

Agriculture Food Authority

Shows and Exhibitions Innovations

Innovation 1

Warehouse Receipt System

Introduction

This is an initiative by National Cereals and produce Board (NCPB). The NCPB is a state corporation established in 1985 through an act of Parliament (Cap 338). It is mandated to handle and market maize and other grains grown in Kenya. This innovation aims at strengthening the commodity supply chain and trading regime.

How it works

The WRS will issue tradable receipts /Warrants for commodities stored at the silos. It plays an important role in ensuring that the liberalized grain market in Kenya becomes more responsive. It also creates competitiveness in the international markets through;-

1. Institutionalizing structured trading
2. Improving accessibility to credit
3. Linking post-harvest credit, through WRS financing, to funding for agricultural inputs, thereby raising agricultural productivity
4. Improving price-risk management by providing more secure basis for forward transactions and the development of commodity exchange trading
5. Improving and facilitating the sale of commodities when the price is right

The Process

After the farmer has harvested his crop, he then transports it to a certified warehouse. The grain is then checked to ensure that it meets the stipulated quality standards.

When the grain passes the quality tests and the quantity is within the minimum set level, it is received by the Warehouse Operator at NCPB who will then issue a Warehouse Receipt to the farmer (Depositor)

The farmer can present the warehouse receipt to the bank to which can offer access to short term financing. The financing is a proportion (80%) of the market value of the grain deposited in the warehouse. This enables the farmer to meet his basic financial obligations or preparing for the next planting season as he awaits to sell his produce when the market price is right.

Once market prices improve, the farmer then sells his grains and the buyer is instructed to pay directly to the bank, this is an added advantage to the farmer since he doesn't have to carry large amounts of cash and the bank can also recover amount loaned in advance. The warehouse operator also recovers any storage or handling charges.

Cost

RATE PER BAG	50 KGS	TON
1. Intake (Once)	33.35	666.70
2. Storage from 2 nd month(Per month)	9.45	188.90
3. Discharge/release (Once)	8.35	166.70

These payments cover the following services;-

- Grading
- Cleaning
- Weighing
- Bagging
- Handling in and out
- Fumigation
- Insurance in case of damage or loss

Location

Currently there are Pilot warehouses that are inspected, these are Kitale, Moi's Bridge, Eldoret, Bungoma, Nakuru, Narok, Nairobi, Kisumu and Kilgoris silos.

AFA Potential Areas of collaboration with NCPB

Food security: Reduction in postharvest losses through professional storage thus improving food security, strategic grain reserves and Famine relief Stocks

Market linkages: Linking farmers in order to reducing postharvest losses as well as exploitation of brokers who buy grains from farmers at very low prices

Commodity exchange: Enabling development and trading through commodities exchange

Economic Stability: Enables farmers to sell their grain when Market conditions and prices are most favorable

Innovation 2

Tissue Culture Bananas

Introduction

Traditional staples food like maize are faced with many challenges including drought, disease and reduced sizes of land. Banana becomes a significant alternative since it can be grown on a small scale and under reduced irrigation needs or both food and commercial purposes.

Varieties of Tissue Culture Bananas available for commercial use.

Type of Banana	Characteristics	Challenges
Ngombe Retails at 100.00 per seedling	<ol style="list-style-type: none">1. Only for cooking2. Production is upto 90 kgs per bunch3. Needs a lot of water especially during yielding period	

	4. Grown in low lands, medium and highlands	
FHIA 17	<ol style="list-style-type: none"> 1. Dual purpose i.e. for cooking and ripening 2. Production can be 120 kgs per bunch 3. Must be grown with fertilizer 4. Maintenance free once it starts yielding fruits 	<p>Grows very tall and needs heavy support because of the weight of the fruits</p> <p>Prone to pests in some areas (Banana weevil)</p>
Giant Cavendish	<ol style="list-style-type: none"> 1. Only for ripening 2. Similar to Williams Granaine Valery variety 3. Grows to 60 kgs 	
FHIA 23	<ol style="list-style-type: none"> 1. Ripening only 2. Production can go to 80 kgs 3. Stems and leaves can be used as animal feeds and manure 	

Advantages of Tissue culture raised banana plants

1. It's true to the mother plant, there's no room for variations in a well- managed plant production.
2. Better establishment in the field due to accelerated growth and well developed root system for better absorption of nutrients.
3. Infection free planting materials
4. Uniform growth of all plants unlike plants cultivated using suckers.
5. Shorter harvesting period (Earlier maturing crop) hence faster return on investment.

