

Livestock Enterprise in Kinango Sub - County, Kenya: Challenges, Constraints and Opportunities.

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ABSTRACT

Livestock production at the coast is undertaken in the Arid and Semi-Arid Lands (ASALs) and it heavily relies on traditional breeds mostly carried out by small-scale farmers whose performance in terms of production, management, processing and marketing has not been encouraging. The falling production trends and the inefficient market outlets have adversely affected smallholder producers through reduced earnings. The sector is also faced with severe drought, high prevalence of pests and diseases, inferior local breeds, poor rural access roads, poor farmer-processor linkages and lack of affordable credit facilities. Pest and disease infections have severely affected the quality of livestock produce whereas price fluctuation especially of live animals has contributed to low earnings to livestock owners/traders. Nonetheless, the arid conditions of the region and the vast lands offer conducive conditions for commercialisation of livestock for wealth creation and improved economic conditions. Despite the existing natural resources, the coast region has a high incidence of absolute poverty with 62% of the population living below the poverty line while 59.46% and 44.78% are food and hard-core poor respectively (Welfare Monitoring Survey III, 1997). The Kenya government focuses on the livestock and meat industry strategic areas for self-sufficiency in basic foods. In addition to the achievement of broad food self-sufficiency, other sector objectives include employment creation, income and foreign exchange earnings and stimulation of off-farm income generating activities in the rural areas. These in turn will lead to reduction in poverty as highlighted by the Poverty Reduction Strategy Paper (PRSP) whereby livestock production is ranked highly in its contribution to poverty reduction. Kinango district is part of the Arid and Semi Arid Lands that fall under the livestock-producing zone covering 80% of the total land area in the coast region. The district is endowed with land supporting livestock production most of which are operating below capacity. This has led to the under exploitation of natural resource base in the district hence low production in livestock which is the most important livelihood for the local communities. This trend has contributed significantly to the high poverty incidence, food insecurity malnourished populace and reduced incomes. The research employed a descriptive study design while undertaking the baseline study of livestock enterprises in Kinango, Kenya. The target population were livestock keepers and traders where thirty-five of them were selected using stratified random sampling. The views of the sample population were collected by administering a questionnaire, undertaking interviews and making observations and the information and data collected was analysed using the Statistical Package for Social Science (SPSS) the results of which are intended to inform the strategic approach by livestock farmers and the government in putting in place policies and measures aimed at promoting and commercialising livestock farming in Kinango.

Keywords: Arid and Semi-Arid Lands, commercialisation of livestock

INTRODUCTION

Kinango district is an Arid and Semi Arid Area which is entirely a livestock producing zone where livestock is a prime economic activity and hence the source of nutrition (food), employment and income to the communities. Nevertheless, there is high poverty incidence, food insecurity, reduced incomes and environmental degradation such as wood cutting as alternative source of income. As result, efforts aimed at making livestock enterprise a profitable enterprise that contributes to enhanced income earnings of small holder livestock keepers/traders should therefore be promoted. Though there are operational auctions in Kinango, Malomani, Samburu, Ndavaya and Mwakijembe, livestock keepers/traders are yet to fully benefit from the livestock trade which is generating a

lot of income. Also commercialisation of small scale farming largely depends on removal of marketing constraints. However, with the current trend of liberalised market system, success depends on individual farmer marketing skills and technical expertise. Lack of collective bargaining among livestock traders has allowed middlemen to benefit at their expense. The focus of the baseline was on livestock based enterprise which has great potential of improving the living standards of the local communities, and can only be achieved with efficient and rewarding marketing system. The baseline studied the effectiveness of undertaking livestock enterprise and its major findings include:

- i) Lack of cooperative or formal alliance amongst livestock traders/owners
- ii) High losses were experienced as a result of the severe drought
- iii) Heavy reliance on local breeds which are inferior in the market
- iv) Non competitive prices offered by slaughter houses and middle men at the slaughter points

The survey recommended the following for effective and efficient marketing system in the coast region of Kenya;

- i) Formation of livestock marketing group(s)
- ii) Establishment of savings and credit scheme for the provision of accessible and affordable credit
- iii) Promotion of Water pan construction and pasture establishment programmes
- iv) Promote data flow and exchange of ideas between CDA and Kinango County Council
- v) Capacity building of livestock entrepreneur groups for effective monitoring and sustainability

LIVESTOCK SECTOR IN THE COAST REGION

The Coast Development Authority (CDA) area of jurisdiction covers 83,681 km² and the 200 nautical miles of the EEZ. Of the total land area, only 34,314 km² (31%) is suitable for crop production and the remaining 69% is Arid and Semi-Arid Land (ASAL) supporting mainly livestock production and wildlife (CDA, 2006). Despite the rich resource base, the region is faced with unemployment, inequality in income distribution, lack of appropriate resource-based benefit sharing mechanisms and destructive practises on the natural resources that have impacted negatively on the socio-economic well-being of the community leading to increased rural-urban migration. The livestock plays a vital role in the national economy by contributing to Gross Domestic Product (GDP) and employment mainly in the rural areas (Republic of Kenya, 2009). Nevertheless, the livestock sector has been facing a severe drought that has resulted in acute shortage of water and death of large number of animals. At the same time, the sector is faced with fluctuating prices of live animals, pests and diseases, limited extension services and lack of close collaboration among various partners in undertaking development programmes to address the challenges facing the sector. There has been a falling trend in the livestock population which has given rise to the national deficit of 14,000 metric tonnes and 6,000 metric tonnes for meat and mutton respectively thus impacting negatively on the attainment of food self sufficiency. The red meat consumption for coast region is estimated at 14,905 metric tonnes (0.0049 metric tonne per person) and the consumption is expected to increase with growth in population and change in eating habits (Republic of Kenya, 2006). However the beef cattle population has been almost stagnant over 10 years mainly due to recurring droughts and livestock diseases.

Table 1: Livestock Population in coast province

Type	1997	2007	% increase
Cattle	992,357	1,064,274	7
Goat	886,746	1,112,660	11
Sheep	406,317	596,767	32

Source: Republic of Kenya (2008)

Table 2: Livestock population in Kinango district

No	Division	Cows			Goat			Sheep	
		Dairy	Dairy crosses	Zebu	Local Goats	Meat Crosses	Gala	Local Hair	Crosses
1.	Samburu	7	-	83,567	112,021	1,750	1,000	16,000	20
2.	Kasemeni	157	200	37,104	48,000	250	400	20,000	40
3.	Kinango	-	-	23,000	40,000	150	200	18,000	30
4.	Ndavaya	-	-	12,000	9,000	-	200	4,000	20
Total		164	200	155,671	209,021	2,150	1,800	58,000	110

Source: Republic of Kenya (2008)

Water pan construction and pasture establishment programmes are needed to ensure year round availability of water and fodder especially during the dry months in order to reduce livestock loss due to lack of feed. Promotion of the establishment of abattoirs and tanneries will offer a ready market for livestock through value addition.

Table 3: Earnings from livestock

Period	1997	1998	1999	2000	2001	2002
Quantity (000's tonnes)	84.2	78.4	99.0	99.2	98.9	121.1
Value (Kshs Billion)	8.7	9.7	14.2	13.9	20.2	26.7

Source: Republic of Kenya (2009)

LIVESTOCK PRODUCTION AND MARKETING

Livestock production at the coast is undertaken in the Arid and Semi-Arid Lands (ASALs) and heavily relies on traditional breeds mostly carried out by small-scale farmers whose performance in terms of production, management, processing and marketing has not been encouraging. The falling production trends and the inefficient market outlets have adversely affected smallholder producers through reduced earnings.

The sector is faced with numerous problems, which include severe drought, high prevalence of pests and diseases, inferior local breeds, poor rural access roads, poor farmer-processor linkages and lack of affordable credit facilities. Pest and disease infections have severely affected the quality of livestock produce whereas price fluctuation especially of live animals has contributed to the low earnings to livestock owners/traders. It is against this background that the Terms of Reference were developed to conduct the baseline survey to establish the magnitude of the problem currently facing the sector and recommend strategies for addressing the identified challenges.

THE BASELINE AND ITS FINDINGS

a) Research Design

The baseline study employed descriptive research which includes surveys and fact-finding as which allowed reporting what has happened or what is happening. According to Mugenda and Mugenda (1999), the method allows the research to utilise appropriate survey methods including comparative and correlation methods.

b) The baseline

The baseline survey was conducted in Kinango district whose economic activities are greatly influenced by livestock. The district has five auctions namely Kinango, Malomani, Samburu, Ndavaya and Mwakijembe as well as slaughter houses such as Mariakani slaughter house, Mombasa slaughter house and Uwanja wa Ndege slaughter house. On average livestock farmers own 50 animals with some having as many as 400 animals though the numbers were drastically reduced by the severe drought that affected the country.

During the auction, an average of 152 cows and 300 goats are on sale fetching as much as Ksh 31,000 per cow and Ksh 5,000 per goat.

Table 4: Trading at Kinango Auction

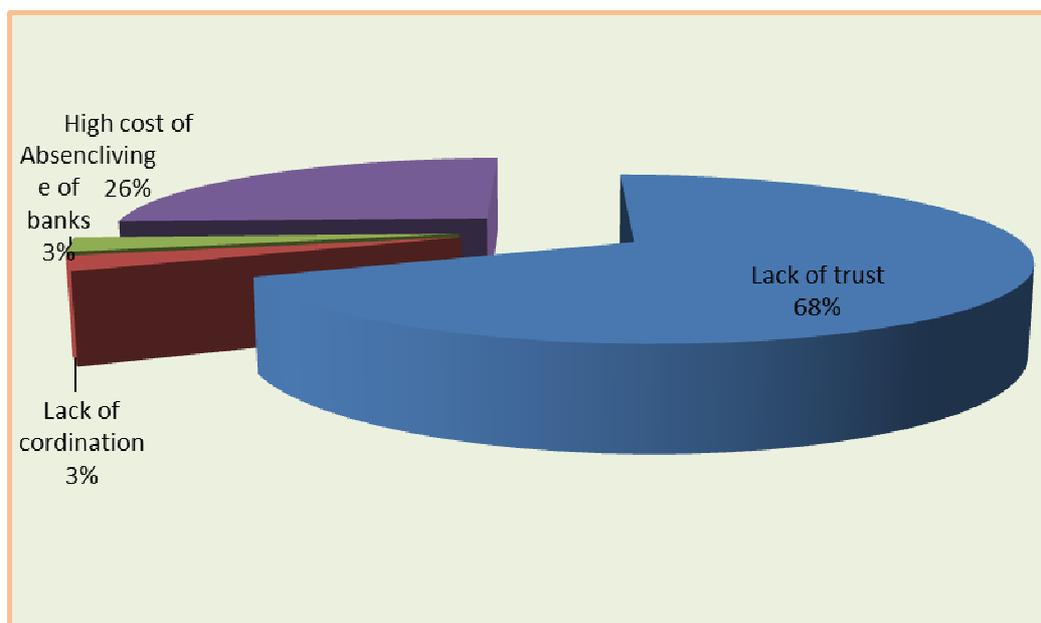
Period	Cows	Goats	Av. price cow	Av. price goat
December, 2009	152	300	31,000	5,050 /6,010
November, 2009	362	1,536	25,000	3,500

Source: Researcher (2009)

c) Findings

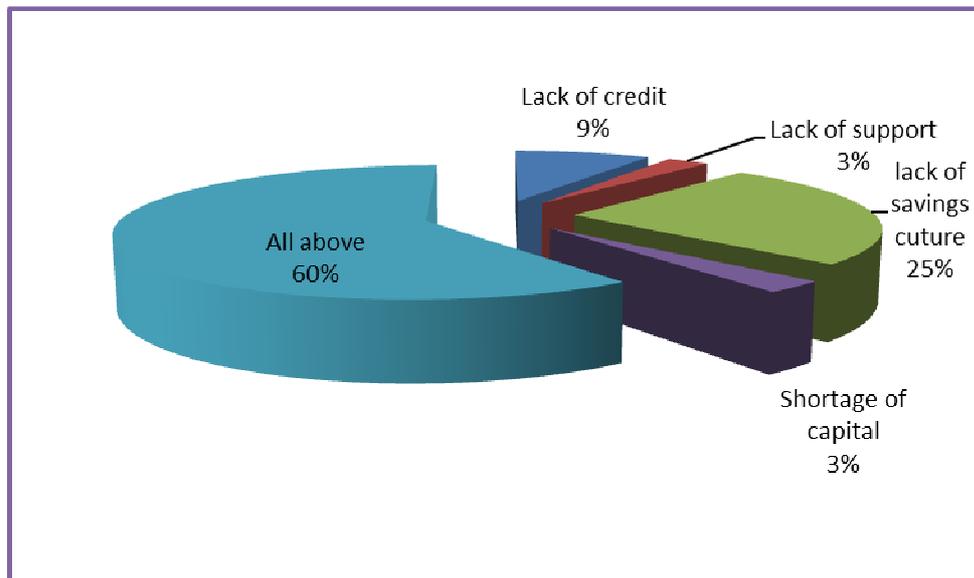
Of the 35 livestock members interviewed, most groups have membership of 16-20 with majority of them (71%) undertaking livestock trading as the major economic activity while keeping less than 50 animals mainly cows. This implies that during the drought, their means of livelihoods is put at high risk rendering them extremely exposed to poverty. Majority (91%) of the interviewed entrepreneurs were men with their highest level of education being primary school. This implies that few members are available to undertake leadership roles that require high education skills. Most of the activities are financed from own savings with over 60% keeping their monies at home with limited number having bank accounts. This is further explained by the limited number of banking institutions with the nearest bank being in Samburu a distance of 20 kms away and a fare of Ksh 50 one way. It is no surprise then that 74% of the members do not undertake savings. Most members are not undertaking savings mainly due to lack of trust among members and the prevailing high cost of living hence a need to comprehensively address these factors. Nevertheless, the need to undertake group savings was very high (94%) amongst the entrepreneurs interviewed.

Figure 1: Reasons for not undertaking group savings



Source: Researcher (2009)

Figure 2: Constraints faced in livestock business



Source: Researcher (2009)

The entrepreneur activities in the livestock sector are mainly affected by combination of lack of savings culture, inaccessible to credit, shortage of capital and lack of external support to mobilize livestock traders.

d) Inaccessibility to Credit Facilities

No banking services in the district and the Kwale Teachers SACCO, Choice, Aga-khan financial services (Sombeza) and Women Finance Trust are the only Micro-finance institutions in the district. The absence of banking services has contributed to many potential investors not being attracted to the district. The majority of the district's residents, particularly the business community has therefore had to seek financial services from outside the district. This has affected adversely the service as well as investment in the district (**Republic of Kenya, 2008**).

e) Type of livestock

The survey established that most livestock traded are local zebu and goats with presence of Maasai and Somali traders who have other superior breeds such as Boran which normally fetch high prices. The baseline further revealed that farmers sell their produce to the middlemen at the auctions and who later sell the same to slaughter houses. This chain results in low and highly fluctuating prices. The study also revealed that the middlemen at the slaughter houses owe traders a lot of money, as their stock is not paid for instantly.

f) Transporting animals:

The animals are normally trekked from various sources to various auction centers and slaughter houses. Normally, trekkers are paid Ksh 50 per cow and Ksh 20 per goat. This is based on mutual trust and proven track record of honesty on the part of the trekkers.

RECOMMENDATIONS:

- i) Livestock farmers/traders should be mobilised to establish savings and credit scheme for the provision of credit. The following action steps have been developed:
 - Undertake training on financial and leadership skills for Taru Meat Goat Group
 - Make follow up meetings with Ndavaya livestock traders/owners on group formation and governance issues
 - Follow up on Matopeni Meat Goat Production and Marketing Group efforts on accounting for Ksh 89,000 used in goat selling business by its members

- Assist officials of Makamini Meat Goat Production and Marketing Group undertake sensitization of its members
 - Facilitate establishment of savings and credit scheme for livestock traders in Kinango town
- ii) Livestock population census should be undertaken so as to promote proper planning of planned interventions in the district
 - iii) There is need to strengthen livestock Extension Services in the district to ensure high quality production of animals.
 - iv) There is need to promote regular collection of data on livestock
 - v) Water pan construction and pasture establishment programmes should be promoted to ensure year round availability of water and fodder especially during the dry months in order to reduce livestock loss due to lack of feed.

CONCLUSION

In order to enhance livestock enterprise in Kinango and hence boost food security, interventions are required at the market infrastructure level, policy level and technology and information transfer level. The success and hence the sustainability of any measure depends on community participation at an early stage and through all levels. In view of increased competition in the livestock sector, improvements are needed in the provision of extension services and networking. In addition to farmer agricultural skills, farmers should take on greater commercial skills as a step to commercialisation of their activities. Further, farmers will derive meaningful gain from their farming activities if they pursue group-marketing approach and networking as a way of increasing their bargaining power in the market. Their overall success hinges on the fact that stakeholders in the sub-sector will come forward and offer them the much needed support in the promotion of farmer linkages. The unpredictable nature of the climatic conditions of the district demands that livestock farmers' should exploit the opportunity of group approach in mobilising their financial resources for greater access to finance to support their entrepreneurial ventures.

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