

Elite Agro Services; 2013 Status Update

By Solomon Mulindi¹



Solomon Mulindi gives a 2013 update on his Elite Agro Services Network, a registered enterprise in Western Kenya involved in agricultural market linkages.

Elite Agro Services Network

Elite Agro Services Network (EAN) is based in the Western Region of Kenya. We specialize in market linkages for green leaf tea, dairy and beef cattle, beans and maize; in addition one of the trade agents offers catering services. The network now has some regular larger customers; these include schools, processors, a bank and NGOs. Over recent years the network has seen its volumes of trade increase, although its number of customers has decreased. In this respect the network has specialized.

Elite's Agents

The network has two agents who source green leaf tea from smallholders, Loyce Kamila and Patrick Kipyego. They supply to two private factories (George Williamson and DL Koisagat). Loyce Kamila also sources beans for schools and supplies tea to Kenya Commercial Bank-Serem. I also have agents for cattle deals: Patrick Kipyego, Jumba Sabatia and Samuel Tanui. Recently I have been training up new agents for horticultural deals. Plans are also underway to run milk-marketing deals.

Achievements and Challenges

EAN have conducted seven TSS registered deals. The efficiency of deals has improved and customers are satisfied with the service. Other tea deals and regular dairy cattle deals have followed the TSS model but have not been registered. It has been a challenge to implement a full version of TSS in our region. The bulking of goods has been challenging and we have encountered a resistance to the required paperwork for registered TSS deals e.g. local purchase orders (LPOs). My agents found it difficult to understand that they had to be business people and it has been a struggle to impress on them that their services are paid in the form of commission rather than a salary. Our most recent work (2013) is in collaboration with the Small Holder Horticultural Marketing Project (SHoMAP).

Collaboration with SHoMAP



Ntharene Banana Market

My network and SHoMAP are collaborating to enhance smallholder horticulture farmers' access to secure and transparent markets for bananas in Bungoma, Nandi and Kisii counties. Together we have a vision of making markets work for both producers and entrepreneurs (brokers). We want to achieve this goal by changing the negative attitudes that the key players have towards each other. The brokers are viewed by farmers as exploiters, not as service providers, while farmers are perceived by brokers as being ignorant of market needs. An attitude change can be achieved by changing middlemen (or brokers) into honest traders who earn commissions equitable to their contribution towards facilitating marketing; while the farmers will be made conscious of meeting the market requirements to meet the consumers' needs and preferences.

This year we have recruited 50 producers and 60 entrepreneurs for a marketing trial. We have trained seven District Agricultural Officers (DOAs), 23 SHoMAP desk officers, 46 producers, 60 entrepreneurs and briefed 14 DAOs and 14 desk officers. These are all spread over seven districts of Bungoma County, three districts of Nandi County and nine districts of Kisii County. We are now preparing for a trial with SHoMAP on the use of Transaction Security Services (TSS) in linking farmers to markets to bring about the desired marketing changes in the horticultural value chain.

Future Plans

Due to studying and teaching commitments I will be handing over my network in 2014 to Cornelius Moss who has already had experience working with RAVI and is an expert in the dairy sector.

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