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**Timeline**

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**Sample Size**

Approximately 9,000 farming households in 18 counties

**Research Implemented by IPA**

Yes

# The Impact of Training for Market-Oriented Farming on Farmer Livelihoods in Kenya

## Abstract

One reason for low incomes among smallholder farmers in Sub-Saharan Africa may be a lack of demand for their crops in the markets that these farmers have access to. In Kenya, Smallholder Horticulture Empowerment and Promotion (SHEP) is a program that trains smallholder farmers to adopt a “market-oriented farming” approach involving shifts to more in-demand crops and adoption of new agricultural practices. Researchers are working with IPA to evaluate the program’s impacts on participants’ incomes and other measures of well-being such as health and educational opportunity.

## Policy Issue

In Sub-Saharan Africa, many people’s primary source of income is smallholder farming, but profits are often low. One possible reason for low incomes among smallholder farmers is a lack of access to markets for the crops that they grow. As a result, programs that promote “market-oriented farming”—encouraging farmers to shift production to crops that are in higher demand—may be an effective strategy for increasing farmer incomes. However, there is little existing rigorous evidence about this strategy. This research will provide evidence on how market-oriented farming affects household income and consumption, and how these impacts may lead to changes in overall welfare (including health, education, and gender equity).

## Context of the Evaluation

In Kenya, as in many countries in Sub-Saharan Africa, farming is a key source of income for

many people. As of 2017, 38% of Kenyans were employed in agriculture.<sup>1</sup> The Smallholder Horticulture Empowerment and Promotion (SHEP) program is a project that encourages farmers to shift production to crops that are in higher demand, along with a host of activities meant to change agricultural practices, encourage cooperation between groups of farmers, and promote gender equity within farming households. The SHEP approach was designed in a collaboration between Kenya's Ministry of Agriculture, Livestock and Fisheries and the Japan International Cooperation Agency (JICA) and begun in 2006. SHEP PLUS is the third iteration of the program, but the first to be studied using a randomized evaluation.

## Details of the Intervention

Researchers are working with IPA to conduct a randomized evaluation of the SHEP PLUS program's effects on smallholder farmers' livelihoods and well-being.

There are approximately 9,000 households across 18 counties participating in the evaluation, where the program is being rolled out over a three-year period.

The evaluation contains two levels of randomization. First, within each county, the county government is choosing one sub-county to receive the program and another sub-county to act as a comparison group. Second, within each sub-county that receives the program, 15 farmer groups (of around 25 farmers each) are being randomly assigned to one of three groups:

- A group which receives the program during its first year
- A group which receives the program during its second year
- A comparison group

In the SHEP PLUS program, farmers and agricultural extension agents participate in a series of several activities related to market-oriented farming. Participants, organized into groups of around 25 farmers, are trained to conduct market surveys and given opportunities to meet and exchange information with market actors, such as intermediary traders. Working with the government's agricultural extension officers, each group develops an "action plan," and is taught practices meant to improve crop production based on their action plan.

Researchers will conduct an initial survey of participants in the year that a county receives the program, and a follow-up survey two to three years after the beginning of the program, measuring impacts on consumption, income, health, educational opportunities, and intra-household allocation of resources.

## Sources

<sup>1</sup> International Labour Organization, ILOSTAT database. Data retrieved in November 2017. <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?end=2017&start=1991&view=chart>.