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Bridging Gaps in Nakuru's Agricultural Value Chains to Boost Economic Development



Key messages

- Nakuru County has untapped potential in agriculture and industry that can drive economic growth through targeted value chain development.
- Weak connections between producers, processors, and markets are a major barrier to maximizing returns from high-potential sectors like potatoes, dairy, and horticulture.
- Investing in rural infrastructure and farmer support services is essential to enhance productivity, reduce losses, and improve market access.
- Value addition and agro-processing must be prioritized by supporting SMEs, building industrial parks, and providing training and innovation resources.
- Inclusive and climate-smart value chain strategies especially those empowering women and youth are key to sustainable, broad-based economic development in the county.



Introduction

Nakuru County possesses immense potential for economic transformation through the development of its agricultural and industrial value chains. With a favorable agro-ecological environment, Nakuru is a leading producer of potatoes, maize, dairy, floriculture, and horticultural products. In 2023, the county led national potato production with 657,091 metric tons and contributed 215,412 metric tons of maize, helping Kenya increase its overall yields significantly. Nakuru also plays a key role in dairy, producing 318 million liters of milk annually, valued at KSh 13.9 billion, and supporting over 500,000 livelihoods, largely through smallholder farmers. The floriculture and horticulture sectors are equally vibrant, with Kenya exporting over 65% of its cut flowers to international markets. Nakuru's horticulture industry alone generated over KSh 23 billion in 2023, positioning the county as a major player in global agricultural exports. Despite these strengths, weak linkages between producers, processors, and markets continue to limit full economic realization. To address these challenges, this brief recommends targeted strategies including: expanding access to quality inputs, extension services, and affordable financing; improving rural infrastructure such as feeder roads, irrigation, and storage; and promoting agro-processing and SME development through industrial parks, training, and innovation support. Strengthening producer cooperatives and connecting them with domestic and export markets will enhance market power and incomes. Policy action should prioritize public-private partnerships, climate-smart technologies, and inclusive value chain governance, particularly for women and youth. With coordinated efforts, Nakuru can become a competitive, market-driven agricultural hub.

Methodology

The survey data involved literature reviews, structured interviews, focus group discussions, site visits, observational techniques, data analysis, and stakeholder consultations to understand and address challenges in Nakuru County's agricultural and livestock sectors.

Identified Gaps in Value Chains

The following challenges were identified in four value chains:

1. Potato Value chain



- Limited access to certified seed and inputs
- Post-harvest losses
- Market instability and poor linkages
- Inadequate infrastructure
- Pest and disease pressure
- Policy and regulatory gaps
- Limited value addition

2. Maize and cereal Value Chain



- Climate variability and drought
- Low productivity and soil degradation
- Post-harvest losses
- Market access and price volatility
- Limited access to inputs and credit
- Weak cooperative structures
- Inadequate value addition
- Pest and disease outbreaks
- Policy and institutional gaps
- Policy and regulatory gaps
- Limited value addition

3. Dairy Value Chain

- High cost and limited access to quality feeds
- Animal health and veterinary services
- Poor milk handling and storage infrastructure



4.

Horticulture and Floriculture Value Chain



- Climate variability and water scarcity
- Pests and diseases
- Limited access to quality inputs
- Post-harvest losses and poor infrastructure
- Market access and price volatility
- Compliance with export standards
- Limited value addition and processing
- Inadequate extension services and farmer training
- Gender and youth exclusion

Policy Brief Recommendations

1. Potato Value Chain

- Promote use of certified seed and clean planting materials through local multiplication programs and subsidies.
- Improve post-harvest handling and storage infrastructure, including community-based cold storage facilities.
- Strengthen farmer cooperatives to improve market aggregation, contract farming, and access to formal markets.
- Enhance extension services focused on pest/disease management (e.g., bacterial wilt) and climate-smart practices.
- Support mechanization (e.g., planters, harvesters) to increase efficiency and reduce labor costs.

2. Dairy Value Chain

- Invest in breed improvement programs, including AI services and access to improved dairy genetics.
- Support fodder production and affordable feed formulations through training and input support.
- Expand milk cooling and bulking infrastructure to reduce spoilage and maintain quality.
- Build capacity of dairy cooperatives in governance, financial management, and value addition (e.g., yogurt, cheese).
- Enhance veterinary services and disease surveillance through mobile clinics and farmer training.

3. Cereal Value Chain

- Promote drought-tolerant and early-maturing seed varieties suited to changing climate conditions.
- Encourage adoption of conservation agriculture and soil fertility management practices.
- Establish aggregation centers and storage facilities to minimize post-harvest losses and facilitate bulk sales.
- Facilitate access to structured markets and digital platforms for price information and direct buyer linkages.
- Strengthen farmer organizations to improve collective input purchasing and bargaining power.



4. Horticulture and Floriculture Value Chains

- Expand access to irrigation infrastructure, especially for smallholder vegetable and fruit growers.
- Invest in cold chain logistics and modern packaging to reduce post-harvest losses and improve product quality.
- Train farmers on Good Agricultural Practices (GAPs) and support certification, Global G.A.P for export readiness.
- Develop agro-processing hubs for value addition (e.g., juice, dried vegetables, essential oils from flowers).
- Support inclusive participation by women and youth through tailored training, credit access, and land use programs.

5. Cross-Cutting Recommendations

- Promote public-private partnerships (PPPs) for infrastructure development and investment in agro-processing.
- Leverage digital agriculture tools for extension, market access, weather forecasting, and input delivery.
- Align county policies with national strategies like ASDSP II and NAVCDP for harmonized development.
- Encourage climate-smart agriculture and build resilience through sustainable land and water management.
- Foster inclusive governance in value chain development to ensure fair participation and benefit-sharing.

References

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