Food System Country Case Study
Kenya

BACKGROUND

Kenya is one of the fastest growing economies in Sub-Saharan Africa. Since 2014, the World Bank has ranked it as a lower-middle income country. Despite steady growth, over one third of Kenya’s population lives below the international poverty line amid high income inequality. One in four children are stunted. Eighty percent of Kenya’s population is below 35 years, and 35 percent of working age Kenyans are unemployed. Large parts of the population, including some 500,000 refugees, are in need of food assistance. Other pressing issues include rapid population growth, land degradation, gender inequalities and weak infrastructure in remote areas.

In 2017, Kenya declared drought a national disaster posing a major threat to lives and livelihoods. People in the arid and semi-arid (ASAL) regions that make up 80 percent of the country’s land area are most vulnerable to drought. They tend to respond to crop and livestock losses and commodity price spikes by adopting harmful coping mechanisms, such as selling assets, withdrawing children from school, and undertaking income-generating activities that damage the environment. Conflicts over scarce natural resources often occur.

The 2010 Constitution devolved governance to county level as part of an attempt to improve service delivery and accountability. But many counties still lack the capacity and resources to plan and implement policies and programmes. Consequently, food systems face persistent challenges and bottlenecks across the continuum of food production, transformation and consumption. These challenges can be grouped into the so-called “bad year”, “last mile”, and “good year” systemic issues.

Three systemic problems in Kenya

<table>
<thead>
<tr>
<th>Bad Year</th>
<th>Increasingly frequent and severe weather shocks cause production deficits and price spikes that prevent access to sufficient nutritious foods</th>
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<tbody>
<tr>
<td>Last Mile</td>
<td>Weak market infrastructure means populations in isolated, rural areas such as Turkana County face high food prices and poor access to fresh and fortified foods</td>
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<td>Good Year</td>
<td>Inadequate systems to absorb bumper harvests recurrently lead to food spoilage along the value chain, while populations in dry areas lack access to fresh foods</td>
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Agriculture dominates Kenya’s economy, contributing to one-third of gross domestic product (GDP). Most agricultural output is provided by smallholders. Women provide 80 percent of farm labour and manage 40 percent of small-scale farms, but own only 1 percent of farm land and receive only 10 percent of agricultural credit. Most smallholders suffer from limited availability of farming technologies and inputs, lack of access to credit and financial services, as well as land fragmentation and uncertain tenure.

Production is subsistence-based rather than market-oriented and often needs to be substituted by imports. Livestock productivity is low due to pasture scarcity, degradation, and lack of extension services. Harvest failures are commonplace in arid and semi-arid regions as 95 percent of crops are rain-fed.

KEY STATISTICS

- Out of the population of 49 million, 36 percent live below the national poverty line.
- 2.55 million people are severely food insecure. Prolonged drought is a key driver of food insecurity.
- 26 percent or 369,000 children under five suffer from acute malnutrition.
- In December 2017, WFP provided assistance to 1.1 million people including 410,000 refugees.
BUILDING EFFICIENT AND INCLUSIVE FOOD SYSTEMS IN KENYA

In Kenya, WFP focuses on building resilience through a holistic food systems approach. A package of activities that support smallholder productivity, market access, retail system efficiencies, and household consumption are layered, sequenced and integrated with government and partners in order to achieve an intensive and transformational impact. These activities include:

**Asset creation and restoration.** Drought-prone communities are empowered to withstand climatic shocks through enhancement of productive assets, such as roads, irrigation, and soil and water conservation technologies.

**Linking smallholders to markets.** Farmers and retailers are supported to access quality inputs and public and private sector commodity markets, including national School Meals programmes and WFP procurement.

**Financial services.** Appropriate and affordable micro-finance and index based micro-insurance models are developed and implemented to promote and protect food production.

**Encouraging local processing and fortification.** Rural small-scale fortification provides value-added for producers and processors while improving access to micronutrients for pre-primary school children.

**Trade promotion.** New cross-border corridors (e.g. to South Sudan and Ethiopia) are established to meet humanitarian needs. This knowledge and partnerships will be extended to also facilitate and promote private sector trade flows and regional integration, particularly for the movement and market absorption of agricultural surpluses in a “good year”.

**Nutrition-sensitive support.** Communities are provided with skills to produce and prepare more diverse and nutritious foods, alongside nutrition messages and referral to health and social protection services.

**Supply chain cost reduction.** The Retail Engagement Initiative leverages the demand created by cash-based transfers to address inefficiencies along the supply chain and improve availability and prices of nutritious food for consumers. This might include forming buying clubs, aggregating transport or developing local cold storage solutions to extend the shelf-life of fresh produce.

**Food quality and safety.** Policy gaps are addressed in food quality and safety regulations for Home Grown School Meals programmes, improving nutritional content and reducing risks such as aflatoxin contamination.

**Gender-transformative approaches.** Cash transfers and asset creation are empowering women by enhancing their role in the retail sector and facilitating informal saving schemes and access to micro-credit.

**Youth engagement.** Youth unemployment is tackled by creating more opportunities in agribusiness and building capabilities across profitable value chains such as poultry and horticulture.

**Country capacity strengthening.** Across all the above listed areas, the efforts are concentrated on supporting government-led food assistance programmes and nutrition services. Direct relief assistance is provided only when requirements exceed local capacities.

**RELEVANT STRATEGIES AND FRAMEWORKS**

- WFP Kenya CSP (effective from July 2018)
- National Food and Nutrition Security Policy
- UN Development Assistance Framework 2018–2022
- 2030 Agenda on Sustainable Development Goals
- WFP Strategic Plan
- WFP Food System Strategy
- Strategy for WFP Smallholder Support

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**WFP Kenya interventions across the food system**

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<tr>
<th>Food Production</th>
<th>Food Transformation</th>
<th>Food Consumption</th>
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<tr>
<td>Asset creation and restoration</td>
<td>Cost reduction along the supply chain to achieve more affordable retail prices</td>
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<tr>
<td>Market access support to smallholders</td>
<td>Building local processing and fortification capacity</td>
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<td>Access to financial services</td>
<td>Promotion of cross-border trade to address a “good year” problem</td>
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<td>Nutrition-sensitive support and provision of food quality and safety standards</td>
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