

Agri-Livestock Green Energy Initiative; 2013

By Wilson Ilanet



Wilson Ilanet gives an update on his business network, ALGEI (Agri-livestock Green Energy Initiative).

Agri-livestock Green Energy Initiative

My network is dealing mainly in cattle and shoats (both live and carcasses). We are also trading in livestock products such as milk and manure; livestock feeds (hay); and we supplying solar energy kits to the pastoralists.

My Network Agents

These are my main agents (and the areas that they cover:

- Emmanuel Kimer (Magadi, Oltepesi, Kisamis)
- Mercy Rikinoi (Ibissil Kajedo, Sajuloni)
- Alex Sekento (Isinya, Kipeto and Esilanke)
- Margret Ciira (Kiserian, Rongai Eldoret and Nairobi)
- Irene Akinyi (Nairobi region and Athi-river)
- Maryanne Sointa (Network database manager, in charge of filling in the TSS forms)

I have other agents, including some who can't read and write but can participate orally.

Sourcing from the Pastoralists

We have assisted the pastoralists with the formation of their own (selling) groups. These groups own and manage their own livestock. 34 groups have been formed (including some formed by NGOs). As well as sourcing from the organised producer groups, the network sources from disorganised sellers who are spread out over a large area, and also from market traders (when we need to make up volumes).

The Trust Model for Selling Livestock



Wilson Ilanet at Keekonyokie livestock market

Our main buyer is Kenya Meat Company. They buy our shoats and some cattle. The trade capacity of the network has grown from 20 to 100 livestock per week. We have been able to sell shares in our business. Seven members have bought shares, this has given us a fund to use to buy livestock for restocking and value addition. We have registered six deals for shoats on mylll to show our track record in trading.

For the past year we have been working on a trust model, which works by the network collecting LPOs on behalf of the farmers from buyers such as Kenya Meat Commission. This model has cut out the need to borrow cash. This is how it works:

- ❖ The farmers supply their small livestock without immediate payment, but travel with the network to the buyer.
- ❖ A weigh sheet is produced: one copy for the farmers, one for the network. (This shows the weights of all the animals traded.)
- ❖ The buyer sets the price per kg before supply. But the animals must meet quality standards.
- ❖ The network deducts its commissions before reimbursing the producers.
- ❖ Payment is made after three days, by cheque into the network account and then we pay the farmers immediately in cash.

Other Trading

We have a small buyer in Karen for manure for gardens. We have had two deals where we have taken manure from local farmers to Karen for landscaping and gardens. We also have individual farms that we supply with hay. We buy hay from a farm in Bissil and sell it to producers. We also hawk milk from the Massai local milk producers around Kiserian. We take

the milk to Rongai where we sell it and then pay the producers each week. We buy at 35/ KES and sell at 42/ KES per litre.

OOLUX



Wilson showing the OOLUX kit to Maasai pastoralists

My network is also supplying solar energy kits to the pastoralists. We carried out a field test between the 1st and the 23th of May 2013 in collaboration with OOLUX. The goal of the field test was for OOLUX to gather feedback from me and the pastoralists in the areas that we want to cover. The main activity of the field test was travelling over the regions of my network, visiting families and attending public events in order to show the demonstration kits. This region covers a large part of the Maasai territory in Kenya, in particular areas along the Magadi Road and between Kiserian and Kajiado, as well as regions around Narok, Bisil and Kimana. During three weeks, we visited around 50 households in those different regions, asking them questions about their energy consumption and needs and presenting them the kit to collect their feedback. In two households, we left the kits for three nights before coming back for an in-depth interview about their experience with the kit.

Overall, the kit has received very positive feedback. For the majority of the households, the kit represents a much better alternative to kerosene lamps for lighting and will allow them to charge their mobile phone at home rather than in the market. As their energy-related expenses are often very high, they saw the savings potential of the kit. The OOLUX representative was happy to work with what he reported as my extensive and solid network, for distributing the OOLUX kits.

The price of the lanterns for the first order was subsidized, we paid 40 USD for each lantern; but for our next order the kits will cost 90 USD each. We sell the lanterns for 112 USD (approximately 9,500/ KES) each to cover all the middle costs involved. We plan to sell the kits in instalments and will help the pastoralists if they want to raise the money by selling their shoats through our network. A kit is worth the equivalent of two sheep.

I have now received 100 kits and 38 have been rented out. The kits are expensive so for most customers we rent them out monthly, they make a KES 2-3,000/ deposit and then pay KES 1,500/ per month, but some can't pay that much because of the drought at the moment. We have also sold two kits directly for the full price of KES 9,500/. We have experienced some problems with the software and I have had to reset some of the kits; I have sent the problem data to Antenna.



Maasai children look at the OOLUX kit

Renovating The Farmer Field School

I have recently taken over the running of our Maasai field school. We have been working with the pastoralists to show ways to improve their pastures through holistic management. There is evidence of the impact of the field school with those who have attended storing fodder for their animals in times of drought.



The field school demonstration barn

At the school we demonstrate hay and silage making; we have a large barn and a new pit for making silage. We show how water can be saved and stored, using water collection from the roofs of the farm buildings. We have a small demonstration bio gas plant, a bailing machine and a cutter for silage making. The learning huts at the school, which cover issues including conservation and marketing and have been renovated with new roofs and murals.



A Maasai field school mural

In addition to instruction on farming practices the field school has been a centre for ladies to meet to organise the sales of their beadwork. I also have plans to use the field school for adult education.

The TSS Apprenticeship Start-up Workshop

At the workshop in July 2013, RAVI and techfortrade (T4T) explained the process to become a certified TSS agent. Once we are certified we will be able to join a franchised network for TSS. We would like to be part of the TSS network, this will help us to scale up ALGEI with help with training and access to a special cash-on-the-bag (COB) fund which will help us to train our agents and do more deals. We hope that being part of the TSS franchise will help to take the risks out of the business.

A First Academy Deal

For our first work with the Academy we got all the documentation completed for a chicken deal TW113-232. However we experienced a lot of difficulties with tricks played by an agent in our network, which have resulted in the loss of KES 39,000/-. T4T is helping us to recover the money owed by supplying us with a demand letter so that we can take legal action against our agent. The learning from this deal will be documented in detail in another impact story.

Future Plans; A Conservation Meat Brand

During November we have worked together with Ueli Scheuermeier, Clive Lightfoot and Samuel Saruni (group programme manager of MAIPA), on improving the efficiency of the livestock value chain. ALGEI then convened a meeting of representatives from: a range conservation group, pastoralists, the field school, Kenya Livestock Marketing, the Keekonyokie abattoir, meat processing and sales. We have plans to create a conservation meat brand, and to increase incomes for pastoralists through TSS.

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