

COMPETE PROGRESS REPORT FOR JULY 2011

Summary:

The activities undertaken for this reporting period were; the signing of an additional Forward Delivery Contracts (FDCs) of 252 MT of beans and 220MT tender of Maize in Trans Mara and Kongwa respectively, the farmers' exposure tour to Kibaigwa Tanzania, training workshop on ware house/stores management and record keeping, joint cereals consolidation and selling and Trans Mara farmers participation at the business fair at Nakuru.

Details of accomplishments:

Joint Produce Consolidation and Selling:

The Cereal Growers of Kongwa (CGOK) were awarded an additional tender of 220 MT besides the 65MT of maize awarded earlier in June by WFP P4P at a price of US\$ 330.72 per MT ex ware house and US\$ 350.93 per MT delivered to Dodoma. Five (5) FBOs in Trans Mara also signed additional Forward Delivery Contracts (FDCs) of 252 MT of beans at a floor price of US\$ 448 per MT.

During the month 13 FOs sold 279.9 MT of maize to traders coming from Eldoret at US\$ 457 per MT. An organization called Farm secure also purchased 48.9 MT at a farm gate price of US\$ 430 per MT from farmers in Angata and Oldonyo Orok bulking centers. About five (5) local traders within the bulking centers at Angata and Oldonyo Orok also bought 322.5 MT of maize from the CGA FOs at Angata and Oldonyo Orok area. There is also 139.43 MT and 47.8 MT of maize and beans respectively bulked for WFP-P4P contracts.

At Kongwa, following the award of the 1st tender with P4P of 65MT the farmers have bulked the maize at Kibaigwa and by 27th July all the tendered total tonnage was already at Kibaigwa stores. The stock was contributed by 23 farmers (10 or 43% being women). The inspector from African Marine approved for re bagging. Re bagging is in progress however this delayed because WFP brought wrongly labeled gunny bags.

The CGA developed tool for commodity projection SPP was used to carry out a survey to show the stocks available for sale in Kongwa where a total of 91 groups were reached out of 135. A total of 1123 farmers were reached (604 being women). This helped WFP to give out an additional 220MT hence an important tool. (A detailed SPP report has been attached).

(Exchange rate of USD 1= KES 80 = TZS 1,500).

Establishment and Enhancement of Storage facilities:

In Kongwa, two ware houses Hogolo and Kibaigwa were inspected to be considered for registration as certified ware houses operating under Ware house Receipting System. Mr. Temu the Inspector from the board recommended some renovations and minor repairs to be made in and outside the stores before they could be considered for registration. The registration board is convinced that the system will successfully operate in Kongwa due to existence of registered warehouse operator; farmer organizations such as CGOK, bank to facilitate loan for advance payment and traders.

In Trans Mara, three (3) Wiik halls each with a 450 MT storage capacity were moved to North Eastern and Turkana to assist in boosting the humanitarian situation of receiving food for distribution to the hungry. This is in addition to the four Wiik halls moved earlier of 40MT each. There is therefore a total deficit of 1510MT storage space. There is also the need for more storage space at Olopi and Romosha of about 100 MT each to handle the contracts they have from WFP.

Strengthening the capacity of FBO:

During the month, only one (1) ToT on Warehouse/Stores and records management was conducted. 21 participants (10 being women) who are the quality subcommittee members in the four (4) bulking centers of Kongwa attended. This was done on 19th to 21st July 2011.

Other activities:

9th Business fair – This was held on 28th – 29th July 2011 at the Rift Valley Institute of Science and Technology (RVIST) in Nakuru. At the demo site there were 176 demo plots of different varieties of crops planted and maintained by CGA. Close to 70 exhibitors showcased their products and technologies to the farmers. From Trans Mara 42 farmers attended the business fair. The farmer's one way transport cost was partially supported by USAID COMPETE. This Business Fair was jointly organized by CGA, RVIST and East African Grain Council (EAGC).

Farmers' exposure tour - the exposure exchange tour took place from 31st July – 4th August 2011. This is an annual event where farmers from Kenya and Tanzania exchange ideas on farming and marketing activities in the cereal sub sector value chain. This year 18 farmers and 4 CGA staff from Trans Mara visited Kongwa in Tanzania. The areas visited were Pandambili stores, Kibaigwa International Market, Kibaigwa Saccos and Lenjulu stores. The 22 participants were flagged off from Nairobi CGA offices by the USAID COMPETE and AGRA representatives, CGA chairman and the CGA CEO.

Challenges faced during the month and Recommendations:

- i. **Lack of storage enough space** – with the withdrawal for use in the current food relief operations by WFP of a 1510 MT of Wiik hall stores from Trans Mara there is a challenge of enough storage space to bulk both the beans and maize contracted that is being harvested simultaneously in Trans Mara.

Activities for the next month

- Implementation of the WFP – P4P tenders
- To conduct a PHH ToT and Organizational Development GLT in Trans Mara.