

Fair Trade Enterprises Prepares for Export

By James Weru¹



James Weru explains the preparations for horticultural marketing through his company Fair Trade Enterprises Ltd (FTE). FTE is preparing to export French beans from a group of farmers in the Kabaa Irrigation Scheme in Eastern Province, about 100 km from Nairobi.

The Kabaa Irrigation Scheme

The Kabaa Irrigation Scheme is located in Machakos County. It is one of the nine irrigation schemes in seven counties of arid and semi arid areas in Eastern and Rift Valley funded by the government in collaboration with development partners. The project under Small-Scale Horticulture Development Projects (SHDP) and African Development Bank (ADB) covers about 240 hectares, with a variety of crops under cultivation. The idea is to practice irrigation farming to curb perennial hunger in drought-prone eastern Kenya, to boost food security and generate incomes.

Fair Trade Enterprises



A farmer working on her field of French beans

FTE is preparing to trade in French beans from Kabaa. To do this we have had advice from The Horticultural Crops Development Authority (HCDA), which is mandated to

facilitate the development, promotion, coordination and regulation of the horticultural industry in Kenya. We have had a good meeting with the farmers together with HCDA, who provided technical and marketing advice. FTE explained the Transaction Security Service (TSS) business model to the farmers and they were happy with this fair trade.

We will start working with six smallholder farmers who we have profiled. They farm land ranging from half an acre to two acres. This land is watered through furrow irrigation, with a gravity feed from sluice gates and pipes.

A Technical Specialist for Permitted Pesticides

To ensure that our beans pass all the residue tests, we must use a specialist working with the farmers and operating a program for the spraying at planting and harvest. I am employing a technical assistant to advise the farmers and to make sure that the correct pesticide sprays are used in the permitted quantities and at the right times on the crops. The technical assistant will also act as a TSS agent and will be there on hand all the time. He will get a salary at first (as a middle cost), and then he can work on commission. We will not get problems through cross contamination from other crops sprayed in the area, as the surrounding crops are subsistence crops such as maize, and these are not sprayed.

Farmer Payments and Contracts

The farmer payments will be done cash-on-the-bag (COB) through mobile money. The farmers are contracted for one year and in this time can only sell to FTE unless they go to the arbitrator and ask to sell to another trader.

Picking, Collecting, Sorting, Sending

The first grading will be done at a grading shed in the production area. Each farmer's produce will be put into crates, labelled with their own TSS number so that we will be able to trace back our produce.

¹ Edited by Anne Dennig in 2014



Building a grading shed

We have been building the grading shed; it is now complete and we are fixing the sorting tables that will be made of aluminium foils. The grading takes place after harvesting and beans that don't conform to the export standard are sorted out, i.e. those that have spots; are not the required size; or deformed. The company grader also checks on quality here and picks what is needed.



Sorting sugar snap peas from a numbered crate at HDCA

Picking and collection will be done twice a week. The farmers will pick on Mondays and Fridays; the beans will first be sorted in the grading shed at the production area and then taken to the HDCA packhouse for a second sorting and packing. Many smaller traders use the HDCA packhouse; there twice a week we will rent enough tables to check and pack our produce. French beans have only a day of shelf life, so we will use the cold room in the packhouse before and after the sorting and packing. Our produce will be taken from the cold room to be checked and packed into a cartons or punnets. Our produce will not be mixed with any from other producers and all tables are cleaned thoroughly between suppliers.



Extra fine French beans; loose or prepacked

Finally we will hand over the produce to a freight handler in Nairobi and the beans will be flown out to Europe the day after picking. We plan to supply a French buyer, "Fresh Produce", with two deals of one ton of French beans per week. The minimum weight per deal is one ton but we plan gradually to supply more. Payment by "Fresh Produce" is made 14 days after delivery in Nairobi.

Risks from Residues

Due to risks of rejections through pesticide residues, it is vital to have our specialist technical assistant working with the farmers. Although the produce is signed off in Nairobi to the freight handler, there are issues of risk for the testing of residues both in Kenya and in France. In 2013 there were problems with pesticide residues for the horticultural traders, as the Kenyan laws on accepted pesticides and those accepted in Europe are different. Kenya Plant Health Inspectorate Service (KEPHIS) will check for residues in our beans, with random visits to the packhouse and a weekly visit to the farmers for samples. Rejection is done per shipment; with one wrong box the whole shipment is condemned and in addition to your losses you have to pay for the disposal of your produce.

Next Steps

FTE now has an export licence and KEPHIS certification. We have sent a sample of beans to France and we are discussing the export schedule with the client. We hope to start trading in July 2014.

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