

“Diversifying Food Systems: Horticultural Innovations and Learning for Improved Nutrition and Livelihood in East Africa”
(HORTINLEA)

JOINT INTERIM REPORT (SP11)

01/01/2014 – 31/12/2014
FORMAL REPORT



Description of activities/milestones
SP11: Institutional Arrangements in Horticulture and Collective Action along the Value Chain
<p>I1: To assess the formal legal framework for Horticulture in the partner countries, focusing on land and water law. EU has completed this activity.</p>
<p>I2: To analyse the formal and informal institutional arrangements that govern natural resources, considering legal pluralism. HUB leads this activity and no delays occurred regarding the analysis of the formal and informal institutional arrangements governing natural resources focusing on sustainability collective action and AIVs. In total 13 interviews with farmers and 11 with experts have been conducted in the exemplary case selected. Findings from this activity are already studied as basis for the following (I3) activity. One master thesis resulted from this study and a discussion paper and publication at a peer-reviewed journal are foreseen.</p>
<p>I3: To assess the impact of different institutional arrangements on the sustainability of horticulture, considering the different stages of the value chain. HUB leads this activity in continuation of I2. Findings from I2 have been incorporated to a PhD research tentatively titled: "Nature and influence of institutional arrangements and collective action on performance and sustainability of Indigenous vegetables value chain in Kenya". The set objectives of this study are defined as follows: to identify, characterize and compare formal and informal institutions facilitating subsistence and commercial AIVs production and marketing systems in rural, peri-urban and urban Kenya; to identify factors influencing existence and effectiveness of collective activities and contractual arrangements along the indigenous vegetables value chain in Kenya; and to identify the impacts of different institutional arrangements and cooperation strategies on performance, efficiency and sustainability of activities along the AIVs value chain in rural, peri-urban and urban areas. A survey is planned for the end of 2014, supported by further qualitative and quantitative data acquisition. The analysis of the acquired primary material will be conducted in summer 2015 by the PhD researcher arriving in Berlin and a Master Student.</p>
<p>I4: To compare the identified institutional arrangements with regard to their impact on the sustainability across countries/regions and across respective activities according to the value chain. EGU leads this activity.</p>
<p>I5: To understand the formal and informal types of cooperation between different stakeholders in the horticulture sector EGU leads this activity. Contributions expected from I3 (see above)</p>
<p>I6: To assess and compare cooperative behaviour in the horticulture sector in the partner countries EGU leads this activity.</p>
<p>I7: To analyse the impact of different cooperative arrangements, considering especially the poor (who wins - who loses) EGU leads this activity.</p>

Activity I2: The project seeks within all three value chains sustainability and assumes that this can only be reached when institutional factors are taken into consideration as they define the set of possible actions. The analysis of the given institutional framework is essential for improving the given production and marketing systems. As cooperative solutions, for example, as are of special importance for small-scale producers of indigenous vegetables, the research during this period almost entirely focused on examining how collective action can increase the efficiency of indigenous vegetable production in Kenya, taking into account each step in the value chain. One of the key hypotheses the field work confirmed was the length and complexity of "informal" value chains, to be

further explored in the next planned activity of the SP. The transaction costs attached to the different marketing arrangements in which AIV producers are engaged in Kiambu sub-country at peri-urban Nairobi were investigated. A main goal of the lengthy field work conducted between 16 March and 30 April 2014 was to identify the determinants of farmer's participation in specific marketing channels. Transaction costs play a significant role with regards to farmers' participation to the coordinated value chain as the subsequent analysis shown. Findings from this completed crucial step of the research will soon be published in a discussion paper and will be further elaborated aiming at a publication in an academic peer-reviewed journal in 2015.-**Activity I3:** This work package aims at proving an additional benefit to the already existing focus on institutional arrangements in HORTINLEA's Output 3 as it places particular importance on informal rules and cooperation that facilitate or hinder the production, marketing and export. It should be noted that although the initiation of this activity was planned for July 2014, preparations already began in early 2014. Thus a PhD researcher from our partner University in Kenya joined the HUB team from January to June 2014 and he was trained on qualitative methods and aspects of institutional and value-chain analysis, so as to initiate the field work on assessing the impact of different institutional arrangements on the sustainability of horticulture, considering the different stages of the value chain. Between July and October 2014, the candidate returned to Egerton University and continued developing his research proposal while preparing presentations and posters for the Summer school at Kenyatta University in September 2014. Following this event and according to the recommendation of the board, the candidate took the opportunity to collect data from the field so as to initiate the analysis of quantitative variables in 2015. The collection of data took place between October and mid-November 2014. It should be noted that data collected during this period has also been shared with SP9. By December 2014 the entry of data to the database has been completed.