Bottom-Up Economic Transformation Agenda
(BETA) FOOD SECURITY

Executive Office Of The President
Republic Of Kenya
Presidential economic transformation secretariat

May 2023
In the run-up to the 2022 elections, a rigorous consultative process was undertaken to develop and deliver results from the Bottom-Up Plan.

Key Priorities identified

The Bottom-Up Transformation Plan

Charters compiled and synthesized

Key Priorities extracted

Results Framework developed for Priorities

Engage stakeholders with Key Priorities Results Frameworks

Engage Technical Stakeholders (State Departments, Counties, Development Partners)

47 Economic Forums

47 Charters Signed

Bottom-Up Plan Implementation Architecture

Revise Results Frameworks and commence operationalization of Implementation Architecture

Deliver on Key Priorities Outcomes

SOURCE: President’s Economic Transformation Secretariat Team Analysis
The President’s Economic Transformation Secretariat was set-up to coordinate the implementation of the Bottom-Up Plan’s critical priorities.

**The President’s Economic Transformation Secretariat Philosophy/Approach**

- The President’s Economic Transformation Secretariat does not implement or seek to play the role of an implementing body or agency.
- The Presidential Economic Transformation Secretariat supports implementation bodies or agencies by unlocking challenges and bottlenecks to ensure that the outcomes envisaged in the Bottom-Up plan are achieved.

**SOURCE:** President’s Economic Transformation Secretariat Team Analysis
Five key Priorities have been identified and defined for the BETA

**Growth in New Jobs created & Growth in Incomes**

1. **Agriculture**
   - Crop Production
   - Livestock
   - Fisheries

2. **MSMEs**
   - Trade & Markets
   - Financing
   - Business Development Support

3. **Affordable Housing**
   - PPPs & Financing (Developers)
   - Mortgages

4. **Digital & Creative Economy**
   - Infrastructure
   - Platforms
   - Skills
   - Entrepreneurship

5. **Health**
   - Primary healthcare
   - Health Insurance Coverage
   - Health Systems capacity
   - Health Data Systems

**Cooperatives & Enablers**

SOURCE: President's Economic Transformation Secretariat Team Analysis
Priority Value Chains have been identified and aligned to the Agriculture Pillars

<table>
<thead>
<tr>
<th>Food Security Pillar</th>
<th>Reduce Imports Pillar</th>
<th>Grow Exports Pillar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maize</td>
<td>Rice</td>
<td>Coffee</td>
</tr>
<tr>
<td>Beef</td>
<td>Wheat</td>
<td>Bixa</td>
</tr>
<tr>
<td>Irish Potatoes</td>
<td>Oilseeds¹</td>
<td>Tea</td>
</tr>
<tr>
<td>Indigenous Poultry</td>
<td>Sugarcane</td>
<td>Miraa</td>
</tr>
<tr>
<td>Sweet Potatoes</td>
<td>Sorghum</td>
<td>Fruits(Avo, Mango)²</td>
</tr>
<tr>
<td>Mutton</td>
<td>Honey</td>
<td>Nuts³</td>
</tr>
<tr>
<td>Pulses</td>
<td></td>
<td>Vegetables⁴</td>
</tr>
<tr>
<td>Fish</td>
<td></td>
<td>Pyrethrum</td>
</tr>
<tr>
<td>Bananas</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pork</td>
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<tr>
<td>Dairy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pork</td>
<td></td>
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</tr>
</tbody>
</table>

1: Canola, Soybeans, Sunflower, Sesame, Groundnut/Peanut
2: Avocado, Mangoes, Passion Fruit, Pineapple
3: Macadamia, Cashew nuts, Coconut
4: Garden Peas, African Bird eye Chillies

SOURCE: President’s Economic Transformation Secretariat Team Analysis
The Agriculture Priority Logical/Results Framework

**Achieve Food Security**
Organize all farmers and other key stakeholders into Cooperatives:
- Provide Start-Up Capital & Technical Assistance & Business Development Support

Increase Production and Productivity at competitive costs:
- Provide Fertilizers, Feeds, Agrovet supplies, improved seeds/seedlings, breeding stock
- Expand cultivated and irrigated acreage

Reduce Post harvest Losses and Provide Warehousing Support:
- Drying, Coolers, Cold rooms, Curing Facilities and storage facilities

Increase Value Addition:
- Milling, Livestock Feed Manufacture, Processing

**Increase Exports**
Organize all farmers and other key stakeholders into Cooperatives:
- Provide Start-Up Capital & Technical Assistance & Business Development Support

Increase Production and Productivity at competitive costs:
- Provide Fertilizers, Feeds, Agrovet supplies, improved seeds/seedlings, breeding stock
- Expand cultivated and irrigated acreage

Reduce Post harvest Losses and Provide Warehousing Support:
- Drying and cold storage facilities

Establish & Enforce Standards:
- Enforce phytosanitary certification & Consumer driven standards

Increase Value Addition:
- Blending & Flavouring, Hulling, Roasting, Drying, Roasting, Jams

Provide marketing access support:
- Branding & New market entry

**Reduce Food Imports**
Organize all farmers and other key stakeholders into Cooperatives:
- Provide Start-Up Capital & Technical Assistance & Business Development Support

Increase Production and Productivity at competitive costs:
- Provide Fertilizers, Feeds, Agrovet supplies, improved seeds/seedlings, breeding stock
- Expand cultivated and irrigated acreage

Reduce Post harvest Losses and Provide Warehousing Support:
- Drying and storage facilities

Increase Value Addition:
- Pressing, Milling, Livestock Feed Manufacture, Processing

**Increased farmers income and Job creation**
... and our approach is encapsulated in the Bottom-up Agriculture Productivity Model

### Description

- **Value Chain Farmer Target based on Production Units**
  - Support farmer with Inputs, technical advisory support (1 TA for 250 Acres) and access to capital, NHIF, Housing and Savings (to be mainstreamed via collective).

- **Value Chain Ward Collective Targets based on County Targets**
  - Technical support bulking, marketing, bulk purchasing, setting-up SACCOs, value addition, access to the Hustlers Fund and Farmer registration.

- **Value Chain County Targets based on National Targets**
  - Agroprocessing, TVET, Agriculture database, Leadership & Governance, Extension Services, Warehousing.

- **Value Chain National Targets based on Food Security and Exports targets cascaded to Counties based on current percentage**
  - Inputs subsidy, Policy, International Trade, Mechanization, Enablers, National Database
### The BETA Overall Agriculture Paradigm shift

<table>
<thead>
<tr>
<th>From …</th>
<th>… To</th>
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</thead>
<tbody>
<tr>
<td><strong>Farmer Based Production</strong></td>
<td><strong>Resource Management Production</strong></td>
</tr>
<tr>
<td>▪ Declining size and productivity of production resources</td>
<td>▪ Production resource focus (land and livestock resource managed as national assets linked to national food security or export target)</td>
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<tr>
<td>▪ Climate change</td>
<td>▪ Focusing on unit productivity rather than production</td>
</tr>
<tr>
<td>▪ Unknown farmers and unknown value chain</td>
<td>▪ Farms run as profitable enterprises</td>
</tr>
<tr>
<td>▪ 80% telephone farmers</td>
<td>▪ Production and marketing through multipurpose ward cooperatives</td>
</tr>
<tr>
<td>▪ Ageing farmers (average age of 60 year)</td>
<td></td>
</tr>
<tr>
<td><strong>Extension Model</strong></td>
<td><strong>Farm Resource Management</strong></td>
</tr>
<tr>
<td>▪ Assumption; Training translates to production</td>
<td>▪ Allocate county agriculture staff resources to manage and set targets on resources</td>
</tr>
<tr>
<td>▪ Collapsing extension in counties and national government due to retiring staff and lack of recruitment</td>
<td>▪ Work with farmers rather than train them</td>
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<td>▪ 330000 unemployed graduates (1989-2022)</td>
<td>▪ Manage all the value chains within the allocated area</td>
</tr>
<tr>
<td>▪ Universities/colleges shutting down agriculture departments due to declining student intake</td>
<td>▪ Data driven agriculture</td>
</tr>
</tbody>
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**SOURCE:** President's Economic Transformation Secretariat Team Analysis
Key KPIs at two levels have been identified for the Agriculture Priority

**Level 1 or Pillar Level KPIs**

1. Absolute number of food insecure Kenyans (by categories).
2. Annual foreign exchange expenditure.
3. Annual export earnings.
4. Average annual farmers gross/net income.
5. New jobs created along each pillar’s value chains.

**Level 2 or Value Chain KPIs**

a. Quantity of commodity produced
b. Average commodity production cost
c. Total acreage cultivated/harvested
d. Average crop yield per acreage:
   - Total fertiliser demanded/supplied (by type) per planting season.
   - Quantity of improved seeding demanded/supplied per planting season.
e. Average yield per livestock:
   - Quantity of improved breeding stock demanded/supplied
   - Number of feedlots established and operational.
f. Average Post Harvest Losses
g. Average value of raw produce captured

SOURCE: President’s Economic Transformation Secretariat Team Analysis
End State Model for the Ward Cooperative

- Affordable Housing Provision (Affordable Housing Program)
- Mechanization Services Tractors, Harvesters etc.
- Technical services providers
- Export Markets
- Internal Markets
- New Markets
- Market Aggregation
- National Health Insurance Fund (NHIF)
- Health Facilities
- Primary Healthcare Services
- Hustler Fund (Seed capital, Working Capital and Asset Financing)
- SACCO - Savings and Pensions
- Mortgages & Insurance services
- Technical Assistance: 1 TA to 250 Acres, 1 Mentor to 2,500 Acres (paid on a commission basis)
- Business Development Services
- Capacity Building and Incubation Hubs (TVETs)
- Agro-Vet inputs – Herbicides, Pesticides
- Improved Seeds
- Fertilizers
- Roads, ICT Infrastructure, Potable water & Irrigation Infrastructure, Power Infrastructure, General Infrastructure.