ABOUT ITC

International Trade Centre (ITC) is the joint agency of World Trade Organisation and the United Nations. ITC assists small and medium-sized enterprises in developing and transition economies to become more competitive in global markets, thereby contributing to sustainable economic development within the framework of the Aid-for-Trade agenda and the Millennium Development Goals.

PARTNERS IN KENYA

The NTF III Kenya Avocado project works in close collaboration with:

- Export Promotion Council (EPC)
- Horticultural Crops Directorate
- Fresh Produce Exporters Association of Kenya (FPEAK)

ABOUT CBI

The Centre for the Promotion of Imports from developing countries (CBI) is an Agency of the Ministry of Foreign Affairs of the Netherlands. CBI contributes to sustainable economic development in developing countries through the expansion of exports from these countries. This is done through sustainably strengthening the competitive capacity of SME exporters and producers in developing countries, focusing mostly on European markets.

KENYA

Avocado Sector

YOUR FOCAL POINTS

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For more information on our project, visit our page on the internet: http://www.intracen.org/itc/projects/ntf-3/KENYA-AVOCADO
Agriculture represents the largest share of the Kenyan economy, being the second largest contributor to Kenya’s total GDP while employing 75% of the labour force. Within the agricultural sector, the horticultural sub-sector is the fastest growing industry, recording an average growth of 15-20% per annum. The sector ranks as the second largest foreign exchange earner, contributing positively to wealth creation, poverty alleviation, and gender equity.

Although commercial production of avocado in Kenya began only 40 years ago, it is now estimated to rank fourth in importance among national fruit crops. Moreover, avocados have grown to represent 17% of total horticultural exports from Kenya.

As part of the Netherlands Trust Fund Phase II (NTF II) programme, Commodity Business Plans (CBPs) for avocado, mango, and passion fruit were developed by stakeholders, with assistance from ITC. These are to serve as the blueprint for developing the tree fruit sector in Kenya. The Netherlands Trust Fund Phase III (NTF III) Kenya Avocado project builds on the results and recommendations of the avocado CBP, aiming to update and implement the report with an ‘action plan’, thereby increasing Kenyan avocado exports.

The expected results from the project are:

- An increase of 5% in the volume of avocado exports as reported by 10 participating small and medium enterprises (SMEs)
- At least 3 new orders secured by exporting SMEs, as a result of new business linkages and technical partnerships built
- 3 farmer groups trained in production, disease-management and post-harvest handling, in addition to obtaining GlobalGap certification
- 10 SMEs trained in export promotion, marketing and market development, in addition to meeting potential buyers, thereby forming new business linkages

The project is coming in at the right time to support the sector and we look forward to the implementation of the strategies identified in the commodity business plan, specifically the enhanced knowledge base of smallholder farmers on good agricultural practices and the new market opportunities expected at the end of the period.

Zakayo Magara, Managing Director of Horticultural Crops Directorate

**PROJECT OUTPUTS**

**OUTPUT 1: Update the Commodity Business Plan (CBP) for Avocado**

The project will support national efforts to update the CBP for avocado, which was developed within the framework of the Kenya project under NTF II. The CBP serves as a blue print for the overall development of the avocado sector in Kenya. The updated action plan will provide a new vision for the avocado industry.

**OUTPUT 2: Export capacities of SMEs and farmer groups enhanced**

Export capacities of 10 selected beneficiary SMEs will be improved by enhancing their business and marketing skills through trainings in developing export plans and effective utilization of trade information. Farmer groups will also receive technical training on compliance with the necessary quality certification. This includes training on good agricultural practices, pre/post harvest management, and assisting farmers to overcome challenges related to fruit fly infestation.

**OUTPUT 3: Support services provided by partner TSIs improved**

 Capacities of two beneficiary trade support institutions, namely the Horticultural Crops Directorate (HCD), and the Export Promotion Council (EPC) of Kenya will be improved. This includes conducting training and providing business advisory solutions to ensure improvements in the quality of their services, both in terms of effectiveness and efficiency. The project will also work with the Fresh Produce Exporters Association of Kenya (FPEAK) in the implementation of the avocado CBP.

**OUTPUT 4: Business linkages and technical partnerships created and/or expanded**

A market opportunity study undertaken in European and Middle Eastern markets will allow Kenyan avocado exporters to diversify their target markets. Participation of SMEs in trade fairs will be organised, enabling exporters to reach out to buyers in target markets. Participants will be trained in preparing for trade fairs and negotiating with potential buyers.