capacity



## Feed the Future Kenya Livestock Market Systems Activity

**\$158-million Leader with Associates Award**

2017-2023

The Feed the Future Kenya Livestock Market Systems (LMS) Leader with Associates (LWA) is a cooperative agreement umbrella mechanism that includes a Leader Award and six Associate Awards (four in Kenya, one in Uganda, and one in Somalia).

LMS operates in six counties in Northern Kenya: **Garissa, Isiolo, Marsabit, Samburu, Turkana, and Wajir**



### LMS Leader Award

The LMS Leader Award, with a value of \$25 million, has served as the management platform for the LWA mechanism. It maximizes the capacity of local actors and the collective impact of these actors, complementary programs, and LMS Associate Awards. The LMS Leader offers cost-effective technical and administrative support for the implementation of programming activities to the six Associate Awards through the development of collaborative and mutually beneficial working relationships with other implementing partners, relevant county governments, and stakeholders.

The goal of LMS Leader is to continue livestock market development, strengthen the policy environment, and increase human capital in the region through a push-pull mechanism. This mechanism creates economic incentives to

pull people into the livestock value chain or up to a new level through value addition. Meanwhile, improved rangeland and drought cycle management, conflict management, and improved literacy, numeracy, and life skills push vulnerable populations up and out of poverty.

USAID/Kenya awarded LMS Leader a cost extension to June 2023. This extension responds to the devastating effects of four consecutive failed rainy seasons, the COVID-19 pandemic, food shortages resulting from the Ukraine crisis, and civil disruptions resulting from the concluded national elections held in August 2022.

The Leader Award platform maximized the capacity and collective impacts for Associate Awards One and Two (see details below) by prioritizing opportunities that addressed market system constraints and incentivized innovation and learning while ensuring the awards remained responsive to market system changes and promoted self-reliance.

### **Associate Award One: Expanding and Diversifying Viable Economic Opportunities**

**2017-2022**

Livestock development and the “pull” strategies through this award involved formalizing and strengthening 45 cooperatives and savings and credit cooperatives (SACCOs) in five counties. This award also facilitated the linking of businesses to chambers of commerce and helped lead social behavior change campaigns. As a result, SACCOs mobilized savings of more than \$150,000. Strategies also involved capacity building of small- and medium-sized enterprises, continued support to livestock marketing associations, access to financial services, scholarship programs, job creation, targeted cost share invested by grantees, and legislative support to enhance market systems. This award facilitated trainings for 8,733 individuals from the public and private sectors and increased market vibrancy, resulting in sales worth \$35.1 million from live animals, fodder, and animal products. Through the award 294 businesses were linked to financial services, and businesses invested \$773,753 in cost share. The award also reached 37,747 households through support of 20 markets constructed in collaboration with the Kenyan government under REGAL-AG.

### **Associate Award Two: Strengthening the Community Capacity for Resilience and Growth**

**2017-2022**

The “push” strategies through this award reached 20,083 individuals. This included 13,426 girls who completed a life skills curriculum and started their own businesses. In addition, 7,133 individuals participated in group-based saving. This award created Ward Planning Committees, ensuring that local interests and needs are represented at the county level of government, in 32 wards across five counties that are home to an estimated 695,066 people. The award also implemented projects related to irrigation, boreholes, and other community priorities across five counties.

### **Associate Award Three: Resilience Learning Activity**

**2019-2024**

The \$19.5-million Resilience Learning Activity (RLA) is implemented in collaboration with local partners and focused on the empowerment of local governments, organizations, academic institutions, communities, and households. RLA is helping lay the foundation for strengthening absorptive, adaptive, and transformative capacities of families, communities, and systems that will ultimately ensure the sustainability of resilience programming by local organizations and institutions. RLA strengthens local actors’ capacities for analytics, knowledge management, and learning and adaptive management. It also establishes networks and systems for CLA – Collaborating, Learning, and Adapting – allowing local communities and institutions to increase their capacity to handle shocks and stresses.

### **Associate Award Four: USAID Kuza**

**2019-2024**

The \$22.5-million USAID Kuza Activity develops and supports economic opportunity in Northern Kenya by improving the enabling environment, deepening county-level capacity, increasing private sector investment, and

integrating monitoring, evaluation, and learning. Through these initiatives, USAID Kuza works to build resilience, foster self-reliance, and reduce the need for humanitarian assistance in areas of recurring crises.

USAID Kuza launched the Impact for Northern Kenya (INK) Fund, a \$14-million impact investment wholesale financing vehicle that lends catalytic capital to financial institutions for on-lending to micro, small- and medium-sized enterprises (MSMEs) in agriculture, livestock, and related sectors in Northern Kenya. To date, the INK Fund has disbursed more than \$10 million in loans. The Fund's clients have financed over 7,200 end clients, and 55 percent of the total value has been lent to women or women-owned MSMEs. The INK Fund generates evidence that proper market systems support can create demand for capital.

### Growing Access to Finance

Access to finance in Northern Kenya increased from 11 to 74 percent over 10 years (from 2012 to 2022) through the growth of the private sector and support from USAID and national and local governments. ACDI/VOCA-led activities helped move Northern Kenya along the investment spectrum — from humanitarian assistance to impact investing.



60 YEARS  
ACDI/VOCA

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