



REPUBLIC OF KENYA

FOOD INDUSTRY

INDUSTRIAL PROFILES AND OPPORTUNITIES FOR PRIVATE
INVESTMENT

MINISTRY OF TOURISM, TRADE AND INDUSTRY

OCTOBER 1999

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MESSAGE FROM THE MINISTER FOR TOURISM, TRADE AND INDUSTRY

On behalf of the Government of Kenya, I am pleased to present to you this profile of the food industry in Kenya. The sector profile has been prepared by the ministry, which is charged with the development of industries in Kenya, in conjunction with many public and private sector institutions and companies.

We sincerely hope that the profiles, although not exhaustive, will guide you and enable you to make some meaningful decision on how to invest in the industry of your choice. In this regard an attempt has been made to provide balanced information.

In most cases the most obvious investment opportunities in the various sub-sectors have been highlighted. We invite investors to carry out investment studies to determine the viability of these opportunities. We also invite the investors to identify further opportunities more suitable to their individual needs or experience.

Recently the three countries of Kenya, Uganda and Tanzania revived the East African Co-operation which aims to establish a federation in the near future to create a larger market of over 71 million people and introduce the benefits of economies of scale. We welcome foreign investors to take advantage of this larger market and invest in Kenya.

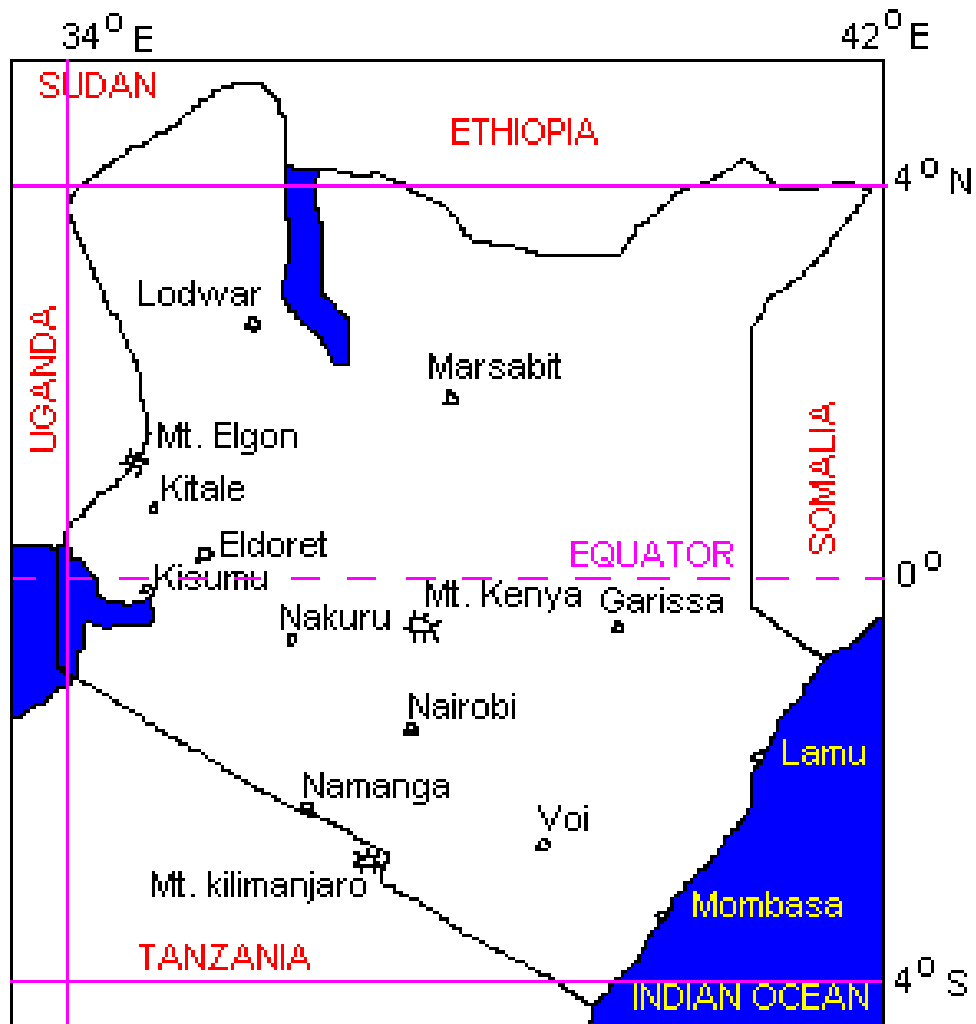
In case of need please do not hesitate to contact the Ministry, for further assistance. Visit our offices any time, ring or send us a fax.

Thank you for your interest in the food industry sector in Kenya. We look forward to assisting you to implement your investment.

HON. KIPYATOR NICHOLAS K. BIWOTT, EGH, MP

MINISTER FOR TOURISM, TRADE AND INDUSTRY.

MAP OF KENYA



A: MEAT INDUSTRY

1.0 OVERVIEW

Beef

- 1.1 Kenya's beef comes from the Zebu cattle, particularly the Boran cattle which is well adapted to the local conditions and is prevalent at large ranches. It is retained at the insemination centre at Kabete as a breeding stock.
- 1.2 Cattle rearing is predominantly an occupation of the small farmers. The small farmers and nomadic rearers account for nearly 90 percent of the population of animals. The animals are also raised in private ranches and group ranches on natural pasture. Income from animal production is estimated at 26 percent of the total income from Agriculture. Agriculture contributes 30 percent of the Gross Domestic Product (GDP).

Sheep and Goat

- 1.3 Out of the population of 19.2 million, 35 percent are sheep and 65 percent are goats. Goats and sheep have advantages over cattle in meat production, they have shorter production cycles, faster rate of growth and therefore higher potential off takes. There is no consumer resistance to their consumption as occurs with pork among some communities, mainly on religious grounds.
- 1.4 Efforts have been made towards the improvement of breeding stock in the country. Most popular types of sheep and goats found in these areas are Galla, boers, Galla, E. Africa, Doper, Red Masai and Toggenburg for meat and Romney Marsh and Hampshire Down breeds for wool.

Poultry meat

- 1.5 Poultry farming is practised by about 90% of the rural population as an income earner as well as an important source of protein. Two main categories of poultry exist in this country. The indigenous chicken form 75 percent of the total population. The birds are kept under free range management system.
- 1.6 The broilers are usually ready for slaughter between 6 and 8 weeks. They usually have a weight of 1.2 to 1.5kg. Chicken in Kenya sells at a higher price than beef. There are a number of firms that produce day old chicks and adequate high quality feeds.

Pork Meat

- 1.7 Pork meat is not very popular when compared to other types of meat e.g beef, mutton or poultry. Most of the pigs production is carried by small holders. The meat is sold through butcheries both in the countryside and urban centres.
- 1.8 Farmers Choice Ltd. is a major buyer of pigs. This firm also specializes in pig farming.

Miscellaneous Products

- 1.9 A part from the different types of meat discussed above, other sources have been insignificantly exploited. These include meat from crocodile, rabbit, camels, turkeys, geese, ducks, guinea fowl, ostrich and other game animals.

2.0 CURRENT STATUS

- 2.1 Cattle are usually slaughtered at the consumption areas. As indicated elsewhere, there are many butcheries that slaughter and sell beef. Besides the individual consumers, there are institutions (e.g universities, hospitals) that also consume meat.
- 2.2 In 1997, about 1.2 million cattle were slaughtered. Assuming an average cold dressed weight of 150kg, the total meat produced in the country was 150 million kilograms. Assuming further a population of 23-24 million people, the per capita consumption of meat in Kenya is 6-7 kg.
- 2.3 The price of beef has been almost constant. It has however, been varying slightly depending on market forces. Currently, the price of bone meat ranges from US\$ 1.7-2.4 per kg.

3.0 POLICY ISSUES

- 3.1 The main Government objectives in meat processing sub-sector is summed up in the National Livestock Development Policy of 1980. This policy framework document identifies three main objectives for livestock development namely;-
- (i) To help the Nation avoid any shortfalls in livestock production,
 - (ii) To alleviate poverty through the creation of income generating employment at all stages of livestock production, and
 - iii) To produce sufficient animal proteins to ensure adequate nutrition for Kenyans.
- 3.2 In pursuance of the above objectives, the Government encourages the development of resource-based agro-industries which will utilize livestock and livestock by-products so as to increase value addition and employment in the livestock sector.

4.0 PLAYERS IN THE INDUSTRY

- 4.1 Some notable investments in meat processing include Farmers Choice Ltd, NAS Airport Services, Kenya Cold Storage, Kenchic and Kenya Meat Commission (KMC) (not currently in operation). There are also other small scale butcheries that also process sausages besides selling fresh meat.

- 4.2 When in operation KMC produces mainly corned beef, frozen meat and fresh cuts. Its installed capacity is about 22 million cans per year and 115,000 tonnes of beef per year.
- 4.3 Farmers Choice Ltd produces sausages, ham, fresh/frozen cuts, dried/smoked products etc.

5.0 OPPORTUNITIES FOR INVESTMENT

- 5.1 The meat processing sub-sector can do better than what is experienced currently. There is for example a need to increase livestock (cattle, sheep, goat, rabbit etc.) production.
- 5.2 Kenya has a high production ability with low production costs linked to traditional farming; these two factors enable the country to be competitive on the international market.
- 5.3 The quality of Kenyan meat (low fat) and its taste correspond to the taste and food habits of consumers in the Middle East and North Africa.
- 5.4 Due to the above reasons there is good scope for exploring meat export market to the Middle East and North Africa.

5.5 The following are among the many opportunities for investment in this sector.

5.5.1 Medium to large scale meat processing projects.

Since only KMC processes beef, there is need for other beef processing units to be put up in major livestock production regions such as the Rift Valley province.

5.5.2 Rearing of wild animals

Game meat is a new area which has a very wide investment scope in Kenya. Areas like ostrich farming and crocodile farming have already proved profitable.

5.5.3 Large scale poultry farming and processing

In Kenya, chicken is more expensive than beef despite the fact that it is technically and genetically more profitable to produce poultry than cattle. At present, commercial poultry processing is almost under one monopoly. There is scope to set up a second large scale production and processing facility in order to supply chicken at affordable prices to the Kenyan consumers.

B: FISH INDUSTRY

1.0 OVERVIEW

- 1.1 The fish processing sub-sector is a relatively new feature of our economy. Most fish processing factories started operating after 1985. Before 1985, fish exports were mostly below 1,000 metric tonnes per year without any obvious trend from year to year. The sector has grown very fast and in 1995, between 20-25 factories were processing and exporting fish.
- 1.2 The contribution of the fisheries sub-sector to the GDP is still very small. The total value of output maintained a steady growth over the period except 1997. The value of fish output decreased from KSh290.3m in 1996 to KSh275.2m in 1997 (Economics Survey 1998), a decline of 5.2%.
- 1.3 In terms of employment 40,000 fishermen are engaged in fresh water fishing, 10,000 in marine artisan fishing and another 10,000 in marine industrial fishing. Some 2,000 people are employed in fish farming. Assuming a dependency ratio of 7:1 this gives 434,000 fishermen, fish farmers and dependants. If people involved in distribution and processing are added to the total above, then nearly 500,000 people are dependent on fish processing.
- 1.4 Fish is also an important source of animal protein in the fishing areas. The per capita consumption of fish in Kenya is highest in the fishing areas (Nyanza, Western and Coast Provinces).
- 1.5 Over the last five years, fish production from fresh water sources remained the major source of fish landed, accounting for over 70% of total output. The relatively low share from marine sources may have been caused by inadequate financial support needed for acquiring facilities and technology necessary for fishing in deep waters.

2.0 CURRENT STATUS

- 2.1 Lake Victoria covers an area of 68,000 km out of which 5.8% is in Kenya, Its waters are shallow, ranging from 4-15 meters depth at the fringes and from 30-65 meters in the open waters. The Kenyan shoreline stretches over 760 km and is dotted with about 208 landing beaches. There are about 6229 active boats in Kenyan waters of L. Victoria out of which 20 percent are unregistered and only 3.14 percent are motorized while the rest are propelled by sail or oars.
- 2.2 This lake produces the bulk (over 90 percent) of fish in Kenya. The dominant species is Nile perch (*Lates niloticus*), which forms about 50 percent of the total catch by weight. This species is used for filleting in fish processing factories.

The other important species is "Omena" (*Engraulicypris Rastreneobola*), a tiny silvery sardine. This species is used for animal feeds. The third most important species is the

tilapia. Unlike the first two species, the tilapia have been declining in population. This species is mainly consumed in the fishing areas and therefore rarely reaches filleting factories. While there are many other fish species in the Lake, only the above three are of some economic importance.

- 2.3 There is a continuous decline in fish production from Lake Victoria in the recent past caused by the spread of water hyacinth that has blocked most of the landing points. Efforts to have this menace cleared is being spearheaded by the Government and the World Bank.
- 2.4 Lake Turkana is the largest fresh water body under Kenya's jurisdiction. The highest catch ever landed was 18,000 MT in 1977. Production has declined ever since due to various reasons among them climatic reasons and receding of the lake level due to reduced recharge from River Omo. The average fish landings from this lake is now about 1,000 metric tonnes per year. There is no factory currently processing fish from this lake.
- 2.5 There are three types of fish farming practised in Kenya Viz:-
 - (i) Warm water fish e.g. carp, tilapia, black bass and common carp.
 - (ii) Cold mountain area fish farming e.g. for trout.
 - (iii) Coastal (saline water) fish farming (mariculture) e.g. practised at coast mainly for prawns.
- 2.6 Marine fish catches since 1993 have varied between 6,000- 12,000 MT per year. Marine catches for 1995, 1996, and 1997 were 4,665 MT, 4,915 MT and 4,790 MT respectively. Most of the Marine catches are handled by artisan fishermen who operate in shallow waters (up to a depth of 20m). These fishermen catch mostly demersal fish including rabbit fish, scavenger, snapper, parrot and Rock cod.
- 2.7 Trawling is done north of Malindi in Ungwana bay. The trawlers are small and catch prawns, lobsters and fish by catch. The pelagic fish caught by the trawlers and some fishermen include cavalla jacks, Mulletts, little mackerel etc. Other fish that are caught in large amounts are sharks, rays and sardines.

PROCESSING

- 2.8 There are about 25 fish processing factories in the country. With a total processing capacity of 25,000 tons of raw fish per year and total production of 13,500 tons per year. Some of the large processors include Kenya Cold Storage, Samaki Industries Ltd, Prisco/Midas, Wanainchi Marine Products, Victoria Nile Perch, etc. Individual factory capacity varies from 200 MT per day to 4,800 MT per day. The fish is caught in Lake Victoria and transported to these factories for filleting.

3.0 POLICY ISSUES AND INCENTIVES

3.1 Lake Victoria is the principal source of fish in Kenya. The government's policy thrust in this industry include the following:-

- (i) Continue to encourage importation of fish from neighbouring countries;
- (ii) Encourage fish filleting for export;
- iii) Rationalize the tariff structure on inputs of fish processing machinery and imports; and
- (iv) Encourage and support programmes that provide boats and gear (engines and nets) to fishermen.

4.0 OPPORTUNITIES FOR INVESTMENT

4.1 The key problems that still hamper any successful investment in deep sea fishing are lack of investment finance in terms of equity and loans. There is investment potential in deep sea fishing, prawns, farming, fish filleting and fish farming.

4.2 Kenyans have not invested in deep sea fishing mainly because of the high investment cost.

4.3 There are only two prawns farms in Kenya. Both are based on extensive fish farming methods. With better technology especially on breeding, prawns farming is a potential area for investment. Because land is still not limiting, this investment potential is very attractive.

4.4 There is scope to set up a plant to manufacture fish meal from processing wastes emanating from fish filleting factories.

C: SUGAR INDUSTRY

1.0 OVERVIEW

1.1 The industry benefits a large number of Kenyans who are directly employed in its factories and plantations.

1.2 There are seven operating factories in Kenya.

2.0 CURRENT STATUS

2.1 There are other firms which produce brown sugar known as jaggery. There are 13 jaggery factories with a combined estimated capacity of 159.25 tonnes of jaggery per year.

Table 1: Production Import & Consumption of Sugar 1992 - 97 ('000 tonnes)

	Production	Import	Consumption
1992	371.79	124.46	524.96
1993	385.21	184.79	570.00
1994	303.87	256.13	560.00
1995	384.20	24.40	560.00
1996	389.00	65.80	570.00
1997*	401.43	52.37	580.00

* Provisional

Source: Kenya Sugar Authority

Table 2 Sugar Cane Revenue US\$ millions

1992	0.129
1993	0.259
1994	0.163
1995	0.409
1996	0.427
1997	0.399

2.2 From the data, there is a decline in sugar production non-proportional to consumption which is several hundreds of tonnes above the production level.

2.3 INVESTMENT

The Kenya government has invested US\$12.00 million in form of Equity in various companies.

2.4 PRODUCTS

2.4.1 The major products are white sugar and brown sugar (jaggery). The by-products is molasses.

2.4.2 In 1997, 401,400 tonnes of mill white sugar were produced. Some was converted to fine white sugar and the rest was used as white sugar. An average of 160 tonnes of brown sugar (jaggery) is produced per year.

2.4.3 1,000 tonnes of molasses is the average production per year.

2.5 RAW MATERIALS

2.5.1 Sugar cane which is the raw material comes in two types; high breed of normal cane and wild cane.

- 2.5.2 From Miwani, sugar cane belt has extended to many parts of the country which have suitable conditions for growing the crop.
- 2.5.3 In Nyanza province, the major sugar belt included Miwani, Kibos, Chemelil, Muhoroni, Gem and Awendo.
- 2.5.4 In Western Kenya, the crop is grown in Mumias, Kabras and Nzoia while in the Coast Province, Sugar cane plantations are in Ramisi, Gazi and Shimba Hills.
- 2.5.5 In the whole sugar belts, small scale farmers are the main producers who number about 100,000, each occupying about 5 hectares.
- 2.5.6 Sugar beet, an alternative to sugar cane could be tested to establish whether there are environmental conditions which can favour its growth in the country, with the objective of producing enough raw material for the factories to meet the country's sugar demand and even for export potential.

2.6 MARKETING

All the sugar produced in Kenya is marketed locally.

2.7 EMPLOYMENT

The wide spectrum of skills needed in the sugar belt are locally available.

3.0 GOVERNMENT'S SUGAR POLICY

- 7.1 The Government is committed to encouraging private sector initiatives aimed at restructuring and rehabilitating the entire sugar industry. This is being achieved through privatisation of sugar factories and promotion of strong outgrower farmers.

D: DAIRY INDUSTRY

1.0 DEVELOPMENT IN THE SUB-SECTOR

- 1.1 Milk is one of the commodities that are key to achieving the goals established for agricultural development according to the Sessional Paper No.1 of 1986 on Economic Management for Renewed Growth. One of these goals is to provide food security for a population of almost 35 million by the year 2000.
- 1.2 Milk production is not only expected to be adequate to provide food security, but should also contribute towards generation of farm family incomes, absorption of new farm workers (creation of employment), creation of surplus for export and the stimulation of growth of productive off-farm activities in the rural areas.
- 1.3 The Dairy sub-sector, has been one of the major growth sub-sectors since small holder

dairy production made a breakthrough in early sixties. Kenya has a comparatively well developed dairy industry.

- 1.4 A distinguished feature of Kenya's dairy industry is its smallholder dominance. The smallholder contribute over 80 percent of all milk consumed in the country.
- 1.5 Different milk production systems exist in Kenya and can be classified in various ways: by land potential, size of farm holding, type of animal kept for production, the location of the producer and by grazing systems. The common systems used to describe milk production are:
 - Pastoral system
 - Smallholder system and
 - Large scale system
- 1.6 Total milk production in Kenya includes milk from cattle, camels, sheep and goats. The population of these livestock is estimated at 13 million head of cattle (10 million zebus and 3 million grade), 0.8 million camels and 15 million sheep and goats, all of which produce a total of about 2.53 billion litres of milk per annum. Cattle contributes over 80 percent of the total milk output and almost 100 percent of all marketed milk.

2.0 INVESTMENT OPPORTUNITIES

There is potential for export of dairy products.

D: EDIBLE OIL INDUSTRY

1.0 OVERVIEW

- 1.1 Oil crops have a long history in Kenya, where sesame, coconut and groundnut have been grown for centuries. Domestic oil is principally supplied from non-oil crops particularly, cotton and maize (cotton seed and maize germ).
- 1.2 Oil crops and cotton are mainly grown in five provinces in Kenya:
 - Coast province: 50,000 ha (almost 25 percent of total cultivated area) is devoted to oil crops, primarily coconut
 - Eastern province: About 50,000-60,000 ha (less than 6 percent of total cropped area) is under cotton, with small quantities of sunflower.
 - Western and Nyanza provinces: Cotton is important, with smaller quantities of sunflower and groundnuts.
 - Rift Valley province: only 5,000 ha of sunflower, groundnut and cotton are grown.

- 1.3 Most oil crops are well suited to Kenyan conditions, being drought resistant and without many serious plant diseases. These characteristics render, especially sunflower (but not maize) suitable for relay planting after the main crop (using residual soil moisture) and for planting during the short rainy season where bimodal precipitation occurs. Recent changes in imported oil costs indicate that sunflower may now be a financially attractive crop, and major expansion potential is believed to exist.
- 1.4 As only a small proportion of the value of cotton production is derived from sale of the seed, changes in oil prices can be expected to have no more than a marginal impact on cotton production levels. Recent privatization efforts by Government, however, have led to improved pricing for cotton and more rapid payments to growers.
 - 1.4.1 As a result, cotton production is expected to expand. Yields are limited at present, however, by lack of access by many producers to credit for agrochemical supplies, vital in cotton where pests can reduce yields substantially if not controlled. Cotton is relatively drought-tolerant and has potential as a crop in a number of areas of Kenya but particularly in the western part of the country.
- 1.5 The use of groundnut for oil production has been limited by its high value for direct human consumption, but this market is believed to be largely saturated, and groundnut prices drop substantially around harvest time. It, too, is reasonably drought-tolerant and would grow well in large areas of Western and Nyanza Province. As a legume it can also be an important break crop in cereals, and it possesses few serious pests. Under the new prices, groundnuts should become profitable for oil extraction, where surplus to food demand. Some expansion of groundnut is therefore believed possible.
- 1.6 Sesame essentially comprises two different crops in Kenya: white sesame in Western Province and some surrounding areas, and black sesame in the Coastal Province. White sesame is primarily marketed for use in confectionery, while black sesame is generally used for oil. Recent prices have been insufficient to attract many black sesame growers, but projected future prices will render it once more of interest. It may be grown as a principal crop, or under relay cropping following maize. Few inputs are required for sesame production and seed costs are low. A major growth in sesame production in the Coastal Province is now believed to be possible.
- 1.7 Copra production has also suffered from low domestic oil prices but as a perennial grown in marginal coastal areas it has had little competition. Nevertheless, maintenance of plantations has suffered, and little replanting has occurred in recent years. With increased oil prices, coconut can be competitive with crops such as maize and gram. and requires less labour.
- 1.8 Rapeseed and soya bean are both crops that could play an important role as break crops in cereal rotations, although even under the improved price structures recorded, soya bean yields can only justify planting on the grounds of improved output in subsequent crops. This may change as improved seed varieties are made available. Rapeseed is more financially attractive and can be expected to experience a renewed acceptance by cereal farmers under the new improved prices structures. The availability of seed varieties better adapted to Kenyan conditions might be of value particularly for soya

- beans, and further field trials are suggested.
- 1.9 Castor bean is a long established, crop in Kenya, but has received little attention in recent years. The cake derived from castor is poisonous and must be burnt, while the oil has specific industrial niche markets that can be quite attractive. While it cannot compete with maize or even other oil crops such as sunflower, in better agro ecological areas, its extreme drought tolerance suggests that it has considerable potential in more arid zones.
 - 1.10 Coconut production has always been a small holder undertaking in the coast province mainly in Kwale. Of late there has been a lot of interest in large scale coconut plantation in line with the Government policy of promoting agro-based industries. Technologies have also been identified for value addition in processing coconut into edible oil, ice-cream, biscuits candies etc.
 - 1.11 Potential may also exist for a number of oil crops that have not previously been grown on a commercial scale in Kenya. These include palm oil and sunflower.
 - 1.12 **The Vegetable Oil and Protein Industry**
 - 1.13 The vegetable oil industry in Kenya is divided between processors who extract the oil from the seeds and also produce oil cake for use in animal feeds, and refiners who convert crude oils into a form suitable for human consumption. These two operations may be carried out in the same plant, but this is not necessarily the case. Almost all copra oil and a significant proportion of sunflower oil is utilised for industrial purposes (principally soaps, detergents and paints), only 8,000MT of domestically produced vegetable oils went for edible consumption.
 - 1.14 Kenya imports oil in the form of crude palm oil. Once refined and excluding palm oil consumed in soap and other industrial uses (approximately 30,000MT), these imported sources provide 225,000MT of edible consumer products, or approximately 95 percent of total consumption.
 - 1.15 Approximately 40 village level extraction plants (ram presses) have been installed under the UNDP/IDA sub-project, but with a maximum rated capacity of less than 20MT of oilseed per year, their contribution to national supply is not significant. They do, however play an important role in generating village-level income and employment, and in contributing to improved dietary levels through the increased availability in rural communities of vegetable oil and of protein concentrates for feeding to household livestock.
 - 1.16 Financial performance estimates made for the village ram presses indicate that even with the greatly increased costs of the presses since devaluation, operations are profitable once 35 percent capacity utilization is achieved. This is believed to be a feasible target. At full capacity, the ram presses would generate a profit of approximately US\$1,206.90 per annum for their owners.
 - 1.17 **Sub-Sector Institutions**
 - 1.18 No single institution holds responsibility for the oilseed sector, although such diverse Government agencies as the Ministries of Agriculture, Industry, Finance and Planning &

National Development are all responsible for some elements.

2.0 KENYA'S COMPARATIVE ADVANTAGE FOR EDIBLE OIL INDUSTRY

The wide variation in climatic conditions leads to the growing of a wide variety of oilseeds.

3.0 KEY PLAYERS

East Africa Industries Ltd
Bidco Oil Refineries Ltd
Kapa Oil Refineries Ltd
Arkay Industries Ltd
Nakuru Oil Mills Ltd
Elianto Kenya Ltd

E: FRUIT AND VEGETABLE PROCESSING INDUSTRY

1.0 OVERVIEW

1.1 Since the establishment of the horticultural sub-sector, various horticultural projects including processing have been successfully undertaken. Processing has been initiated mainly by the private sector. The public sector has played a positive role in encouraging production for export.

1.2 Processed horticultural produce consists of a range of products such as:

(i) FROZEN PRODUCTS

French beans, snow peas, Juice concentrates.

(ii) CANNED PRODUCTS

French beans, Baby corn, Juices, Jams, Marmalade, Pineapple Slices, Pickled Cucumbers, Mango Slices, etc.

(iii) DEHYDRATED PRODUCTS

Cabbages, Onions, Carrots, etc.

1.3 Most of the processed products have been either canned, dehydrated or preserved in brine water. However, the market trend is shifting from canned to frozen products. Facilities for freezing of popular fruits and vegetables for export by sea need to be introduced. The Horticultural Crops Development Authority (HCDA) will continue to

encourage investors and assist them to identify potential areas for establishing processing plants.

- 1.4 Current processing factories have been based on the availability of local raw materials. New processing plants need to be established in suitable potential areas at close proximity to the raw materials.

2.0 KENYA'S COMPARATIVE ADVANTAGE

The wide variation in Kenya's climatic conditions leads to the growing of a wide variety of fruits and vegetables. Small scale irrigation systems are well developed.

3.0 KEY PLAYERS

Del Monte (K) Ltd
Highland Cannery
Kenya Sunshine Products Ltd
Kabazi Cannery Ltd
Trufoods Ltd
Kenya Fruit Processors Ltd
Kenya Orchards Ltd
Njoro Canning Factory (K) Ltd
Premier Food Industries

F. GENERAL INVESTMENT INCENTIVES IN AGRI-BUSINESS SECTOR

Agribusiness relies mostly on domestic resources derived from or linked to agriculture.

The government places highest priority to agricultural development as it supports directly and indirectly close to 80 percent of the country's population.

Some of the incentives that investors in this sector will be entitled to include:

- Investment Protection
- Investment allowances on buildings and machinery for manufacturing or processing
- Duty free importation of agricultural inputs
- Free repatriation of capital and profits
- Local capital borrowing opportunities, etc
- Indefinite loss carried forward

USEFUL CONTACTS

1. THE PERMANENT SECRETARY
MINISTRY OF TOURISM, TRADE AND INDUSTRY
UTALII HOUSE, UHURU HIGHWAY
P.O.BOX 30027
NAIROBI - KENYA

TEL: 254-2-331030/252950
FAX: 254-2-213508

2. DIRECTOR OF INDUSTRIES
MINISTRY OF TOURISM, TRADE AND INDUSTRY
UCHUMI HOUSE, AGA KHAN WALK
P.O. BOX 30418
NAIROBI - KENYA

TEL: 254-2-217916/331712
FAX: 254-2-218902/215815/217916