



Tegemeo Agricultural Policy Research and Analysis

USAID/Neil Thomas



Tegemeo conducts household surveys to gather data on smallholder farmer behavior in Kenya.

Funding Level:
\$8.8 million

Duration:
June 2012 – May 2017

Activity Goals:

- Monitor and track trends and patterns in agriculture and rural livelihoods
- Perform policy research to inform key policy issues and initiatives
- Conduct outreach and advocacy
- Build capacity both within and outside the Institute

Activity Accomplishments:

- Conducted policy research on genetically modified food, value added tax, fertilizers, and more
- Organized policy forums and workshops with local and international collaborators to share data and elicit feedback and debate
- Conducted research on seed systems, land, food prices, inputs, credit, drought-tolerant crops and value chain studies
- Conducted short- and long-term trainings for Tegemeo staff

ACTIVITY OVERVIEW

Tegemeo Institute of Agricultural Policy and Development is a policy research institute under the Division of Research and Extension at Egerton University. The mandate of the Institute is to conduct policy research and disseminate findings in an objective manner. Its vision is “A people forever free from hunger and poverty.”

Tegemeo Institute conducts policy research and analysis in agriculture, rural development, natural resources, and environment. The Institute addresses micro and macroeconomic policy issues that affect farming, processing, marketing, and trade of agricultural products and inputs. The Institute undertakes empirical research and analysis on topical agricultural policy issues and promotes policy dialogue and advocacy via the dissemination of various research findings to stakeholders (including government), development agencies, civil society, and the private sector. The Institute impacts on Kenyan livelihoods by influencing the formulation and preparation of policies that affect food security and poverty. USAID supports the Tegemeo Agricultural Policy Research and Analysis activity to inform and influence policies and development interventions focused on short- and long-term improvement in agricultural productivity, incomes, and food security.

ACTIVITY AREAS

The program’s activities are organized around four broad themes/objectives:

Monitoring trends and patterns in rural livelihoods

This involves monitoring changes at the household, commodity, sector/sub-sector and macroeconomic levels to inform interventions and policies that focus on improved food security and poverty reduction. This is achieved through collecting and analyzing household-level data of rural families. Changes in productivity; income and poverty; food security and nutrition; technology development and use; and environment and climate change are all monitored.

Policy research

Tegemeo conducts policy research to inform and guide government and stakeholder interventions in the agricultural sector. Studies focus on crop and livestock value chain analysis; analysis of food/commodity prices and productivity; use of fertilizer and improved seeds, including those of drought-tolerant crops; climate variability and change; and gender issues in agriculture.

Outreach and advocacy

Tegemeo informs public and private sector stakeholders and

Implementing Partner:

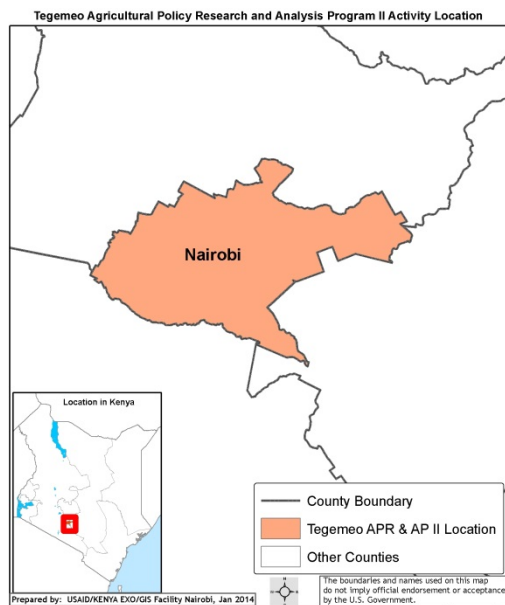
Tegemeo Institute, Egerton University

Key Partners:

Ministry of Education, Ministry of Agriculture, Livestock and Fisheries, Kenya Agricultural Research Institute, Kenya National Bureau of Statistics, Michigan State University

Activity Location:

Nairobi, Kenya – affecting policy nationwide

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development agencies regarding promising policy and investment opportunities that promote rural incomes and food security in Kenya.

Capacity building

To sustain its quality policy research and analysis work, Tegemeo builds and strengthens the capacity of its researchers through short- and long-term training. It also enhances public sector policy research and analysis in Kenya through short-term trainings focused on survey design and implementation; data collection, management and analysis; and, policy analysis.

ACTIVITY IMPACT

In 2012, the Government of Kenya introduced a Value Added Tax (VAT) bill that proposed a tariff on goods including agricultural inputs (seeds, animal feed, and fertilizer) and foodstuffs. The measure led to significant price increases for agricultural inputs and serious ramifications on agricultural production and food security.

To demonstrate the impact of the new VAT bill, Tegemeo conducted an assessment using poultry farmers, and how they are affected by the proposed 16 percent VAT on animal feeds. Their study showed that imposing the 16 percent VAT on animal feeds forced manufacturers to raise their feed prices, which they then passed on to the consumers, resulting in a 70 -100 percent decline in profits for growers. The decline in profits pushed many smallholder farmers out of the business. Furthermore, the imposed VAT caused Kenyan farmers to lose their competitiveness, which could lead to the importation of cheap imports and the long-term effects of loss of employment, poverty, and lack of nutrition.

Tegemeo recommended that the VAT on animal feeds be reversed.

With USAID support, Tegemeo shared these results with the Government of Kenya, the parliamentary committee on agriculture, the private sector, civil society representatives, consumers, and other stakeholders in October 2013.

The result: Legislation was modified as a result of greater insight and better information. As of the May 29, 2014 the Government of Kenya Cabinet Secretary of the Ministry of Agriculture, Livestock and Fisheries has gazetted that animal feeds and the raw materials used in their preparation are now exempt from VAT.