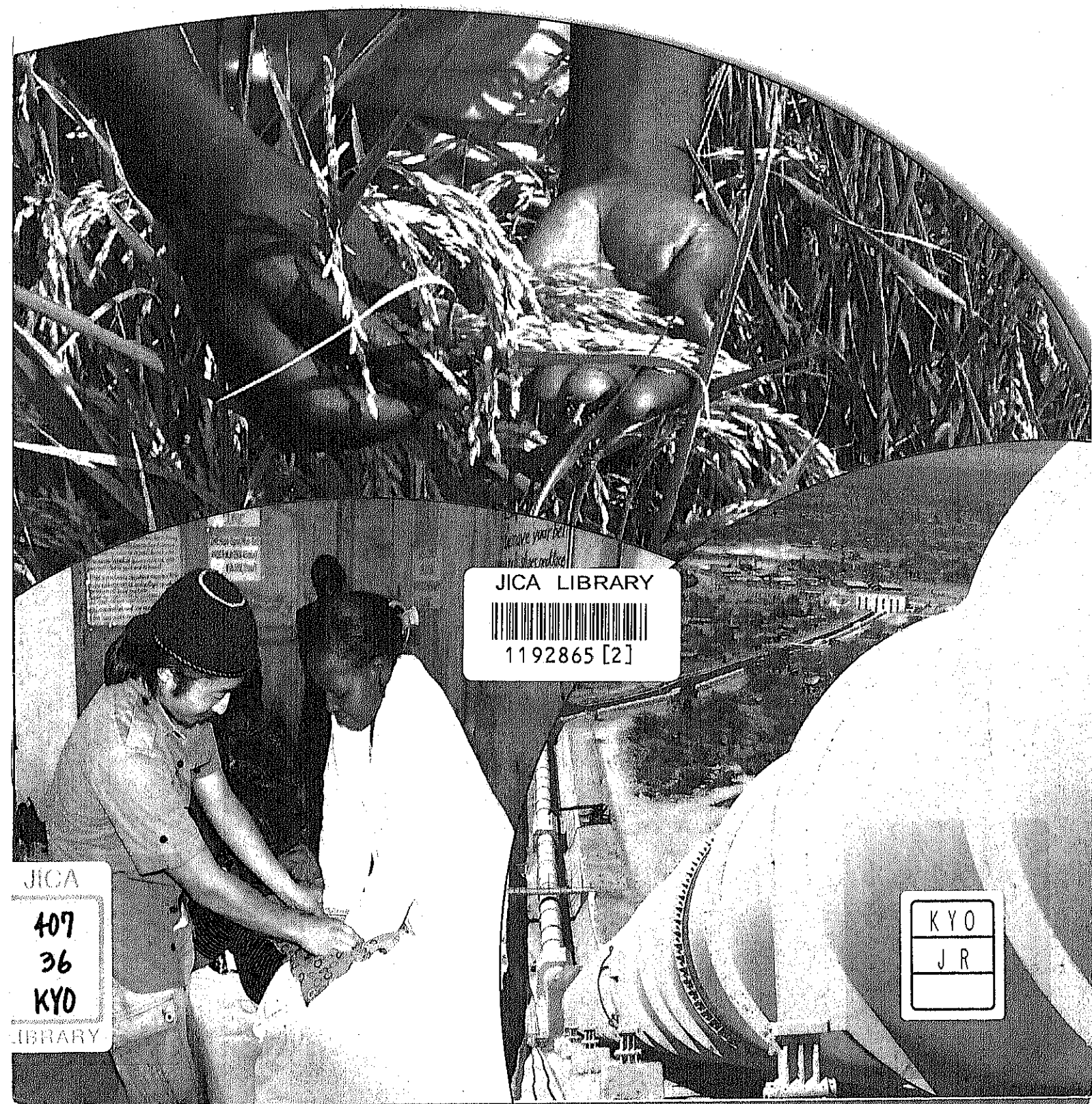


JICA in Kenya 2008



Japan International
Cooperation Agency



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Director's Message

Year 2008 will go down in Kenya's history as a very memorable one as it had both positive and negative aspects. The year started on a sad note with the post-elections violence almost bringing the country to its knees. But it ended well with, among other things, the historic election of Mr. Barack Obama, a son of a Kenyan, as the President of the United States.

The post-elections violence, albeit regrettable, shed light on many inadequacies that have been crippling the country over the last 40 years since independence. These include tribalism, land disputes, regional disparities, corruption, and impunity. Encouraging though, is the efforts that the country is putting in place to correct the underlying factors that led to the violence. Kenyans have surmounted the political crisis and are putting the country back on its promising track as a symbol of Africa's renaissance.

Turning to JICA, year 2008 was an epoch with the convening of the Fourth Tokyo International Conference on African Development (TICAD IV) Conference and also the merger that has seen JICA become the world's largest bilateral aid agency.¹ During the TICAD IV Conference, Japan explicated that it would double its Official Development

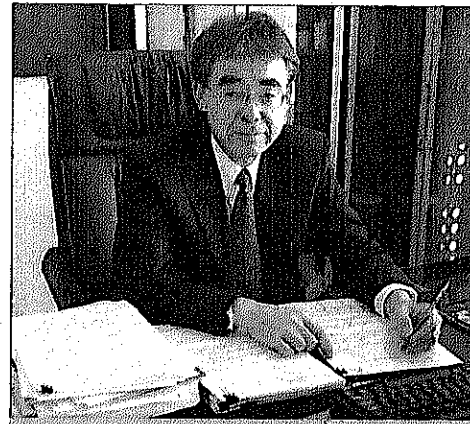
Assistance (ODA) and foreign direct investment by the Japanese Private sector to Africa within the next 5 years. The Conference came up with the Yokohama Action Plan which outlines measures to be implemented through the TICAD process during the next five years (i.e. 2008-2013).²

In 2009, Kenya is expected to take

firm steps to direct the efforts of the government towards the materialization of the newly launched development blue print 'Vision 2030'. We at JICA

¹. Read more on the Merger on Page 4

². Read more on the TICAD IV Yokohama Action Plan on Page 5



Mr. Yoshiyuki Takahashi, Chief Representative, JICA Kenya.

will continue to align our support to those of Kenya's development priorities, assisting the government of Kenya to formulate quality development projects and to implement them effectively.

We do acknowledge that development is a process of never-ending challenges which directly involve the construction of the daily lives of the ordinary citizens of the society. As our name, Japan International Cooperation Agency suggests, we put a core value on cooperation rather than development at every stage of our intervention. In this context, the master or owner of a development initiative is the government and the people of Kenya, who are supposed to recognize the challenges they face and be the driving force behind overcoming these challenges. We, the Japanese, will always stand by as partners or facilitators to back development initiatives.

In this regard, as members of the institution established for this particular cause, we re-affirm our determination and cooperation to make our activities in Kenya more purpose articulated and outcome oriented.

Lastly we do hope that readers of this publication will get a broad insight of JICA's activities in Kenya.

**- Mr. Yoshiyuki Takahashi
Chief Representative, JICA Kenya**

We at JICA will continue to align our support to those of Kenya's development priorities, assisting the government of Kenya to formulate quality development projects and to implement them effectively

Figures of Assistance

Since 1964, Kenya has received aid from Japan in various forms. To date the cumulative assistance stands at approximately Kshs. 298.79 billion. In 2007, Kenya was the top recipient country of Japanese ODA in sub-Saharan Africa receiving aid amounting to approximately US\$ 90 million.

Type of Aid	2005	2006	2007
Technical Cooperation (in US\$ million)	26.2	26.2	26.49
Grant Aid (in US\$ million)	23.39	17.46	28.65
ODA Loans (in Yen ¥ billion)	0	5	26.71
Kenyans Trained	212	337	293
Japanese Experts Dispatched to Kenya	87	98	105
Japanese Volunteers Dispatched to Kenya	63	36	28

Explaining JICA's Assistance

1. Technical Cooperation

This involves Japan and a developing country pooling their knowledge, experience, and skills to resolve specific issues within a certain time-frame. The projects may involve the dispatching of experts from Japan to provide technical support, invitation of personnel from developing countries for training, or the provision of necessary equipment.

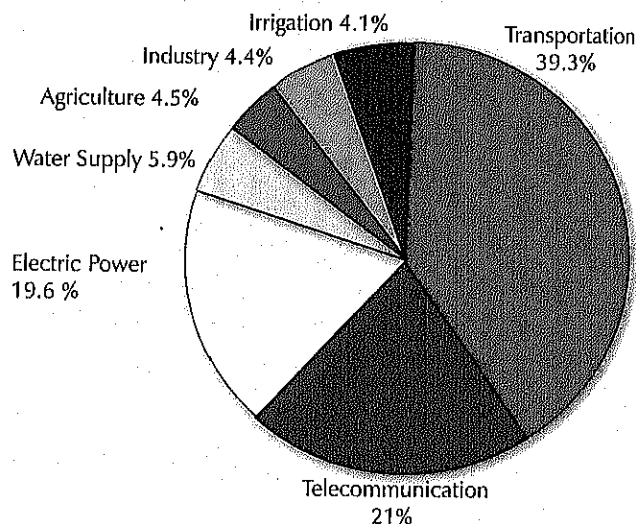
2. Grant Aid

Grant Aid is a form of ODA involving the provision of funds to the governments of developing countries like Kenya without the obligation of repayment.

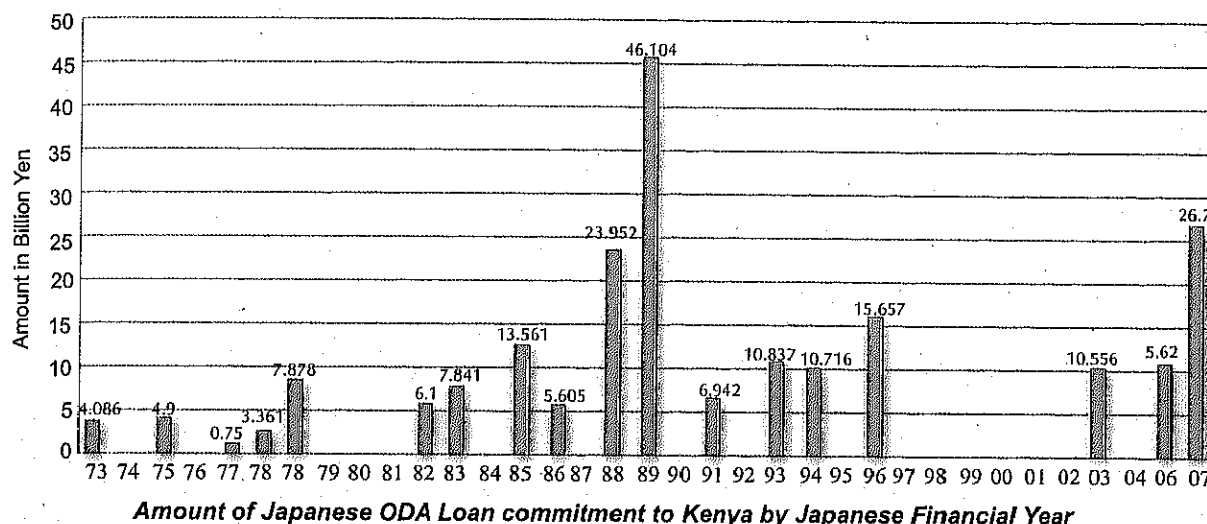
3. Japanese ODA Loan Scheme

Beginning October 2008, JICA undertook administration of the Japanese ODA loan scheme following its merger with the Japan Bank for International Cooperation (JBIC). Japanese ODA loans support developing countries by providing low-interest, long-term and concessionary funds to finance their development efforts. Kenya has had over 32 projects funded through the Japanese ODA loan scheme. Key among them are the construction of both the Mombasa Airport, and the New Nyali, Mtwapa and Kilifi bridges, and the recently concluded Sondu Miriu Hydropower project. An additional Sang'oro Hydropower project is ongoing with another project to develop the port of Mombasa having been effected in November 2008.

Distribution of Project Loans by Sector



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Amount of Japanese ODA Loan commitment to Kenya by Japanese Financial Year

4. Training Programs

These programs geared towards government officials, range from short courses of a few weeks to long-term Master's degree programs lasting at least 2 years. The aim of JICA training is to transfer specialized knowledge and technologies as well as increase cultural understanding between Kenya and Japan. Since 1976, JICA has trained over 4,000 Kenyan government officials, with over 180 taking part in the various training programs during the year 2008.

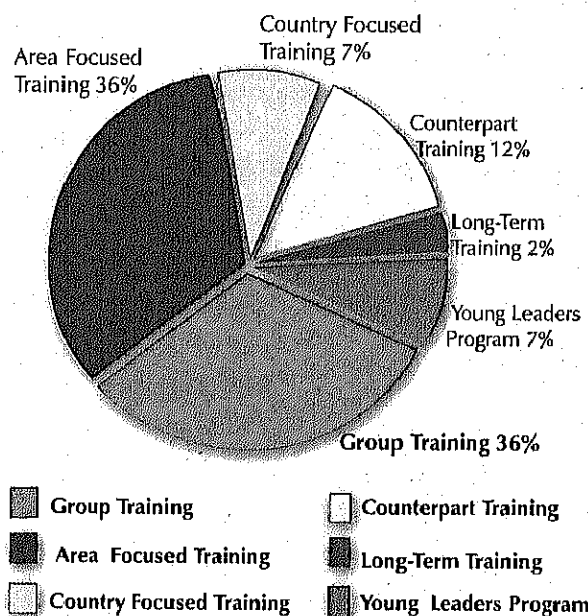
Training is conducted in Japan as well as in other countries as Third-Country Training Programs (TCTP).

JICA Training programs are categorized as:-

- i. **Group Training Courses:** Participants are drawn from various countries to form a group to train and share experiences from their countries.
- ii. **Area Focused Training:** These focus on Regional issues (e.g. Wildlife Management, Reproductive Health, Road Management).
- iii. **Country Focused Training:** This is a country specific training (e.g. Treatment of Juvenile delinquents offered to Children's Dept/ Probation/Prisons/Judiciary/Police).
- iv. **Counterpart Training:** Government officials who are counterparts of Experts based in JICA projects are trained.
- v. **Long Term Training:** University (Masters/ Doctoral).
- vi. **Young Leaders Program:** This is a cultural exchange program (home stay) in different fields including Education, Health and Small and Medium Enterprises (SME) promotion.

vii. **Third Country Training:** This is where participants from one or more countries converge in a specified country under Japan's training program. It is called Third Country Training because the country receiving training is (first), the country facilitating training i.e Japan is (second) and the country hosting the training is (third), e.g. participants from Malawi, Sudan, Kenya and Tanzania meet in Singapore for JICA's training.

Training Programs in 2008 (January-December)



5. Volunteer Program

See page 26 on details of the volunteer program.

New JICA: Harmonization and Alignment for Effective Aid Delivery

October 1st 2008 marked a turning point in JICA and Japan's ODA when JICA merged with the Japan Bank for International Cooperation (JBIC) to become the world's largest bilateral aid agency.

Under the new JICA, three forms of assistance previously administered by separate agencies i.e. Technical Cooperation, Concessionary Loans (Japanese ODA Loans) and Grant Aid - will be managed by a single entity. This will enable JICA to provide high quality international cooperation to meet the needs of people living in developing countries.

The new JICA has also embraced a new vision – 'Inclusive and Dynamic Development'. To make this vision a reality, we have adopted the following four Missions: (1) Addressing the global agenda, including climate change, water security and food supplies, and infectious diseases; (2) Reducing poverty through equitable growth; (3) Improving governance, such as through reform of the policies and systems of developing country governments; and (4) Achieving human security.

New JICA aims to provide effective backing for self-initiated efforts and to promote development that will result in a self-reinforcing cycle of poverty reduction and economic growth. It will ensure more effective and faster delivery of ODA in a better coordinated manner.

1. How New JICA Works

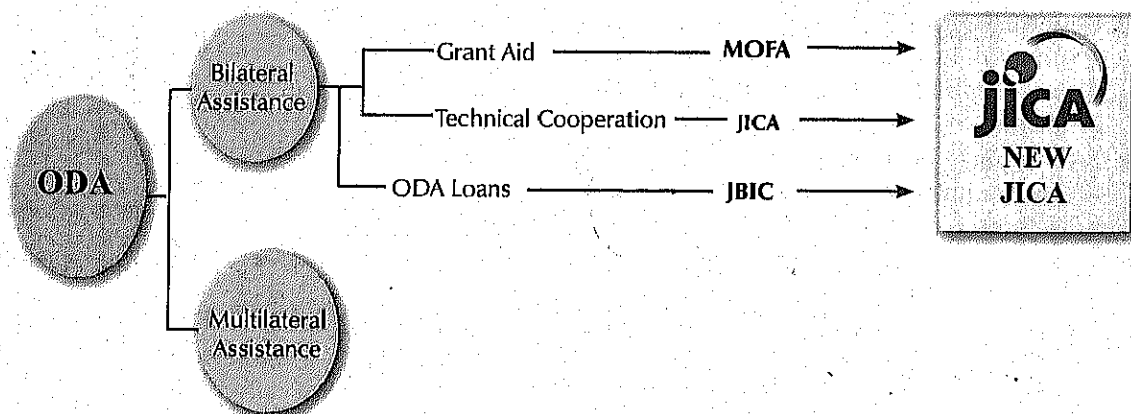
New JICA integrates the 3 schemes of Japan's Official Development Assistance (ODA): (a) Technical Assistance offered by "old JICA", (b) Concessionary Loans (Japanese ODA loans) extended by "old Japan Bank for International Cooperation (JBIC) under Overseas Economic Cooperation Operations, and (c) Part of the Grant Aid (with no obligation for repayment) provided by Japan's Ministry of Foreign Affairs (MOFA).

2. Operation

New JICA will enhance the impact of assistance in the following manner:-

- i. More Strategic Framework: focus on medium-to-long term development goals
- ii. More Predictable Aid: Operational "rolling plans" of candidate projects for individual developing countries
- iii. Speedier Project Formulation: seamless identification / formulation through "preparatory survey"
- iv. Assistance Tailored to Real Needs: Synergy of 3 aid schemes

The purpose of the merger can be summarized in 3S' i.e. Scale up efforts, Speed up assistance and Spread out activities.



The Fourth Tokyo International Conference on African Development (TICAD IV)

TICAD is a policy forum for African development which Japan initiated in 1993. The TICAD process seeks to mobilize knowledge and resources to assist African countries accomplish clear development goals and tangible results. TICAD emphasizes the principles of ownership by African countries, partnership and the expansion of South-South cooperation. The forum is held after every five years. The Fourth TICAD Conference was held in May 2008 in Yokohama, Japan. Discussions at the conference whose theme was a 'Vibrant Africa: Continent of Hope and Opportunity' centered around topics on:-

- i. Boosting Economic Growth in Africa
- ii. Ensuring "Human Security"
- iii. Addressing Environmental Issues/ Climate change

The Conference brought together delegates from 51 African countries, and 74 international and regional organizations. It produced a Yokohama Action Plan listing more than 100 specific five year plans to help boost Africa's development. It also set up a TICAD Follow-up Mechanism to monitor implementation of promised steps.

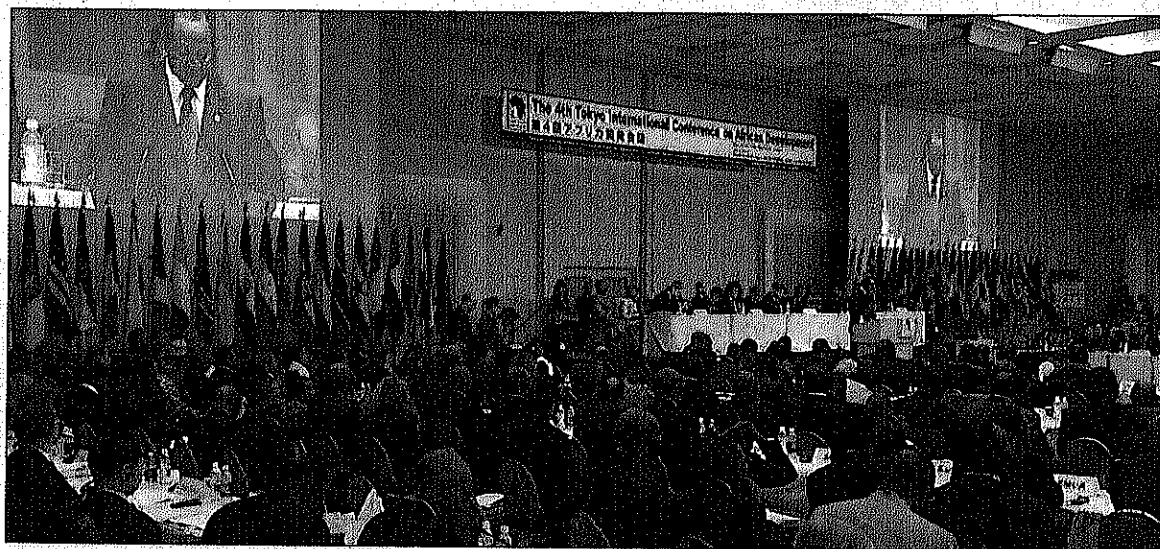
The Yokohama Action Plan

The "Yokohama Action Plan", outlines measures to be implemented through the TICAD process during the next five years (i.e. 2008-2013). This work plan is designed to provide a road map for the support of African growth and development and the TICAD process.

Actions to be taken under this plan cut across the Infrastructure, Trade & Investment, Agriculture & Rural Development, Community Development, Education & Health sectors. Consolidation of peace and good governance, and addressing environment/climate change issues are also key among the topics to be acted upon.

Work is already underway to achieve the goals set during the TICAD IV Conference. For instance, in the agriculture sector, in order to increase food production, an ambitious initiative termed the Coalition for African Rice Development aimed at doubling rice production within the next 10 years has been rolled out. Partners in this initiative include key donors and African and international institutions working on rice.

To view the Yokohama Action Plan, please visit <http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/action.pdf>



Delegates follow proceedings during the TICAD IV Conference.

Towards a Globally Competitive and Prosperous Nation

Agriculture sector is the foundation upon which the national economy is built. The current contribution of the sector and other agricultural related sectors to the GDP is more than 50%. It therefore has a significant role to play in the national endeavor to achieve the goals of the Kenya Vision 2030. In order to realize the ambitious goals set in the Vision 2030, like annual GDP growth rates of 10%, the sector needs to be rejuvenated by making it more commercially-oriented and innovative.

In the on-going projects supported by JICA, this need is being addressed. Linking the smallholder horticultural farmers to the market is a vital aspect of the Smallholder Horticulture Empowerment Project (SHEP) while imparting sustainable knowledge/technology on agriculture and irrigation are the main components of the project for Sustainable Smallholder Irrigation Development and Management in Central And Southern Kenya (SIDEMAN) and Community Agricultural Development Project in Semi-Arid Lands (CADSAL). The above mentioned projects are being implemented using participatory approaches to promote the involvement of smallholder farmers and to strengthen their organizations in line with aspirations of the Vision 2030.

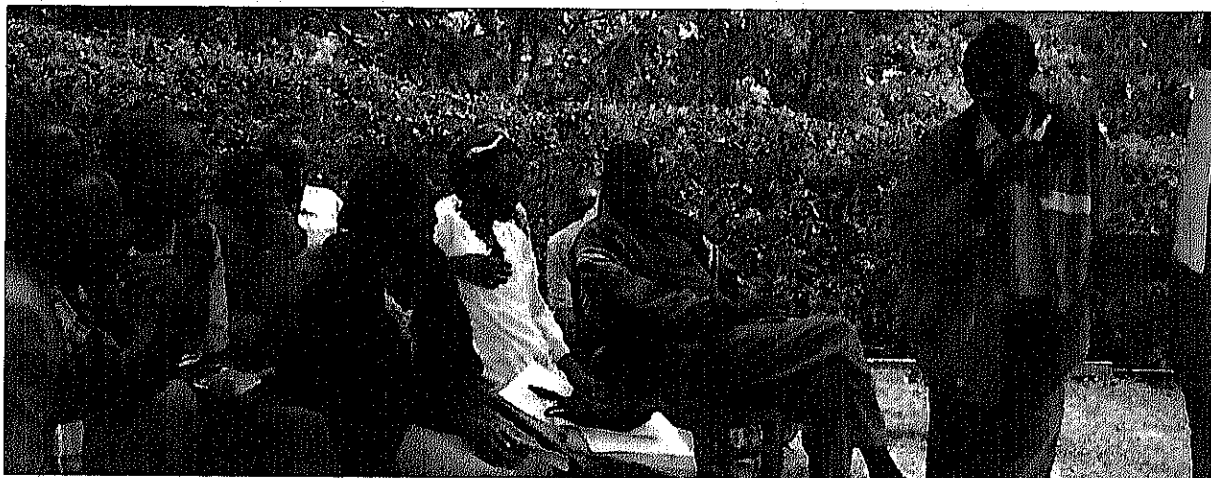
JICA is aware of the prevailing global food crisis and much effort has been put in place to alleviate the hardship faced especially by the poor. JICA supports the promotion of rice production with the objective of boosting food security in the country in line with JICA's initiative Coalition for African Rice Development (CARD). One example is the promotion of New Rice of Africa (NERICA). After a number of trials in the country, it is expected that the new variety will tremendously boost rice production in the country in a few years.

Focus on Current Projects

1. Community Agricultural Development Project in Semi-Arid Lands (CADSAL)

JICA in cooperation with the Ministry of Agriculture and the Ministry of Livestock Development has been implementing CADSAL since October 2005. The project aims to increase the agricultural production of target group (the farming community in Keliyo and Marakwet districts) in a sustainable manner. This purpose is to be achieved through four outputs which are:

- i. Strengthened participatory planning and implementation
- ii. Pluralistic extension service delivery system
- iii. Verified appropriate technologies to increase crop and livestock production



A farmer representative leads discussions on rule formation during a Group Dynamics Training under CADSAL.

iv. Guidelines for community agricultural development incorporating the outputs above.

For outputs no. (i) and (iv), CADSAL has been implementing two approaches called Community Initiative Project (CIP) and Community Participatory Technology Development (CPTD).

Under CIP, the community groups plan their own projects using participatory method with assistance from CADSAL. As the sense of ownership in communities over their projects is essential for their sustainability, the community groups are required to raise 20% of the input needed for the project.

In CPTD, CADSAL conducts trials and demonstrations together with communities to introduce and test improved techniques or varieties for crop cultivation or livestock husbandry.

In July 2008, mid-term evaluation of CADSAL was conducted by an evaluation team consisting of both Government of Kenya (GOK) and JICA representatives. The evaluation team took stock of the project activities and concluded that the project is generally making positive progress.

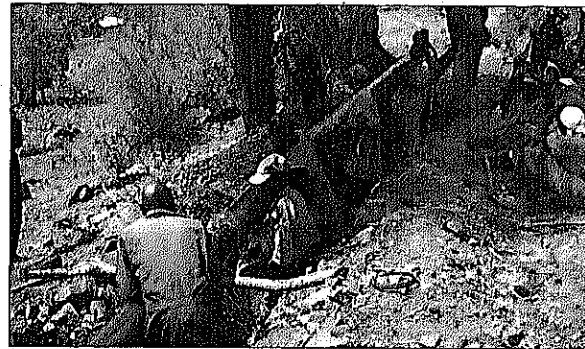
2. Project for Sustainable Smallholder Irrigation Development and Management in Central and Southern Kenya (SIDEMAN)

SIDEMAN is a five-year project which was started in December 2005 as a joint technical cooperation project between the Ministry of Water and Irrigation and JICA. The purpose of this project is to verify the methodology for development of sustainable smallholder irrigation system in selected schemes. The selected pilot irrigation schemes are Kiambindu in Mbeere district, Kiarukungu in Kirinyaga district, Kyeekolo in Makueni district, Kisioki in Loitokitok district and Koseka and Kanunka B both in Narok South district. This purpose is to be achieved through three outputs which are:

- i. Irrigation infrastructures of pilot sites are provided.
- ii. Irrigation Water Users Associations (IWUAs) of pilot sites are responsible for O&M of the irrigation system.
- iii. Capacity of Irrigation and Drainage Department and farmers are improved.

SIDEMAN is a pilot as well as national project as reflected by its overall goal. The methodology established through the project will be used

for other smallholder irrigation schemes development. "Sustainability" is important for the replication of this methodology in other areas. In order to address sustainability, construction and rehabilitation of irrigation facilities has been done with community's participation such as supplying construction materials, labour and part of the cost.



Pipe installation by farmers in Kiambindu Scheme, Mbeere.

3. Smallholder Horticulture Empowerment Project (SHEP)

The project commenced its activities in November 2006, and was officially launched in March 2007, by the then Minister for Agriculture, Hon. Kipruto arap Kirwa, and Japanese Ambassador, H.E. Satoru Miyamura. It is designed to incorporate into its framework necessary support in three dimensions:

- i. Marketing and farmers groups' management
- ii. Production technology and quality control
- iii. Rural infrastructure development

The project aims to influence the livelihoods of the smallholder by not only improving productivity and quality of crop, but also empowering the farmers to gain access and bargaining power in the market. The participation of both male and female farmers in every component of the project is emphasized. The three dimensions were chosen as the main factors that would have direct influence on the incomes of the farmers. The project focuses on the high to medium potential areas such as the larger Trans-Nzoia, Bungoma and Nyandarua districts.

The project conducts capacity building activities for the farmers on group formation, management, market survey for small scale farm produce and rural infrastructural development. This is done through innovative models of

SHEP such as FABLIST (Farm Business Linkage Stakeholder Forum) which aims to create linkages between farmers and other stakeholders like input suppliers, exporters, credit financiers etc., and JEF2G (Joint Extension staff and Farmers' dual (2) Gender) which emphasizes the participation of both female and male farmers in the management of farms and marketing of produce.

The project also trains frontline extension staff of the Ministry of Agriculture who are expected to transfer the skills and knowledge to farmers in their areas. In the rural infrastructural development component, "Do-nou" technology has been introduced. It is a low budget technology that encourages the participation of community members in maintaining and repairing rural roads.



A farmer who participated in the SHEP stakeholder forum in Trans Nzoia displays his produce.

4. Grant Assistance for Underprivileged Farmers (2KR)

The Japanese government has implemented grant assistance for underprivileged farmers to Kenya every few years in the past 10 years. JICA assisted it in terms of preparation/facilitation of the implementation.

How 2KR Works

In Kenya, Second Kenedy Round (2KR) procures fertilizer i.e. CAN and DAP from foreign countries and grants this to the government. The government then sells about 90% of this fertilizer to the market through a tendering process. The earnings from the fertilizer is stocked in the 2KR account in Kenya's Ministry of Finance as Counterpart Fund and the fund is used for the government's activities for assisting underprivileged farmers directly.

The remaining 10% of the fertilizer is given to underprivileged farmers directly through NGOs with their technical support. Kenya is the first country in the world to do such a collaboration trial with local NGOs. In December 2008, 3030 tons of DAP and 1500 tons of CAN arrived at Mombasa port, ready for distribution.

5. Training for Senior Officials from Public and Private Sector in the Cut Flower Industry.

Between 26th October and 6th November 2008, seven senior officials from the public and private sector in the Cut Flower industry were sent for training under the country-focus training program of JICA. The team, among others, comprised of the Agriculture Secretary, Trade Secretary and Chief Executive Officer of Kenya Flower Council, (KFC).

The aim of the training was to promote Cut Flower trade by providing the senior officers with an opportunity to familiarize with the Japanese quarantine, quality and trade requirements.



A media brief on Cut Flower by delegates at the office of the Minister for Agriculture.

6. NERICA (New Rice for Africa) Related Activities through AICAD

Since 2003, JICA has been supporting adaptability trials of upland NERICA in different parts of Kenya. Those activities are handled by NERICA Technical Committee which is the official body for NERICA related activities in Kenya under the coordination and support of AICAD (African Institute for Capacity Development).

The NERICA Technical Committee is making efforts to register these new varieties for dissemination to farmers. National Performance Trials (NPTs) and Distinctiveness, Uniformity and

Stability (DUS) tests for several recommendable varieties are going on and are at the final stage. These are being conducted in collaboration with Kenya Plant Health Inspectorate Service (KEPHIS).



NERICA NPT during an Evaluation Tour of KARI Mwea.

Highlights of Important Events

1. CARD 1st General Meeting

In May 2008, in the margins of TICAD IV Conference held in Yokohama, Japan, JICA jointly with Alliance for a Green Revolution in Africa (AGRA) launched a new comprehensive initiative, the Coalition for African Rice Development (CARD), which aims at doubling African rice production in 10 years. The first CARD General Meeting was held in Nairobi from 29th to 31st October 2008. Objectives of the meeting included advocacy and information/knowledge sharing for promoting domestic rice production in Africa as well as selection of assisting countries. Kenya was identified as a candidate of the assisting countries due to her potential. CARD continues to support the Kenya government to develop National Rice Development Strategy (NRDS) and to implement it. In Kenya, the consumption of rice is increasing while production is decreasing. There is a lot of room to increase production of rice. After its registration, NERICA rice will be an alternative source of food for farmers all over Kenya especially because it does not require paddy facilities.

'Do-nou' Technology Comes in Handy for Kilimo Msingi Farmers Group

Impassable feeder roads and bridges in rural Kenya are a major impediment to marketing of produce for smallholder farmers. This, is however, no longer the case for Kilimo Msingi Farmers Group. Kilimo Msingi is a farmers group in Trans Nzoia East district that has put into practice the "Do-nou" technology to maintain their road and most importantly repair a vital bridge that connects them to the market.

The group benefited from the training offered by Smallholders Horticulture Empowerment Project (SHEP) and immediately embarked on putting the technology into practical use. After a number of years of futile attempts to repair a bridge especially during the rainy season, the farmers' group is now in an upbeat mood to farm and sell their produce in time. They are now able to access the market and get farm inputs and also sell their farm produce in time.

Their main problem has been the muddy road connecting to the main Nairobi-Kitale road which becomes impassable during rainy seasons. Worse still, the temporal bridge connecting the farming community of Wamuini village to the main road would often be swept away making access to the main road nearly impossible.

The simple yet vital technology derives its name from the Japanese word that means wrapping soil in a gunny bag. 'Do-nou' technology involves use of gunny bags filled appropriately with either sand, farm soil, gravel or murrum with the bags opening properly secured.

The application of the technology has motivated and built the confidence of Kilimo Msingi group in initiating their own development. They are looking forward to spreading the technology in the surrounding communities to enhance trade.



Above: Bridge before construction.

Below: Bridge constructed by Kilimo Msingi farmers using Do-nou technology.

Promoting Economic and Infrastructural Growth

Currently, JICA's support to Kenya in the economic sector focuses on areas relating to Trade, Industrial & Private Sector Development and Capacity Development for Administrative Governance. Projects implemented in the past include: The Study on the Masterplan on Trade Promotion, National Tourism Masterplan, among others.

Focus on Current Projects

1. Trade Training Program for SME Exporters

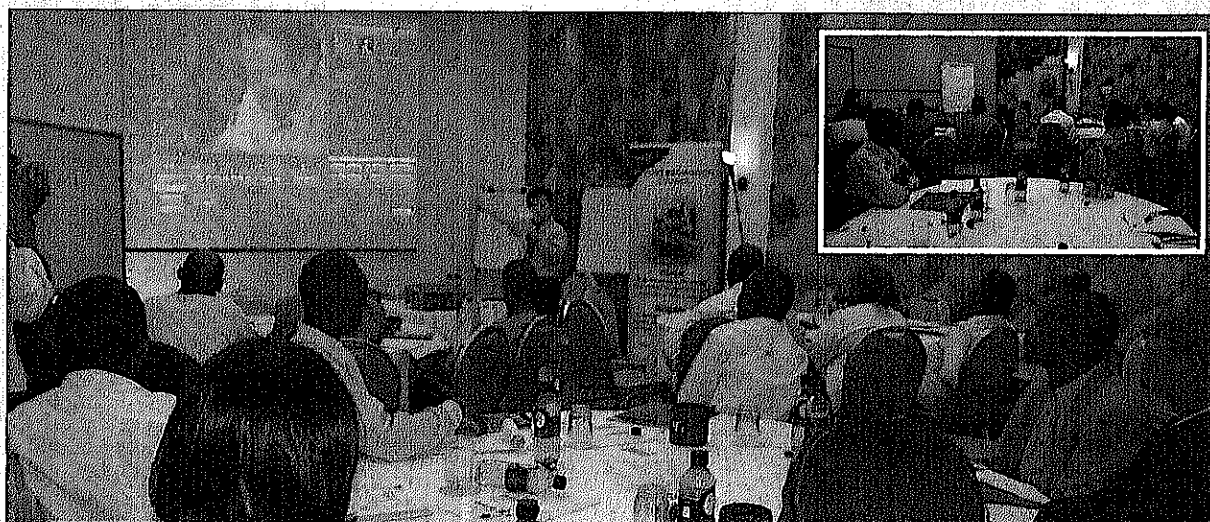
This is a three-year project that commenced in 2007. The overall objective of this project is to increase the Kenyan exports through trade training of small and medium scale exporters. It is expected that through this project, SME exporters will be equipped through training with sufficient knowledge and skills in the fields of export trade. A total of 11 modules were conducted under Phase I training a total of approximately 1,000 SMEs. Following the completion of Phase I JICA commissioned a consultant to evaluate the Phase and make recommendations for Phase II of the project. The results of the report reveal that the SMEs appreciated the training and they

made constructive suggestions on how to further improve the training program. As a result, Phase II of the training program will have an additional two modules on branding and e-Trade bringing the total number of modules to 13. Phase II will therefore cluster the 13 modules into three groupings i.e. Product Development for Exports and Export Marketing and Export Business Transaction.

The report also recommends the use of local consultants to deliver the lectures under Phase II. A Malaysian consultant is already on board to steer the implementation of Phase II. The consultant is expected to assist in revising/developing the new and old training manuals and also help identify appropriate short-term experts from Malaysia to backstop the local experts who are going to conduct the trainings. Phase II implementation is expected to kick off at the beginning of 2009.

2. Masterplan Study for Kenyan Industrial Development (MAPSKID)

The overall goal of the study was to promote industrial development of Kenya with emphasis on the target sub-sectors. The study was carried out in two stages. In the first stage, three target



Attendants of the Export Promotion Council EPC/ JICA Trade Training Program held in Nairobi.

sub-sectors were selected and in stage two, the Industrial Masterplan was developed. The study was completed in November, 2007 and the results were as follows:

- i. Three target sub-sectors were identified in the study. These included Agro-processing, Agro-machinery, Electrics/Electronics and ICT.
- ii. Consequently a list of Candidate Action Plans for 24 priority projects were identified. These include Promotion of Private-Public- Partnership (P-P-P) in industrial policy planning and administration; Studying legal protection over business to business transaction by Medium Size Micro Enterprises (MSMEs), Promoting graduation of Informal Manufacturers; Establishment of Training program for actions against counterfeit goods; Infrastructure committee for industrial development; Rehabilitating Industrial Roads; Strengthening collection and disclosure of industrial statistics; Promoting easy access to industrial information; Establishment of Kenyan Industrial Development Platform (KIDEP); Strengthening capacity of Kenya National Accreditation Service (KENAS); Introduction of Tear Down Practices; Setting up funding scheme for commercialization of Research and Development (R&D) activities; Introduction of MSME Management Consultant System; Development of B2C E-commerce; Development of B2B E-Commerce; Strengthening Capacity for Packaging Transforming Export Processing Zone (EPZ) into Special Export Zone (SEZ) Local investment promotion; Promoting direct finance; Upgrading Training in National Polytechnics; Introduction of organized Vocational Skills Evaluation System; One Village One Product project; Creation of an Integrated Economic Zone in Athi River and Environmental Protection, Safety and Health in Factories.

Having completed the MAPSKID study, the Ministry of Industrialization is currently pursuing the implementation of the prioritized projects. Out of the 24 prioritized projects, JICA has selected and is already in the process of implementing the One Village One Product (OVOP) project in Kenya.

3. Project on Capacity Building for Customs Administrations of Eastern African Regions

This two-year project started in September 2007. The objective of the project is to enhance the capacity of the Kenya Revenue Authority to operate the One Stop Border Post (OSBP) in cooperation with the revenue authorities of Tanzania and Uganda. It is expected that customs officers will obtain appropriate knowledge and skills to manage the OSBP system and that they will be able to provide effective and efficient services so that the cargo transaction time is reduced.

The project held a seminar on the OSBP operational systems in May 2008. Also offered were training courses on intelligence and profiling in May-June 2008 as well as classification and valuation in November-December 2008. In addition to the revenue authority officers, customs agents have also benefited from the latter training.

The project is currently preparing for a pilot in Namanga to operate the real-time monitoring system and the cargo control system. Joint border surveillance is also planned to be implemented in Namanga and Malaba in 2009.



Group photo of officials during the opening of OSBP Operational Systems seminar.

New Projects

1. One Village One Product Project in Kenya

The One Village One Product Project (OVOP) is a concept that was started in 1979 in Japan in Oita Prefecture under the inspirational leadership of Dr. Morihiro Hiramatsu, a former governor of the prefecture. The OVOP concept is now being replicated as a model of enterprise development in many countries including Thailand, Malawi,

Malaysia, Philippines, Mongolia and China. The concept stands on three pillars: 'Think Globally, Act Locally', 'Self Reliance and Creativity' and 'Human Resource Development'.

In Kenya, preparations for implementing OVOP are underway and the project will be a constituency-driven approach for rapid economic development that promotes value in production, processing and marketing of finished products and services. A local consultant was engaged by JICA to undertake the preparatory activities that include coming up with a draft guideline and strategic plan and mapping out past and existing similar activities. These documents have now been finalized and ready to be reviewed. A JICA expert is in the process of being recruited to facilitate this exercise and to roll out the implementation of OVOP activities in Kenya.

During a recent field visit to Makeni/Machakos districts to identify potential OVOP projects, our team came across an interesting and encouraging quote from one of the community groups that read – 'On Poverty: People in Kenya are poor not because they lack resources, but because they lack knowledge on how to use their resources.'



An exhibitor displays her locally made products.

Regional Market Survey in East African Countries

The main purpose of the study was to identify the potential commodities that can be manufactured and consumed and/or marketed (particularly from Nairobi, Kisumu and Mombasa) to the East African Community (EAC) market. In addition, the study undertook a



Some of the agricultural crops which can be processed for markets in East Africa.

detailed analysis of the cost of production for various commodities and used these production costs along with the profit margins to come up with a list of potential products (LPP). To derive the LPP that can be manufactured in Kenya and exported to the EAC, the study undertook a detailed analysis of the commodities produced in Kenya and exported to the regional markets. In addition, the study explored the commodities imported into Kenya from the EAC and those that are imported into Kenya from non-EAC member states. The study focused on Kenyan manufacturers for commodities produced by both large and medium enterprises and SMEs in agro-processing, petroleum and chemicals sub-sectors.

Regional Market Survey Dissemination Workshops in Nairobi, Mombasa and Kisumu

The overall purpose of the dissemination workshops was to present the regional market survey report to relevant stakeholders including SME exporters with a view to eliciting their feedback through report validation and additional recommendations. The workshops were conducted in Nairobi, Kisumu and Mombasa with participants totaling over 120 in the three venues. It was the view of workshop participants that the government and development partners have in the recent past ignited interest by SMEs in conducting new business ventures and expanding existing ones. The assertions emanated from the observation by workshop participants that in the past five years, through the Economic Recovery Strategy (ERS) for Wealth and Employment Creation, economic growth indicators were on the upswing and that the current Vision 2030 of the government has put in place mechanisms to support the growth of Kenyan owned business ventures through organized SME groups. Similarly, the participants cited the MAPSKID report by JICA and GoK as an important step in mapping out the potentialities existing in Kenya and the role which industry players held in enabling the vision to succeed.