



Implemented by





KENYA

SUPPORTING AVOCADO EXPORTS IN NYERI AND KIRINYAGA COUNTY



In the last decade, there has been a rapid increase in avocado farming in Kenya. Avocado has gained the name "green gold" due to its lucrative nature. It is not only food, but also a cash crop with a life span of up to fifty years. Upon harvesting, the fruit can be used directly or processed into other forms, such as avocado oil.



In 2021, avocado farmers in Kenya were able to reap an income of 9.5 Mio Euro from the crop.¹² The produce is mainly exported to the European Union (EU), Russia, United Arab Emirates (UAE), Saudi Arabia, United Kingdom, Egypt and Turkey.³

Avocados - A Sector with Unrealized Potential

The <u>Avocado Society of Kenya</u> has the mandate to promote efficient production and marketing of avocado to ensure that the sector remains profitable. Kenyan avocado farmers are free to join it.

Although trading with avocado is highly profitable, Kenya only exported 10 percent of its total production in 2021. This indicates that the market potential for avocado is not yet fully unlocked.⁴

Many Requirements to Export Avocados

Against this background, the Kenya Trade Network Agency (KenTrade) partnered with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH through the German Alliance for Trade Facilitation. Together they organized a two-day workshop in March 2023 to boost avocado exports in Kenya. Avocado farmers and traders came

together in Nyeri and Kirinyaga County to learn more about export processes and requirements. To diversify the exchange, the forum included representatives from the County Government of Nyeri, County Government of Kirinyaga and the Kenya National Chamber of Commerce and Industry (Nyeri Branch).

Both forums aimed to make export procedures more tangible by taking the farmers and traders through the process of obtaining the necessary permits as mapped out KenTrade's Information for Trade Portal Kenya (Info – Trade Ke) is the

platform that provides all necessary information on foreign trade procedures. Currently, 105 products and 794 export procedures have been mapped out on the portal, with avocado being one of them.



The workshops showed that the joint project actively contributes to reducing the number of export procedures for avocado: According to the current state, **the steps** for air cargo have been reduced from 39 to 35 steps and for sea cargo from 52 to 47.

The events also provided the opportunity to highlight the challenges in the avocado sector. The hurdles cut across participants who already trade with avocado and those, who are reluctant to engage in the export sector. Main challenges include:

- Access to markets and the market requirements for different destinations
- Lengthy procedures and numerous agencies involved, therefore a need to further simplify export processes

- Need for training on the agreement on the African Continental Free Trade Area (AfCFTA) and how to exploit the opportunities
- Facilitation to increase farm produce
- Access to financial resources to expand on their produce
- Provision of additional aggregation centers in the counties and quality assurance in the existing aggregation centers



Mercy Mwihaki Mwangi Herbs Farmer, Participant of the event

"I am a herbs farmer but after the session today I would like to venture into avocado farming. But the delay in diversifying into other horticultural commodities is linked to gender issues. There is the traditional way and culture that have been hindering women to do large scale farming and owning land. I have a piece of land, it's a joint inheritance with my sister. The grandparents are the ones farming on the land, we are just holding a piece of paper - the title deed. We can't do anything about it because we are female. If it was my brother, it would be different. Just because I'm married, they think the wealth I am going to accumulate will go to my husband.

Today I have learnt a lot; despite who you are, you can engage in export business – if you do it the right way, through the agreed regulations and certifications, permits and licenses".



Martin Ndirangu

Chief Executive Officer of the Kenya National Chamber of Commerce (KNCCI), Nyeri Chapter

"Today's forum has been of great impact to our avocado farmers and those venturing into exports. As KNCCI we are trying to address the challenges that prevent farmers from going into exports. One main challenge is that farmers don't have the access to understand international trade processes and procedures. This session has trained farmers by sharing how they will find information on trade procedures, regulations, and compliance required for exporting."

Avocado Farmer,
Participant of the Event



"I ventured into the avocado business because of the lucrative market. I mostly sell products through the association, they look for markets internationally and locally. The biggest challenge is the access to information. Through this training, I see that it is possible to export even without the 'godfather' and export globally.

KenTrade's presentation today has shown me the different stages required as a farmer and an aspiring exporter; the qualities I must meet, the different agencies I need to approach. In the next 3 years, I hope to consign to different countries and to be a global brand with avocado plants."

HOW YOU CAN GET INVOLVED

Are you interested in learning more about this or other projects and potentially becoming a partner? Please reach out to us — whether you are business active in cross-border trade or a governmental institution.



tradefacilitation.de



tradefacilitation@giz.de

¹ This is equal to 14.48 billion Kenya Shilling.

² Source: <u>https://www.the-star.co.ke/business/kenya/</u>

³ Source: https://research.rabobank.com

⁴ Source: https://exportpotential.intracen.org/