



Spillovers effects from trade-related SPS capacity-building projects in Kenya

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Insights from a pilot study



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What do we mean by 'spillovers'?

- **Essentially, unintended consequences – positive and negative – of development interventions.**

- Some work has been done to explore this phenomenon, but very little.
- Example of Bangladesh

- **The Standards and Trade Development Facility (part of WTO) definition:**

- “unintended or side benefits of trade-related SPS capacity building programs on the domestic food safety and plant health situation.”

- **However, this is too narrow**


- **Need to explore** broader context including impacts on resilience, livelihoods, and power dynamics.

- **Not simply of academic interest but needs to be understood in order to inform future programming.**

- Ability to plan in those things which currently happen by accident
- Also to avoid negative externalities



Our research

- Small-scale with the aim of establishing **reasonable** grounds to say that a spillover had occurred
 - Intended as a pilot for a more focussed, in-depth study
 - Undertaken June – August 2023
 - Research encompassed all support to export horticulture, as impossible to disentangle COLEAD's interventions from others
 - Mixture of approaches
 - Key Informant Interviews
 - Focus groups
 - Selected literature review
 - More than 100 people encompassed by the research cohort
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STAKEHOLDER GROUP

Senior managers of exporting companies

Representatives of service providers

Representatives of government agencies

SMEs servicing different elements of the value chain

Pack house workers

Smallholder farmers and farmer groups

Workers on commercial farms

MEANS OF INTERACTION

One on one interviews

Interviews and focus groups

One on one interviews

One on one interviews

Male/ female focus groups

Male/ female focus groups

Male/ female focus groups

Categorising our findings



General observations on programmes

Research identified issues which, whilst not strictly spillovers, are relevant to be included here as they impact on how future programmes may be planned.



Economic development and incomes

The technical training interventions designed to support Kenya's export horticulture sector have had significant impacts on economic development at a country level, and on incomes for individuals.



Transfer effects

Although interventions have focused on export horticulture, there have also been impacts on Kenya more broadly, in areas such as government provision and how farmers are organised.



Capabilities and attitudes

Spillovers at a technical and operational level have had effects which have evidently altered behaviours and attitudes at a deeper level. These impact on power dynamics and relationships.



General observations



- **Variability of impact**

- In some cases, a profound impact; in others, very little.
- Secret seems to be regular, updated training

- **Importance of communication**

- Better communication along the supply chain leads to greater efficiency and satisfaction with being part of the export horticulture business.



Economic development and incomes (1)



■ Sector development

- Kenya has been able to capitalise on the huge expansion in demand from Europe and elsewhere.
- Many gripes about the green bean sector, but the skills and infrastructure created now enables Kenya to lead in other crops.
 - Also, the ability to move into value addition, for example packs of mixed vegetables/ salads, and flower bunches

■ Impacts on incomes

- Higher incomes
- Greater visibility of incomes



Economic development and incomes (2)



- **COLEAD and others' support as a springboard**
 - Skills learned under these programmes has allowed individuals and companies to expand in other directions
 - Exporters
 - Attitudes and behaviours: “Now we treat every day as if it is audit day”
 - Connections: Links into other markets and companies, including those like PepsiCo
 - SME development
 - Managers who have learned as part of established/ older exporters have left and set up on their own.
 - Service providers
 - Working with COLEAD and others is an excellent CV point to work with others
 - Several reported working elsewhere in Africa.

Transfer effects of interventions (1)



■ Impacts on domestic consumption

- Lessons learned in relation to export markets are now (largely) applied also to goods sold into local markets
- Improved food quality domestically

■ Government infrastructure

- The structures and professional staff are in place to support the success of the horticulture sector.
- Improved, join-up between departments and agencies, though scope for further improvement
- Supports the ability of the Government's extension service to support crops needed for food security.

Transfer effects of interventions (2)



■ **Fostering collaboration**

- This meeting is an example of this!
- COLEAD and others as convenors and arbitrators
- Exposure to other jurisdictions helps to shape domestic approach to international demand

■ **Environmental impacts**

- More responsible use of pesticides and other chemical inputs
- Recognition of the importance of health of soils and water courses
- Proper disposal of chemical containers.
- Growing recognition of climate change, and the need to manage impacts

Capabilities and attitudes (1)



■ Professionalisation

- Move from responding to external training, to internalisation of ways of operating, for example:
 - Strengthening of internal audit
 - Tagging processes
 - Random testing for chemical residues
 - Awareness of allergens

■ Transferable skills

- Workers now have flexibility in their employment choices
 - A more international-style market for skills is now developing
- Also enabling young people to see the potential in farming
 - Profession, not a livelihood

Capabilities and attitudes (2)



Value chain dynamics

- Farmers feel better able to push back at any poor practices by exporting firms
- Some issues with farmer cooperatives
 - Some exporters reported that it stopped working with farmer groups because of lack of transparency.
- Relationships in flux, but greater contractual clarity

Changes in attitude

- Reports included better time management, sense of autonomy, greater efficiency
- Prepared to push back: “some buyers who fail to sell the product we provide then try to push it back to us saying the quality was not good enough to sell. However, we have the systems in place that allow us to fight our corner.”

Capabilities and attitudes (3)



■ Behaviour changes

- Trainings at work feeding through to the domestic sphere
 - Improved WASH - “sanitary infrastructure like toilets and bathrooms that are cemented, have water and easy to clean”
 - Food safety at home
 - First aid – “a ‘go to’ in their community”
 - ‘Halo’ effect to friends and neighbours

■ Gender dynamics

- Roles remain gendered
 - **Female-headed farming households** still have to hire male labour for heavy work not seen as fitting the female role
 - Women disadvantaged in playing a role in cooperatives
 - Training schedules do not take account of women’s domestic responsibilities

Conclusions

- From necessary compliance to internalised behaviour
 - “We used to comply because we had to, but now we understand the value of good practices to our business.”
- From the specific to the systemic
 - Proper procedures on processing the product worked as it meant we got fewer rejections...we then realised that the same sort of systematic approach could help other parts of the business too.”
- Lateral spillovers
 - Kenya has the capacity to move into other supply chains
- Impacts on people
 - Behaviours, confidence, opportunities



Next steps

- This was intended as a scoping/ pilot study
- Clear that more happened than was envisaged in project logframes
- Potential is huge for the beneficial spillovers to be built into future programming
 - And adverse effects avoided
- **Need for a more comprehensive study to:**
 - Explore these spillovers in more detail
 - Understand better the causal processes
 - Improve programming in the future, both in Kenya and elsewhere



Thank you



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