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Technical Policy Brief/ KIEP/4

Enhancing Livestock Value Chains in Laikipia County: Challenges and Opportunities for Growth



Key messages

- The livestock sector in Kenya is crucial for food security and income, significantly contributing to the national GDP and employing many households.
- The sector faces various constraints that hinder optimal production and productivity, including weak market infrastructure, high feed costs, poor feed quality, and the impacts of climate change.
- A survey in Laikipia County identified and analyzed three main livestock value chains—dairy, beef, and leather—mapping their activities and actors to identify gaps and technology needs.
- The dairy value chain shows particular promise for empowering local communities, especially women, youth, and people with disabilities, while integrating environmental sustainability and social concerns.
- Key challenges in production, processing, and marketing require support through improved policies, research, ICT, and infrastructure to enhance the efficiency and performance of the livestock value chains.

Executive Summary

Agriculture is vital for socio-economic development in Kenya, encompassing crop, livestock, blue economy, and horticultural systems for cash and food. Alongside agriculture, key sectors include construction, manufacturing, and Micro, Small, and Medium Enterprises (MSMEs). In this context, the Kenya Industrial Research and Development Institute (KIRDI) with support from the Ministry of Investment, Trade, and Industry (MITI) conducted a sectoral value chain mapping survey in Laikipia County under the Kenya Industry and Entrepreneurship Project (KIEP), funded by the World Bank Group. The survey focused on agro-processing industries related to food crops and the dairy sector. In alignment with the Bottom-up Economic Transformation Agenda (BETA) and Kenya's Vision 2030, the survey emphasized on value chain development to enhance food security, growth and competitiveness. It analyzed the entire value chain, from production to consumption, assessing enablers and external conditions, while considering threats and opportunities to support local value chains and boost Micro, Small and Medium Enterprises (MSME's) growth.

Findings

- The beef value chain comprises of input supply, animal production, and distribution/marketing, beef processing, and waste management levels.
- The main activities in the beef value chain include: selling and slaughtering animals, preservation of hides and skins using industrial salt and sun drying, marketing meat, and waste disposal.
- The input supply chain consisted of: agro vets, animal feed manufacturers, distributors, fodder and foliage producers, and artificial insemination service providers.
- The county has a strong network of well-stocked Agro-Vet shops that provide animal medicines, supplements, and equipment.

- Training on good animal husbandry is provided by both private and government agencies. The county has employed livestock production officers deployed in the wards to provide technical backstopping to the farmers.

Identified Gaps in Value Chains

The following challenges were identified:

1. Dairy Value Chain



- Insufficient and low-quality animal feeds
- Water scarcity
- Limited access to finances by farmers to increase production and acquisition of animal feed.
- Inadequate animal husbandry services e.g. artificial insemination
- Inadequate value addition and diversification of dairy products
- Delayed payments from the milk processors
- Uncompetitive milk prices in the local market

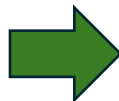
2. Beef Value Chain



- Insufficient and low-quality animal feeds
- Limited veterinary and extension services
- Limited access to markets for the livestock products due to the poor road network
- Limited uptake of value addition technologies and product diversification
- Limited skills and knowledge on

3.

Leather Value Chain



- Low quality and poor preservation of hides and skins
- Inadequate infrastructure for leather processing and leather goods manufacture
- Insufficient and outdated equipment at the abattoirs
- Inadequate skills and knowledge on value addition on leather processing
- Insufficient and low-quality

Policy Brief Recommendations

1. Dairy Value Chain

- Investment and training in production of quality animal feeds
- Educating farmers in water harvesting, drilling boreholes, dams and storage technologies
- Provision of affordable credit facilities and grants
- Enhance veterinary and extension services
- Investment in technologies for value addition and product development in dairy value chain.
- Strengthen enforcement of contractual agreements
- Establish a guaranteed pricing system

2. Beef Value Chain

- Better quality control and farmer training in fodder production
- Enhanced veterinary services including human resources
- Improve infrastructure e.g. road network to facilitate market access for the livestock products
- Sensitization and investment in technologies for value addition and product development.
- Training and capacity building in quality control: - Good Manufacturing Practices (GMP), Good Hygiene Practices (GHP) and Hazard Analysis Critical Control Point (HACCP)

3. Leather Value Chain

- Establishment of hides and skins aggregation centers for preservation
- Establishment of common manufacturing facilities (CMF) for leather goods production.
- Training and capacity building on quality control, preservation of hides and skins, effluent treatment and waste management
- Investment in modern abattoirs, leather processing equipment and leather products infrastructure
- Encourage local production of leather accessories
- The county to build partnerships with relevant research institutions and TVETs for skills development.

4. Cross-cutting recommendations

Enhance access to finance through grants and affordable credit facilities for MSMEs to acquire necessary technologies and infrastructure.

References

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