

From training to practice in tea farming in Kenya

Management response to the 2013 LEI
Wageningen UR mid-term evaluation report on
the UTZ-Solidaridad smallholder tea program in
Kenya

www.utzcertified.org





“From training to practice”

UTZ is pleased to publish the independent 2013 LEI Wageningen UR mid-term evaluation report of the UTZ-Solidaridad smallholder tea program in Kenya. The report gives valuable insights in the many positive benefits training and certification brought to small-scale tea farmers in Kenya. It also presents valuable lessons to be learned. This management response provides background information and highlights the main findings of the evaluation. It also stipulates how UTZ Certified intends to incorporate the recommendations in its programs to meet its ambitions of scaling up sustainability in the tea sector with the ultimate goal to make sustainable farming the norm rather than the exception.

1. Background: why this evaluation?

In 2010, UTZ Certified, together with Solidaridad embarked on a targeted sustainability program for tea farmers in Kenya. From the onset, there was a shared commitment to evaluate and learn from experience. A baseline study was conducted by LEI Wageningen UR in 2010, laying the foundations for the hereby presented mid-term impact evaluation two years later.

The program targeted 33,000 small-scale tea farmers, members of 5 KTDA (Kenyan Tea Development Authority) factories¹. The achievements so far are the fruit of a joint endeavor of UTZ Certified, Solidaridad and the 5 KTDA factories involved in the design and implementation of the training program leading to UTZ certification. A percentage of the farmers involved in the study were also certified against other sustainability standards (Rainforest Alliance and Fairtrade). In fact, this reality is a good example of how multiple certification has led to combined and multiple trainings. However, as a consequence, the evaluation cannot attribute results to the UTZ-Solidaridad program in isolation. The achievements are rather the result of aggregated efforts.

The program was implemented with financial support from the Dutch government through IDH (The Sustainable Trade Initiative). Not only do the public-private character of the program and requirements for ISEAL members encourage disclosure of the results, UTZ Certified also wishes to publish such evaluation reports in the belief that sharing evaluation results enhances the credibility of certification, and provides lessons for UTZ Certified and partners as well as for other organizations dedicated to create a world where sustainable farming is the norm. While the successes and challenges highlighted in the evaluation

¹ The KTDA factories in this program were: Chinga, Gathuthi, Gitugi, Iria-ini and Ragati.



report are the result of efforts of many, this management response that is published alongside the report, solely reflects the viewpoints of UTZ Certified.

2. Main findings

The report concludes that, after two years of implementation, four out of the five KTDA factories involved in the program had successfully obtained UTZ certification, and at least 45% of the targeted 33,000 small-scale farmers had received training, either directly as lead farmers, or indirectly via lead farmers.

Better farming methods

The evaluation shows that training and certification implemented in close collaboration with the technical assistants of KTDA has led farmers to increase their knowledge of the sustainable farming practices required by the UTZ code and the implementation thereof. Farmers keep better records of their farming activities and take better informed decisions.

Better crop

The agronomic and economic efficiency of trained farmers has increased (79% of the farmers trained in the UTZ program report increased productivity). Farmers produce more with less. Significantly more farmers follow the recommendations of factory staff on application of fertilizers. More farmers keep farming records of their activities and use these to take decisions.

Better income

Net income from tea has increased for trained farmers, mainly as a result of reduced production costs (reduced use of fertilizers and reduced use of paid labor) and improved prices. Their savings have increased as well.

Better environment

Significantly more trained farmers disposed of empty containers of fertilizer and crop protection products in an appropriate way, following the UTZ code. The reduced use of fertilizer also may bring about environmental benefits as well.

Better life

The overall perception of livelihood quality has improved, as have community relationships and relations with neighbors.

Better care for next generations

Trained farmers have a better understanding than non-trained farmers of the type of tasks that children are allowed to perform when working alongside their parents. However, this is not reflected in the score with regard to the question whether children are actually attending school. This score has deteriorated between 2010 and 2012, which is concerning.

Better care for nature

Very few farmers used conventional crop protection products at the moment of the baseline study. This situation remained unaltered. Apart from that, the number of indigenous trees on tea farms has increased and the number of eucalyptus (an invasive species) has decreased. Overall, the findings present a mixed picture of the implementation of environmental practices. Some have improved over time and others haven't.

Better working conditions

Access to water and sanitation has improved for farmers in the program. The percentage of farmers who bought full Personal Protective Equipment (PPE) has gone up from 3% in 2010 to 37% in 2012.

External factors

A number of external factors, falling outside the scope of influence of the program, have been found to influence the economic performance of farmers:

- Labor shortage during peak season has resulted in decreased production and potentially increased labor costs due to higher prices for labour for farmers who need to hire additional tea pickers.
- Loan spiraling and indebtedness.
- High purchasing costs of PPE.
- Logistical problems in the collection of tea by the factory can lead to long waiting times for farmers at tea leaf collection centers, increasing their labor costs, causing deterioration of leaf quality and limiting opportunities for other (economic) activities. Farmers experience these problems as something outside their scope of influence.

Priority issues for famers

The evaluation has also asked farmers what they currently experience as priority issues.

- Labor shortage during peak season
- Labor costs ("How to negotiate with pickers?")
- Improve the logistics in green leaf collection ("How to reduce waiting time?")
- Further implementation of GAP ("How to farm more profitably and sustainably?")
- Crop diversification / food crops ("How to increase income, grow food crops and reduce dependency on a single cash crop?")
- Loan spiraling / indebtedness ("How to generate income during the whole year and avoid indebtedness?")
- High purchasing costs of personal protective equipment
- How to keep lead farmers motivated to replicate the trainings to other farmers (incentives)?



3. UTZ's view on the main findings

UTZ is pleased that the program halfway its implementation time has trained half of the target population of 33,000 farmers, and that 4 out of 5 factories achieved UTZ certification within this period. It is also encouraging that the investments made in training tea farmers and preparing for certification have significantly improved their level of knowledge and their adoption of good agricultural practices. This had contributed to increased productivity, reduced production costs and increased income from tea. These material improvements go hand in hand with an improved perception of wellbeing and community relations, and a better care for the environment. We endorse the conclusion of the evaluators that the program has been largely appropriate to the needs and potential of tea farmers.

We also acknowledge that there is scope to improve the program.

First of all, the program did as yet not reach all 33,000 farmers with trainings. The training strategy was based on lead farmers voluntarily replicating the trainings they received from technical assistants. Although the targeted number of lead farmers was achieved, this was insufficient to reach all farmers. We need to be more realistic about the time and effort that it takes any farmer to replicate trainings, especially knowing that they face labor shortages in peak periods, as the evaluation now shows. In future training programs we will assess in advance if our assumptions and expectations about the voluntary replication of trainings will hold true in day-to-day practice. Providing incentives and support to lead farmers can be a solution, as well as improving the overall effectiveness of trainings.

Second, the evaluation shows in detail which specific agricultural knowledge and practices have improved after trainings, and which ones have not. This provides useful feedback about practices that require more attention in future trainings, or for which the training program has been less effective. One example of a topic where non-compliances have been found is the correct disposal of empty containers of crop protection products. UTZ recognizes the need to strengthen both training, internal control systems and the external assurance processes.

The evaluation does not explain why certain practices had lower adoption rates. It does however tell about the concerns of tea farmers, such as labor shortages, lack of cash and the high costs of protective equipment. We can infer that agricultural practices that demand significant additional labor and/or cash expenditures (such as inputs) are more difficult to adopt than practices that require no additional investments, especially if these practices lead to lower production costs (such as applying less fertilizer in case of over-application) for equal or improved yields.

Finally, the evaluation brings to our attention some problems that are as yet not addressed by training and certification, such as labor shortages and logistics of tea leaf collection. A needs assessment prior to any intervention is necessary to establish which problems can be addressed by training and certification, and which ones cannot. UTZ intends to follow up on the priority issues “improving the logistics of tea collection”, “further implementation of GAP” and “incentives for lead farmers” mentioned by farmers, to establish how they can best be addressed within the UTZ program.

4. UTZ’s view and follow up on the recommendations

Recommendation 1:

“Investigate which type of training is the most (cost)-effective in the dissemination of information to smallholder tea farmers” and “Discuss how to keep promoter farmers motivated in the future”

Response

We endorse these recommendations that are interrelated. Making a business case for certification requires an ongoing effort to optimize trainings, since the farmer’s time is worth money as much as the trainer’s time. It may be unrealistic to assume that lead farmers will voluntarily replicate trainings. If necessary, incentives should be provided, either material or immaterial. Delivering and receiving training always comes at a cost, and therefore it is essential to maximize the impact of training. One way is to tailor trainings to the existing knowledge of farmers, their needs and practices in a particular context. A baseline assessment of knowledge and practices of farmers is recommended, but still exception rather than a rule. Trainings for good practices also require regular maintenance. To sustain these efforts over time, trainings should be embedded in existing (extension) services whenever possible, such as the extension work by KTDA factories or trainings provided by traders / buyers.

Recommendation 2:

“Focus next program activities on those knowledge and implementation topics that have a low score in the evaluation”

Response

UTZ will take this recommendation on board for its global coffee, cocoa and tea programs. For Kenya however, given that to date the demand for UTZ certified tea from Kenya is still low, UTZ will prioritize strengthening the demand for certified Kenyan tea rather upscaling certified supply. The UTZ-Solidaridad tea training program in Kenya was based on the



assumption that the demand for UTZ Certified Kenyan tea would keep pace with the increasing supply. This did not materialize within the timeframe of the project, leading to an understandable disappointment at the producer's end. According to UTZ's Theory of Change, a market uptake of certified products is an important aspect to reward and incentivize sustainable production.

Recommendation 3:

"Monitor training activities for future evaluations", "Use factory data on production for the evaluation" and "Give more attention to external factors and their potential influence on the outcomes"

Response

These recommendations are valid and will be followed in upcoming evaluations and in the Monitoring & Evaluation system of current programs.

Recommendation 4:

"Improve the logistics of tea collection"

Response

We acknowledge that smallholders need a reliable tea leaf collection service from the factory / estate in order to get their produce in time to the processing unit. Where logistics are deficient, smallholders face long waiting times and deterioration of the quality of the tea leaves. This results in losses in productivity and income for the smallholders. The current UTZ Code of Conduct for tea farms acknowledges the importance of timely collection of tea leaves². However, the code assumes that the producer is responsible for this timely collection. According to smallholders however, this is beyond their control. UTZ will take this recommendation into consideration in the code revision process currently underway. This code revision takes place at least every 5 years and will result in a new core code and a tea annex by mid-2014.

² B.8.8; Leaves are plucked and harvested at the right time so as to obtain the required quality and be delivered to the factory on the same day, ideally within 6 hours."



Recommendation 5:

“Increase awareness raising activities to better communicate the program and UTZ certification to the farmers, so that the farmers know who is involved in the implementation and for which certificate they receive training”.

Response

We agree that it is valuable that farmers who are receiving training for certification against the UTZ code also need to know what being certified means and what UTZ Certified stands for. The evaluation does however show that in day-to-day practice, UTZ trainings are often combined with other topics, especially when trainings are delivered by an existing system of service delivery (extension services, NGO, factory, etc.). The degree to which we can “brand” trainings as UTZ is limited. The most important aspect to our understanding is that farmers are properly trained on sustainable agricultural and farm management practices that will help them to improve their economic, social and environmental performance and that their certified produce finds its way to a market that recognizes and awards this.