Small scale farmers’ access to and participation in markets

- The case of the P4P program in western Kenya

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Abstract

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The purpose of this thesis is to understand how small scale farmers navigate the market to access and participate in the formal maize market to improve their revenue, utilising the case of the P4P program in Kenya. The empirical material was collected during fieldwork in Kenya. Qualitative methods were found to be the most suitable for this thesis. The methods that was utilised were a case study strategy, semi structured interviews, focus groups, observations and analysis of secondary sources. In this study different approaches about farmers’ organisations (FO) and small scale farmers’ access to and participation in markets have been utilised to create an analytical context. The study found that food markets in developing countries are lacking in infrastructure, market information and bank credit. The dynamics of the Kenyan market are even more complicated due to its two different marketing channels. Using collective action has the farmers overcome many of these limitations. One change is in the farmers’ mind set from viewing agriculture as a hobby to a business. The farmers have been criticised for defaulting on their contracts, whereas WFP has been criticised delays in payments. Some FO:s have been more successful than others which are a reflection of the barriers within the P4P program itself.

Key words: small scale farmer, maize market, purchase for progress, P4P, Kenya, WFP, AMPATH.
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Maja Skjöldevald
Stockholm, June 2012
Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AIDS</td>
<td>Acquired Immune Deficiency Syndrome</td>
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<td>AMPATH</td>
<td>Academic Model Providing Access to Healthcare</td>
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<td>CBO</td>
<td>Community Based Organisation</td>
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<td>FAO</td>
<td>Food and Agricultural Organisation</td>
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<td>FEWS NET</td>
<td>Famine Early Warning System Network</td>
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<td>FO</td>
<td>Farmers’ Organisation</td>
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<tr>
<td>GNI</td>
<td>Gross National Income</td>
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<td>GVC</td>
<td>Global Value Chain</td>
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<td>HIV</td>
<td>Human Immunodeficiency Virus</td>
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<td>MFS</td>
<td>Minor Field Study</td>
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<tr>
<td>NCPB</td>
<td>National Cereals and Produce Board</td>
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<td>NGO</td>
<td>Non-governmental organisation</td>
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<td>P4P</td>
<td>Purchase for Progress</td>
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<td>SIDA</td>
<td>Swedish International Development Cooperation Agency</td>
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<td>SAP</td>
<td>Structural Adjustment Program</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<tr>
<td>USA</td>
<td>United States of America</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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<td>WFP</td>
<td>World Food Programme</td>
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All informants (semi structured interviews and focus group discussions) will be referred to by the number they have been given in Appendix 5. The listed observations of meetings will be referred by a short description of them also found in Appendix 5.
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1. Introduction

1.1 Background

To be able to feed yourself and one’s family is one of the most basic human rights that exist, but it’s still a dream for many. Numerous of the world’s poor people are today relying on small scale agriculture based in rural areas for their own and their family’s livelihoods. Knowing this, attempts to reduce poverty and increase development have engaged in improving the opportunities for small scale farmers globally. While some of these farmers are self sustaining and manage to uphold their livelihood and food security on their own, others are relying on access to markets at a local-, regional-, national- or global level. Among researchers there is an increasing understanding for the notion that the prospect of small scale farmers to get higher revenue on their agricultural produce is connected to their ability to successfully competing at markets. As a result, researchers, donor agencies and international institutions are today to some extent also focusing on farmers’ access to and participation in markets. Feeding the rural poor has become one of the key development priorities of the 21st century. The World Food Programme (WFP) is the largest organisation that provides food aid globally and the amount of money they spend on buying food has tenfold since the 1990s. The food that is bought for the purpose of food aid is to a larger extent procured in developing countries and WFP has further, in line with the development agenda, started to develop the opportunity of purchasing agricultural produce from small scale farmers and traders to increase their income and livelihoods and connecting them to the formal market structures.

In 2008 WFP launched a five year (2008-2013) pilot project called Purchase for Progress (P4P) which takes advantage of WFP’s demand to procure food to be utilised in food aid. By buying the agricultural produce from small scale farmers locally WFP anticipate that the supply chain will reform and change to be more beneficiary and create structures were small scale farmers get improved access to markets that will give them better price for their crops. The P4P program has been started up in 21 different countries, 15 of those in the African continent, whereas one of them is in Kenya. In Kenya the focus is on organising small scale farmers so that they learn from each other’s experiences and increase production and yields, create possibilities to bulk crops, improve quality, and take advantage of the structures that are built. During the program WFP will be the main buyer of agricultural produce, but areas with high capacity farmers groups the plan is that farmers’ organisations (FO) will soon be introduced to the competitive market, whereas not so successful FO are to focus on livelihood diversification and the use of more drought-resistant crops. At the end of the P4P program, WFP expects small scale farmers to move from the informal market to the formal, and earning higher revenues for their produce.

The WFP are, among other things, collaborating with local non-governmental organisations (NGO) in Kenya that in some way are connected to the FO that are participating in the P4P program. One of those NGO:s is the Academic Model Providing Access to Healthcare.

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1 Markelova, H (et al.) (2009) p 1
4 Ibid.
6 WFP (2010) Kenya P4P Country Programme Profile p 1
(AMPATH) located in the town of Eldoret in western Kenya that started their partnership with WFP and got involved with the P4P program in 2009. AMPATH has for a long time helped people in Kenya living with human immunodeficiency virus (HIV), but also work in collaboration with WFP to support feeding programs, activities towards livelihood and food security to help those that suffers from the consequences of a HIV infection. Early on staff at AMPATH realised that some patients stopped taking their HIV treatment drugs and so they asked them why. The answer they got was that the patients had been told to take their drugs with food, and when they didn’t have any food they also didn’t take their drugs. Through this they learned that they also needed to focus on their patients’ livelihoods as well as treating their HIV infection. It’s important when someone have a positive HIV status to be able to support itself, have a livelihood and to be food secure if you are to live with the disease. AMPATH’s partnership with P4P is primarily focused on helping FO:s in the bargaining situation and negotiating fair prices but also with capacity building, support and connecting FO:s to the formal market. In the long run AMPATH hopes that this will benefit household suffering the negative effects of HIV.

In this study I will describe small scale farmers’ situation in their efforts to access and participate in the formal maize market in western Kenya utilising the case of the P4P program. Researchers have described small scale farmers’ difficulties to access to and participation in markets in Africa in general. But usually most of this research has been done in a context where farmers are producing and selling cash crops (like fruits and vegetables), animal products or livestock. In the case of Kenya most of the research is about small scale farmers whom are producing and selling fruits. Other studies concerns contract farming, where the producer is connected to a large super market or any other big scale actor down the supply chain. Nevertheless most studies relating to small scale farmers’ access and participation in markets are predominantly focused on cash crops or high value produce, and as mentioned before especially horticulture crops. Few studies have been done in the context of staple foods like the ones included in the P4P program (sorghum, maize, corn-soya blend and mixed pulses). The phenomenon where a large international institution, like WFP, procures food from small scale farmers in developing countries to be utilised in food aid distribution is something relatively new, and therefore not extensively researched. This is why the study presented in this thesis tries to describe the dynamics of the formal and informal maize market in Kenya, and small scale farmers’ limits and possibilities to access and participate in it. I also try to portray the farmers subjective experiences and describe what has changed for them since joining the P4P program, and what difficulties they had before and what they are facing now.

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7 Bymolt, R (et al.) (2011) p 20
8 Observation (2012) Meeting with staff from USAID and AMPATH
9 Bymolt, R (et al.) (2011) p 20
1.2 Purposes and aims

The purpose of this study is to portray the dynamics of food markets in developing countries, utilising the case of the maize market in Kenya, and showing what limitations and opportunities there are for small scale farmers. The Kenyan maize market has been through large transformations and both the state and the private sector have much influence in it, especially when it comes to the pricing of maize. Trying to understand the dynamics of the maize market in Kenya is a relatively large purpose for a study of this size and it isn’t the primary focus of the thesis, but it’s to be understood as giving a context to the pilot project the P4P program and the circumstances it’s functioning in. Without an understanding of the Kenyan maize market I believe it’s very difficult to understand the choices that are made by small scale farmers, staff at AMPATH of WFP involved in the P4P program. The choice to include this as a purpose in the thesis and not have it as a segment in the background is to give the reader an understanding on my own interpretation and analysis of the food market dynamics since it in turn influences my understandings of the P4P program, because I view the two to be intertwined.

The primary purpose of this thesis is to understand how small scale farmers try to navigate the market to be able to access and participate in the formal maize market to be able to improve their revenue and livelihood. I relate the functions and structures of the maize market as one of the main factors as to why small scale farmers have limited access to and participation in the formal market. Further this creates a scenario were small scale farmers get relatively low payments on their agricultural produce when selling it to local buyers, also known as middlemen. This is one of largest development priorities right now and therefore has the P4P program been introduced in developing countries like Kenya. With the help of a case study approach I intend to investigate what limitations and obstacles that hinder small scale farmers in the area surrounding the town of Eldoret in western Kenya to access and participate in the formal maize market and furthermore what changes that can improve their capacity to do so, utilising the case of the P4P program. The market don’t give equal opportunities to everyone that takes part in its activities, and small scale farmers is one group that have difficulties in accessing, participating and competing in markets. Creating opportunities for this group may generate positive change and development that will be beneficiary for a specific person, but also for their families and local communities. It’s in the meeting with the small scale farmers where I’m able to get a better understanding for their own subjective knowledge of events. Utilising the case of the P4P program in Kenya, were an international institution like WFP is procuring food from small scale farmers for the purpose of food aid, will show what limitations and opportunities there are within the formal market. This study will describe what the small scale farmers involved in the P4P program perceive as have been positive and what they are critical towards, to be able to understand what activities and capacity building that has helped them to access and participate in the formal maize market in Kenya.

The first aim of this thesis is to portray the characteristics of the Kenyan maize market in regard to the private maize market channel and the channel governed by the state that are involved in the process of selling and buying maize and the relationship between them to be able to give a context to how this affects the small scale farmers in the country. Also the role of the government’s in the food market in developing countries, as in the case of the Kenyan maize market, is an important variable to understand the functions of the market and in this case the maize supply chain, and also how maize is priced in the formal maize market in Kenya. The second aim of the thesis is to explore how WFP:s procurement of food for the purpose of food aid from small scale farmers through the P4P program has influenced the
participants. Further I will investigate how collective action through the use of FO:s have affected its members and their relationships towards maize buyers and what the limitations and opportunities the program has offered so far. The P4P program has reformed the maize supply chain from its structures and power relations among actors from how it used to look before the introduction of the program in the area of western Kenya. The third aim of this case study is also to get a better understanding of how small scale farmers have experienced selling maize to buyers before joining the P4P program and after, and the changes that has occurred. What does the small scale farmers involved in the P4P program experience as being positive about the programs activities and what criticisms do they direct towards it. What have been perceived as difficult when working together in FO:s and in the formal markets and the consequences that have followed. These experiences are personal and have had different implications on the programs participants but still telling about the struggles that small scale farmers face when trying to access the formal food market in developing countries.

This thesis doesn’t have any specified research questions, as a thesis commonly do, but developed purposes and aims that have given me the possibility to more freely discuss topics interesting to me not feeling as limited by structured questions. This is also a way for me to push the limits of how a thesis at master’s level is expected to be structured and a challenge. On the other hand this is a trade off where the reader may not appreciate a more lose structure but it’s my conviction that this has been beneficiary for the outcome of the thesis and a strength, and that the thesis still has a focus and framework. It’s my belief that this study will give, from the utilisation of the case study approach, an insight in the limitations and opportunities that small scale farmers in rural areas in developing countries face when trying to access and participate in the formal maize market, when utilising the case of the P4P program in western Kenya.

### 1.3 Delimitations

The primary delimitation of this study had to do with the outline of the P4P program. All informants in this study are in some way connected to the P4P. My focus is small scale farmers’ access and participation in the maize market utilising the case of the P4P program in western Kenya, in the area surrounding the town of Eldoret. My choice to delimit the study to the P4P program in Kenya has first of all to do with my personal curiosity towards the African continent that for a long time has been the focal point of my interest in regard to what area I would like to do fieldwork in. The P4P program has been started up in 15 different countries within Africa. I choose to do the case study in Kenya for several different reasons. The first one was security. For instance one of the countries with ongoing P4P programs is South Sudan, which at the time for my field work I believed wasn’t a secure enough country to conduct research in. Second reason for choosing Kenya is language. My language abilities are limited to Swedish and English, which wouldn’t do field work impossible, but more difficult not knowing the local language. Third reason has to do with the variations of different P4P programs depending on country. Some P4P programs are very limited in size and some are more focused on policy work or strengthening the infrastructure within the country, and therefore not in line with purposes and aims of this study. The last reason for choosing Kenya has to do with the connections that the department of Human Geography at Stockholm University already had, and it wouldn’t be smart not taking advantage of those relations.

In Kenya the fieldwork has primarily been delimited to the town of Eldoret in the western part of the country, and the area surrounding it (even though one interview was done in Nairobi at
the United Nations (UN) headquarters with staff at WFP). This choice was basically made for me in conversation with the staff at WFP since some of the most successful FO:s in Kenya within the P4P program are located there, the area is relatively safe and the possibility for transportation is fairly good. Eldoret was also chosen on the basis that the NGO AMPATH is located there. The FO:s that I interviewed are all connected to AMPATH and it was therefore logical to work together with them. I choose to delimit the study to the FO:s that already had sold crops to WFP through the P4P, since they have been in the program the longest, have the most experience, been through the whole process and training that usually is included in the P4P program. The four FO:s that were interviewed for basis of this case study was chosen on the grounds of who had the time to meet with me. The case study has also been delimited to AMPATH’s work within the P4P and not any of their other activities like social work, food distribution or HIV and acquired immune deficiency syndrome (AIDS) treatments. I also choose to delimit the study to only focus on the crop maize. The WFP are buying several other different crops from the FO:s within the framework of the P4P (sorghum, maize, corn-soya blend and mixed pulses) but maize is the dominating one and the most common in the area surrounding Eldoret. The study is further delimited to the four FO:s that I was able to meet with during my fieldwork and that are primarily trading with maize. I also had the opportunity during my fieldwork to meet with a FO that was farming fish in a newly installed pond, also in collaboration with WFP. This particular FO isn’t involved with the P4P program and therefore has no relevance for this particular study. The focus of this study is also delimited to the relationship and trade among maize suppliers and buyers, and therefore not including other actors along the maize supply chain even though I am aware that there are others. This study doesn’t include any policy implications that the P4P program might have on different levels.

This thesis doesn’t have a distinctive gender perspective, but what I have been able to understand through secondary sources and observing during the fieldwork in Kenya has been discussed in the thesis in regard to small scale farmers’ access and participation in markets in the case of the P4P program. Female small scale farmers have in general even greater difficulties to access and participate in the food markets in developing countries compared to men, which makes a focus on gender relevant for all studies concerning these types of farmers and their actions in navigating a food market. A gender perspective, according to me, is also relevant in most studies within human geography, as it also is a reflection of today’s research discourse within the field. The gender issues discussed should also be viewed in the context where gender is one of the research profiles of the department of Human Geography at Stockholm University. Further, one of the issues mentioned in the thesis is what role the state should have within the market and the activities related to it. The purpose of this thesis is not to give an answer to this question, but only to discuss it for the purpose of portraying the dynamics of food markets in developing countries, utilising the case of the P4P program in western Kenya. In addition are other potential maize buyers also discussed in the thesis even though the focus is on the procurement from WFP within the framework of the P4P program, this is also for the reason of portraying the dynamics of the maize market. Furthermore is the focus of the study the personal experience of the small scale farmer involved in the P4P program. This hasn’t hindered me, to some extent, to also describe the buyers perspective for the purpose to understand his or hers actions in their market activities that also influence the small scale farmer.

15 Kulturgeografiska institutionen (2011) Forskningsfokus: genus
1.4. Definitions of relevant terms and concepts

1.4.1 Developing countries

The concept of developing countries is to be understood as the group of countries that by the World Bank has been categorised as low income economies.\(^\text{16}\) This classification is mainly based on the country’s gross national income (GNI) and is labelled countries that have a GNI at $ 1,005 or less. Kenya has a GNI of $ 790 and therefore is categorised as a low income economy and in this study referred to as a developing country.\(^\text{17}\) The other categories that are utilised are middle income economies (that is divided into two different subgroups; lower middle and upper middle, which is also referred to as developing countries) and high income economies (also referred to as developed countries).\(^\text{18}\) These categorisations and concepts must be understood as generalisations and not stagnant definitions of reality. They are only utilised out of convenience since they are commonly used and recognise in research and it makes the text of this study more effortless.

1.4.2 Supply chain

A supply chain builds on the understanding that the process of transferring a commodity from the producer to a consumer links different actors together similar to a chain. Supply chains may look very different from each other depending on the commodity, the number of actors involved in the process, what value is added to the commodity along the chain, and the power relationship among actors and so forth.\(^\text{19}\) There are close parallels that can be drawn between the supply chain concept and an approach called Global Value Chain (GVC). The GVC refers to the fact that value is added during each phase along the chain, most commonly when a new actor is introduced.\(^\text{20}\) The concept of chain is further developed and described as a vertical relationship that connects actors (usually producers, buyers and consumers) to each other and illustrates the pathway of which commodities and services are exchanged between actors. The GVC focuses on the flows of commodities, knowledge and finance between actors.\(^\text{21}\) In the case of the small scale farmers’ access and participation in markets that are involved in the P4P the concept of supply chain should be understood as representation of the process were maize are transferred from producer to consumer and the actors involved in between. These actors are in this case the farmers, the FO:s, middlemen and other buyers, and WFP. This is how the concept is utilised in the thesis throughout.

1.4.3 The informal and formal market

The concept of informal market is to be understood as the market activities that are going on within the informal economy.\(^\text{22}\) Generally the informal economy is described as the non-formal segment of a market economy where the economic activities are unregulated and to a

\(^\text{16}\) World Bank (2012) How we Classify Countries
\(^\text{17}\) World Bank (2012) Kenya
\(^\text{18}\) World Bank (2012) How we Classify Countries
\(^\text{21}\) Gibbon, P & Ponte, S (2005) p 77
\(^\text{22}\) Turner, S (2009) p 369
large extent not included in any formal arrangements or contracts. In comparison to the formal economy or formal market, it’s relatively easy to enter into the informal economy; it’s usually labour intensive and also small scale operations. The informal economy is a very heterogeneous phenomenon and therefore not easily generalised into one concept. The fact that the informal and formal economy is closely linked makes it even more complex. Through trade of materials, equipment and exchange of knowledge and skills creates links and relationships between the two economic sectors and it isn’t unusual that a person participate in both the informal and formal economy. A considerable portion of the informal economy takes place in developing countries and most commonly among people that are regarded as poor. That doesn’t exclude the fact that the informal economy is linked to the global economy. Along supply chains it isn’t uncommon that work has been done in the context of informal economy. In the use of the concept informal market in this thesis doesn’t refer to domestic work and unpaid care of others or criminal activities.

1.4.4 Farmers’ organisation

The concept of farmers’ organisation is in this thesis referred to as an organisation based on membership where the majority of its members are farmers. Some of the FO:s that now are involved in the P4P started out as other types of organisations (community based organisations (CBO), self-help groups, and NGO:s), still in the prospect of improving the members’ livelihoods but not in the context of the P4P. The members of these organisations involved people with HIV and/or AIDS and were generally relatively small. When WFP and AMPATH started their collaboration a lot of groups came together in FO:s that more or less are umbrella organisations with usually about one hundred members. This was a necessity so that the small scale farmers could bulk enough crops to be able to sell to WFP. This is also the reason to why WFP don’t buy any food directly from individual farmers and only from the FO:s. Also members that aren’t HIV and/or AIDS positive where more likely to join the FO:s, but still FO:s that are connected to AMPATH are to be understood in the context where the P4P program is a tool to also help those infected by the virus. Other FO:s involved in the P4P but connected to another NGO:s than AMPATH may not have this specific focus. But all FO:s must fulfil certain criteria to be allegeable to sell agricultural produce to WFP. The FO must be registered, have a bank account, have elections where the elect chairmen and a treasurer and so forth, and have regular meetings that are being documented.

1.4.5 Small scale farmer

Within the P4P program one has defined a small scale farmer to be somebody that cultivates two acres of land or less. Even though the size of the land that the farmer is cultivating is significant for the understanding of this category of farmers I have also found from interviews and observations in the field that there also other things that characterise this group. The small scale farmers that I refer to in this study are located rurally and are usually to be considered

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25 Semi structured interview (2012) Informant Nr 2 
26 Semi structured interview (2012) Informant Nr 2 & 4 
28 Semi structured interview (2012) Informant Nr 2 
29 WFP (2012) Kenya Purchase for Progress
financially poor. They produce a relatively small amount of maize and they rely on their harvest both for their own consumption and as a cash crop. In general small scale farmers depend on rain fed agriculture and are because of that also depending on the harvest season that follow the rains. Since small scale farmers don’t have access to irrigation systems because of their high costs they are severely affected when dry spells occur and generally lose all or a large part of their harvest because of it. When the farmers are to sell their maize a middleman usually come to their farm and offers to buy from them. The farmer typically has to rely on the buyers weighing machine and risk being cheated, and most commonly sell the maize below the market price. Generally the middleman will argue that he or she have additional cost as for instance transport and also that the quality of the maize is poor. In other studies or text small scale farmers may also be referred to as subsistence farmers, low level farmers or smallholder farmers but I consider the terms to be similar to one another and for the purpose of this thesis I will be utilising the term small scale farmer.

1.4.6 Food security

The definition and interpretation of the concept food security has, since it was coined during the first World Food Conference in 1972, been developed and re-defined. The Food and Agricultural Organisation (FAO) utilises this definition on their home page: “Food security exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food which meets their dietary needs and food preferences for an active and healthy life.” It’s this definition from FAO that I’m referring to in the use of the concept food security throughout this thesis.

1.5 Structure of the thesis

This thesis starts out with a segment called Introduction (chapter 1) where the background to the study is presented to create a framework for the purpose and aims to be understood in, which are introduced after the background. The introduction also includes the delimitations of the study to clarify for the reader what has been researched and not and why. Further the chapter also defines terms and concepts that are utilised throughout the thesis. The thesis second segment Method (chapter 2) introduces the different methods that have been utilised for the purpose to collect empirical material and secondary sources. The methods have been qualitative methods and more specifically the methods have been; a case study strategy, semi structured interviews, focus groups, observations and analysis of secondary sources. In the chapter the methods are more thoroughly explained. The segment also presents ethical issues that might have occurred during the fieldwork, the validity and reliability of the study and also the analytical approach utilised in the study. The next segment of the thesis Analytical context (chapter 3) introduces the earlier research that is the basis for the understanding of the results and outcome from the methods. The segment has been divided into three different sub-chapters. The first one is called The market and consists of research about food markets in general, governments influence over markets, and the Kenyan maize market. The second sub-chapter, Market access and collective action, is about the limitations that small scale farmers

30 Semi structured interview (2012) Informant Nr 1, 2, 4-6
31 Ibid.
32 Pottier, J (2007) p 11
face and what possibilities that FO:s may provide for them. The last sub-chapter, Local procurement of food aid, some of the research about food that is bought for the purpose of being utilised for food aid, like in the case of P4P, is presented. The forth segment in this thesis is called Results (chapter 4) and presents the outcomes of the methods that has been utilised. Also this segment has been divided into sub-chapters, where the first one is called The Kenyan maize market and it presents the structures and functions of the Kenyan maize market. The second sub-chapter is called The case of the P4P in western Kenya were the activities connected to the P4P program and the influence it has had on the small scale farmers are presented. The following segment Understanding limits and opportunities at the maize market (chapter 5) is to be understood as a combination of the analysis of the study, utilising the analytical context and the results from the use of the methods to gain more and new knowledge about small scale farmers access to and participation in markets, and a discussion of different topics. The final segment is called Conclusions (chapter 6) and it contains the answers to the purposes and aims of this thesis.

2. Method

In this chapter the methods utilised in this study is presented. Apart from relevant literature, the study is based on a field study conducted in Kenya where I investigated dynamics of small scale farmers and their access to and participation in the formal maize markets in the case of the P4P program. This is why primarily qualitative methods were utilised during the fieldwork. Quantitative methods are simply put information that has been transformed into numbers that usually is the basis for statistical data.\textsuperscript{34} The qualitative methods was chosen for its inherit ability to gather information to describe a unique case, personal experiences and to generate a lot of information from a few sources, in contrast to quantitative methods.\textsuperscript{35} It’s the researcher’s interpretation and understanding of a topic or phenomenon that is in focus in qualitative methods.\textsuperscript{36} Qualitative methods was found to be the most suitable to achieve the purpose and aims of this thesis. The qualitative methods that was utilised were a case study strategy, semi structured interviews, focus groups, observations and analysis of secondary sources. This chapter further includes a discussion about the ethics of the methods, the thesis validity and reliability, and also the analytical approach of the thesis.

2.1 Case study strategy

The empirical material presented in this thesis was collected during fieldwork in Kenya between the 5\textsuperscript{th} of January and the 28\textsuperscript{th} of February (2012) funded with a Minor Field Study (MFS) scholarship from the Swedish International Development Cooperation Agency (SIDA). The main body of empirical material was gathered in the town of Eldoret and surrounding areas, located in western Kenya. An interview and observations of a meeting were also made during meetings with staff at WFP at the UN located in Nairobi. To utilise a case study strategy makes it possible to study a specific phenomenon during a particular time frame.\textsuperscript{37} The method also embodies the possibility to utilise a smaller part of a larger process

\textsuperscript{34} Holme I & Solvang B (1997) p 77  
\textsuperscript{36} Holme I & Solvang B (1997) p 77  
and with the help of the case let it represent a larger phenomenon.\textsuperscript{38} In this case it’s small scale farmers’ access to the formal maize market in developing countries. A case study strategy may also be understood as a pragmatic exploration that investigates an event within a specific time and place, when an observed phenomenon isn’t evidently linked to its context. To be able to understand these links different sources of knowledge is made use of for verification.\textsuperscript{39} This study on small scale farmers’ access and participation in formal maize markets is a study of a phenomenon within a specific context. Furthermore, a case study should also be able to unfold peoples’ personal experiences, investigate farmers’ actions and relationships, and what the consequences are from those actions. A case study focuses on social relations that take place within a particular context, investigate relationships and meaning.\textsuperscript{40} In regard to this, a case study strategy is suitable for this thesis because of its ability to investigate human relationship in a specific context and that it’s a representation of a larger phenomenon.

\textbf{2.2 Semi structured interview}

One of the qualitative methods that were utilised to collect empirical material was \textit{semi structured interviews}. This method was able to give me a more of an in depth and detailed understanding of the issues at hand, because of the freedom of asking follow up questions if necessary, in contrast to a structured interview, but still having somewhat of a structure and not risking of fully losing track of the topic or forget to investigate a specific theme.\textsuperscript{41} The informant also has the possibility to develop a line of thought and describe a phenomenon that the person values as interesting for the purpose of the thesis. The informant is able to describe their own personal interpretation of reality in a way that isn’t possible in more structured interviews or other quantitative methods.\textsuperscript{42} The semi structured interview made it possible to get a better understanding of peoples actions in different contexts, to explore human relationships and why they act and feel the way they do.\textsuperscript{43} The primary critic directed towards the semi structured interview as a method is it subjectivity. By me it’s considered to be a strength within the method but by some it is regarded to be a flaw.\textsuperscript{44} Since one of the purposes with utilising semi structured interviews in this study is to portray small scale farmers own experiences, and not obtain objective information, this is not a problem. All semi structured interviews during the field work was recorded (after asking the informant) but also notes was made as a supplement and a precaution if there would be any technical problems or difficulties, and as a backup (there were also some interviews that started out as informal conversation that were not recorded see Appendix 5 for more specific details).

The one of bodies of empirical data that was collected during field work in Kenya consists of semi structured interviews conducted with small scale farmers involved in the P4P pilot program. The entry point for getting in contact with these farmers started with the country director of the P4P program at WFP in Nairobi, Kenya. Mr. Kabaluapa is the head of all P4P activities in Kenya and therefore was a crucial informant and also a great way of getting in

\textsuperscript{39} Yin, R.K (1994) p23
\textsuperscript{40} Ibid.
\textsuperscript{43} McDowell, L (2009), Longhurst, R (2009) p 582
\textsuperscript{44} Lantz, A (2007) p 30
contact with other important interviewees. I considered him to be a gatekeeper in this study.\textsuperscript{45} After several meetings with Mr. Kabaluapa (discussing the outlines of our collaboration, the design of the study, fieldwork and interview questions) he helped me to get in contact with the NGO called AMPATH located in western Kenya in the town of Eldoret. AMPATH is facilitating six different FO that successfully has been able to sell crops and cereals (mainly maize) to WFP within the framework of the P4P program in earlier seasons, and is also introducing 21 new FO:s to the program. I also consider AMPATH to be a gatekeeper in this study since the organisation was critical to be able to get in contact with the FO:s and its members.\textsuperscript{46} The reason for Mr. Kabaluapa to send me to Eldoret and AMPATH has been explained in the delimitations of the study (see 1.3 Delimitations).

I was able to meet with members from four different FO:s. I got in contact with these groups through the social workers that work at AMPATH. A social worker is usually responsible for a number of FO:s. The social workers responsible for the groups always followed me to the field to help me get in contact with the groups, find my way in the field, and translate during semi structured interviews when necessary (this happened most of the time, but see Appendix 5 for specific details). I was able to conduct 13 semi structured interviews with small scale farmers involved in the P4P. These specific informants were chosen sometimes on the basis of whom showed up to the interview or who had the time to sit down with me and talk. When it was possible I tried to interview an equal amount of women as men but since I didn’t have total control over who was available to get interviewed, women are somewhat overly represented in the semi structured interviews (see specific details in Appendix 5). This imbalance should though be viewed in the context where men were over represented in the focus groups (see 2.3 Focus groups). The interviews took place in the FO’s common meeting facilities or storage. The semi structured interviews with the small scale farmers usually took between 15 minutes and 45 minutes; this depended on whether interpretation was needed or not, since this takes longer time and also how talkative the informant was (see specific details in Appendix 5). All small scale farmers were offered confidentiality and that their name shouldn’t be used in the thesis, hoping that this would make the informant more willing to speak freely about the P4P program and their access and participation in the formal market. I have chosen to refer to these interviews by using the name of the FO they are a member to and what sex they have. I have chosen not to specify whether the informant had a specific role within the FO, like treasurer or chairman because it would make them too easy to identify by others. The greatest limitation to find informants for semi structured interviews with small scale farmers was to find the time when the specific social worker was able to accompany me to go to the field and when the FO in question had time to meet with us (I was visiting during harvest season which is one of the busiest for the farmers).

During my fieldwork I was also able to do semi structured interviews with staff at AMPATH and WFP involved in the P4P program. During these interviews no interpreter was needed since they were done in English. These peoples’ names are listed (see Appendix 5) since I consider them public people, which they were informed of prior to the interview. These interviews took place in the office where the informant worked and all were recorded, along with some notes that was taken by me. These semi structured interviews usually took between 30 minutes to 45 minutes. Some of the semi structured interviews with staff at AMPATH and WFP started out as an informal conversation, which has been noted on the list of the interviews that was carried out during the field work (see Appendix 5). When realising that the information that I got out of these informal conversations would be of benefit for this

\textsuperscript{45} Valentine, G (2005) p 116
\textsuperscript{46} Ibid.
thesis I always asked if I could utilise it as a referrers. These interviews where never recorded but notes were done to be able to remember what was said. These informal interviews usually took place in an office environment or in the field. These kind of informal interviews were never done with the small scale farmers since I found it to be unethical because of their relative vulnerability in contrast to the staff at AMPATH and WFP.

With the semi structured interviews some questions were prepared beforehand. Different interview questions were prepared for the interviews with the small scale farmers that are involved in the P4P program in contrast to the interviews with the staff at AMPATH and WFP (see Appendix 2 and 3). All questions are to be considered as guidelines as to what topics to touch upon more than fixed set of inquires to go through. The questions asked to the small scale farmers were more focused on their own subjective and personal experience selling maize on the market since getting involved in the P4P program and before, whereas the questions asked to the staff at AMPATH and WFP was more focused on their understandings of the functions of the maize market in Kenya and what influences the P4P has on the farmers that participate and on the market. It was rare that all questions that had been prepared where utilised during the interviews since some of them are similar, phrased differently or with a different approach, just for the purpose of getting an informant talking if I felt that there were more to say about a certain topic. It was also common that questions and topics that haven’t been listed in the interview guide also were discussed during the semi structured interviews, which is one of the strengths of this method.

All recorded interviews were transcribed (see Appendix 5). These transcripts where full with information more or less relevant for the study. To be able to make out what information from the semi structured interviews that is of relevance for the thesis the approach of coding and theme building was utilised. The process of coding entails structuring and organising the transcripts to be able to make out the meanings within it. Initially it made it possible to recognise outlines and categories within the material, for instance the category of limits the small scale farmers face at the informal market. After reading through the material several times and compiled some categories I started the process of actually coding the transcripts. Codes in this study contains of words, concepts or phrases that I found important for the purposes of the thesis (the codes were several times revaluated and some were eliminated and others added during the process). All codes are in some way connected to one another and made out patterns. When the codes started to become more complex in their connection to one another I considered these to be themes (this process is referred to as theme building). This theme building is a dynamic process that commonly occurs before, during and/or after the collection of empirical material. In the case of this study this primarily happened during and after the fieldwork in Kenya. The coding and theme building of the transcripts was not linear process and not as structured as it may appear, I found myself going back and forth through the material and the steps of the analysis throughout the process of analysing the empirical material.

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47 Cope, M (2005) p 446
48 Ibid. p 447
49 Ibid. p 448
50 Ibid. p 454
51 Ibid.
52 Ibid. p 446
2.3 Focus group discussion

I also was able to do four group interviews or focus groups during the field work with members of FO:s involved in the P4P program (see Appendix 5). The value of using this method is that it gave me a broader perspective of the topic of the study and it has the possibility of creating a framework of knowledge and revealing different perspective of this phenomenon. A focus group interview relies on the interaction among the group members, therefore it often helps that they know each other or has a certain topic in common. In this sense focus groups are different from semi structured interviews where the interactions are limited to just the researcher and the informant. I got in contact with these FO:s through the same way as with the informants of the semi structured interviews. Usually the meeting with the FO would start out with a focus group discussion and after that those among the members that had time would stay to participate in the semi structured interviews. In one case I did it the other way around since most FO members where late to the meeting and as they were dropping in I did the semi structured interviews until enough members had arrived to do the focus group discussion. I haven’t identified any changes in the informants’ discussions or answers due to this adjustment. But in contrast to the semi structured interviews it’s important to know that not all members, and therefore informants, of a FO are necessarily small scale farmers or farmers at all. Some members have larger farms or are middlemen whom only buy and sell with maize and don’t grow it themselves. Small scale farmers are though the dominating group among members of the FO:s, and so in the focus group discussions.

The questions that where prepared for these focus group discussions tended to be of a more general nature in contrast to the questions for the semi structured interviews (see Appendix 4). The size of the groups differed allot, one group only had four participants, whereas another group had almost twenty (see Appendix 5). During the field work it was apparent that some FO:s were more prone to discuss than others and the tendency was that those focus group discussions with larger groups were more talkative. Another aspect that affected the groups willingness to discuss was that a focus group participants in one particular case had issues with the generality of the questions and to get them talking I took help from the semi structured interview questions that are more specific, and from that a discussion about the topics grew. With the smaller group the focus group discussion took about 35 minutes whereas for the larger groups it took about 1 hour and 20 minutes (see Appendix 5). There were also problems where some group members would dominate the discussions (usually men or people in leadership roles within the FO) which put my abilities as a researcher to the test trying to get other peoples’ views and opinions of a certain topic. To correct this I tried to address specific people that hadn’t talked a lot with a question to start of the discussion. The fact that not all informants get equal opportunity to speak their mind to the same extent and also that those with a different view or an opinion about a certain topic in contrast to the majority of the group members may not be heard as a result of the group dynamics are generally the critic directed towards focus group discussions. Using both semi structured interviews and focus groups is a good complement to one another to find out as much about the topic as possible, but it’s also a way to cross check and triangulate information. All focus group discussions were recorded and transcribed and analysed with the help of coding and theme building in the same way as the semi structured interviews (see 2.2 Semi structured interviews).

53 Bosco, F. J & Herman, T (2009), Secor, A.J (2009) p 200
55 Conradson, D (2005) p 132-133
2.4 Observation

The method of observation was also used during the field work. The objective of utilising this method wasn’t to live together with the families of small scale farmers and learn by participating in their daily life, but to be aware and awake during field work. Therefore the emphasis was on observation and not participation.\textsuperscript{57} The method entails reflection and describing of the interrelationship among humans and between humans and non-humans. It can for instance be spaces, emotions or smells that I observed in the field.\textsuperscript{58} Observations can possibly lead me to realise new things that I haven’t had any preconceptions about, or raise new questions and hopefully understandings about the phenomenon I’ve observed. Usually the observations took place during semi structured interviews or the focus group discussions and the time before and after, when I was in the mindset of collecting empirical material. But there were occasions where observation was the primary method. This was for instance when I took part in conferences or other kinds of meetings in interest for the study (see Appendix 5 for more specific details). The primary way of documenting the observations have been field notes and writing a diary. The notes not only include what people have told me, but what I have seen and observed in the interactions between people and in the surroundings.\textsuperscript{59} Another helpful tool was using photography to document what I saw and experienced. Looking back at these pictures has triggered memories connected to them and has work as a supplement to the field notes and diary.\textsuperscript{60}

2.5 Secondary sources and analysis of content

Even if the empirical material that was gathered during the fieldwork in Kenya is a central part of this thesis, secondary sources have almost been as important. When utilising the concept “secondary sources” in this thesis I am referring to other studies and information that already have been collected by other scholars and researchers and presented in text.\textsuperscript{61} When I have analysed the content of a text, the text has firstly been read, and then compared and contrasted to other texts and to the empirical material collected during the field work in Kenya.\textsuperscript{62} The reason for utilising this method has been to increase the study’s validity and also to put it in a proper context and give it a background. The material gathered from the use of this analysis of content has also been used to support or discard an argumentation brought up in this thesis. The secondary sources mainly contains of earlier research that has been presented in books, dissertations, academic reports and articles, and Webb sites on the Internet relevant for the thesis. Even though the secondary sources to the largest extent have been course literature, academic and scientific texts to increase the study’s reliability, there are no objective sources. This is why all secondary sources must be viewed with criticism, both from me as a researcher and from others reading this thesis.

\textsuperscript{58} Watson, A & Till, K. E (2009)
\textsuperscript{59} Laurier, E (2005) p 138-139
\textsuperscript{60} Watson, A & Till, K. E (2009)
2.6 Ethics

It’s always important to be aware of the dynamics and social context when doing fieldwork in a developing country, such as Kenya. As a result of primarily colonialism, uneven power relationships has developed between countries, which has resulted in structures still utilised by some and forced upon others. As a white westerner with an academic degree I have ended up in situations where I had or were perceived as having more power than the people I was interviewing, working with or otherwise. This made it even so more important that the people being interviewed by me or work together with me (for example field guides and interpreters) are well informed about the aims with the study, who I’m working for (and not working for), that all the interviews with the farmers that are involved in the P4P are confidential, what the research will be used for, and that people that chose to participate in interviews or focus group discussions at any time could stop the interview or chose not to answer certain questions. The uneven power relationship will also be reflected in the thesis since writing and representation are actions of power. Whose voice should be heard and how do I interpret them? These are issues that are important as a writer (and also as a reader of texts) to be aware of. Also the possibility of using photos within the field work has the same inherent problems of what has been excluded and what has been chosen to represent an event or action. Working with poor or disadvantage groups of people makes it important to avoid all voyeuristic descriptions of the matter, even to describe the people in a positive manner, to make sure that they aren’t exploited.

Before doing any semi structured interviews or focus group discussions I utilised I letter of introduction as a framework to make sure that all informants were well aware of their rights (see Appendix 1). All though one ethical issue that occurred during the field work was that people came and went during the focus group discussions. These discussions usually took place in a public room where FO members are able to come and go, and when some members dropped in after that the discussion started, they also missed the letter of introduction and therefore weren’t informed of their rights. Still my observation from the focus group discussions is that the people that arrived late usually didn’t participate in the discussions but more curious about what was going on. These people were also the ones that tended to leave before the discussions were finished. I don’t perceive the aim of the thesis or the questions for the focus group discussions as controversial, and therefore I don’t believe that the FO members that missed the letter of introduction in any way exploited or taken advantage of. Furthermore, another ethical matter that occurred during the field work was that the focus of the study early on changed somewhat from food security to be more oriented towards the functions of the market. This creates an issue were a few informants were read a letter of introduction that said that the aim of the thesis was to study how the P4P program influence small scale farmers food security, even though the thesis in the end is about small scale farmers access and participation in the formal maize market in the context of the P4P program. I don’t believe that the focus of the thesis has changed to the point that it’s an issue for its ethical credibility. Additionally, when utilising the method of observation the people that were observed wasn’t informed about this if the occasion wasn’t a conference or a similar type of meeting. I didn’t observe anything that I consider to be controversial during the fieldwork and since the method didn’t focus on “participation” this kept me from getting to personal to the people that I was observing.

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64 McDowell, L (2009)
2.7 Reliability and Validity

The validity of a study is simply put it whether or not you have studied what you set out to investigate, and reliability has to do with the accuracy of the methods that was utilised to collect the empirical material. This study must be understood in the context of the fieldwork that was carried out in Kenya (5th of January to 28th of February 2012). That makes it valid but at the same time limited to that specific time and place. It’s important to be aware that the study has some weaknesses; like the fact that I for the most of my semi structured interviews and all of the focus group discussions had work with a translator. These people were social workers at AMPATH and not professional translators which possibly affected the results of the study. I was also compelled to work together with three different translators so I wasn’t able to build a relationship that usually comes from working together with someone during a long period of time. Still I believe that the reliability of the study increases from the fact that I have experience from working with translator from earlier research. This has given me some of the experiences of correcting some of the most common mistakes when working with translators. These mistakes are for instance that the translator edits the replies from the informant and makes them apparently shorter or longer, that they ask their own questions, or influence the informant so that they give you the answer they think that you want. Also if an answer from an informant isn’t compatible to the question, it can mean that the informant didn’t understand the question or that something happened during the translation. To increase the reliability of the study I informed the translators of the aim and purpose of my thesis and also corrected them if I found that some of the above mentioned mistakes were made. From another aspect utilising a translator increases the reliability of the study since it allows informants that otherwise wouldn’t be able to participate to do so. In focus group discussions there were always some participants that knew English, but by choosing to still use a translator more informants could contribute to the study. Working and utilising English in this study, even though it isn’t my first language, hasn’t affected the reliability of the thesis negatively since I consider my abilities to be good enough to carry out this research.

Some other issues that may have affected the study’s reliability are the fact that people came and went during focus group discussions. As explained in the segment about ethics I don’t believe that these people contributed much to the study as informants and therefore don’t affect the reliability of the same. With the focus group discussions there were also the issue of some informants dominating the discussions. When this happened I tried to get people whom hadn’t been as active to speak by for an example directing a question to them specifically, which to some extent increases the reliability of the study. Furthermore, since some groups where more talkative than others, these groups tend to be somewhat more represented in thesis than others. This has been difficult to compensate for in the thesis and therefore it’s important that as a reader to be aware of this. The fact that staff from AMPATH was present during all semi structured interviews with the FO members and focus group discussion I don’t think has affected the reliability of the study. The nature of the study I don’t consider controversial and the social workers that accompanied me in the field are used to working close with these groups and therefore have a good relationship and trust for each other. Since the P4P is a pilot program and is continuously evaluated the staff at AMPATH was trying to encourage FO members to speak their mind. Through observations this also gave me the impression that what was said during the interviews and focus group discussions wasn’t something new for the social workers. Utilising the method of observation in the fieldwork

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65 Ahlqvist, O (2009) p 320
66 Skjöldevald, M (2008)
has the inherent issue of validity. How do you know what it is that you are observing? The answer to this question I have for the most part relied on my own judgement, but I have also been able to ask staff at AMPATH and WFP about my observations whether or not they agree, and also triangulate the observation with information gathered through the other methods to increase the reliability of the study.\textsuperscript{67}

The study also has an issue with its validity in regard to the four FO:s that I met with during the fieldwork. Most of these four are to be considered the success stories of the P4P program in western Kenya connected to AMPATH, and therefore not a reflections of those FO:s that have had difficulties with the activities in the program. Talking to this category of farmers may have shown to a greater extent what barriers that they face trying to access the formal maize market. But it’s difficult to meet with FO:s that have dissolved and my focus has been on FO:s that have been involved in the P4P for a longer period of time and therefore they have also to some extent been more successful. But with the use of secondary sources, and asking staff at AMPATH and WFP about not so successful FO:s have compensated for this to some extent. Also the four successful FO:s have been asked about what they think may be the reason to why some FO:s aren’t equally successful in their involvement in the P4P program. Further the study has an issue with the validity in regard to the fact that gender is discussed in the thesis even though it isn’t within the purpose and aims of the thesis. As explained in the delimitations, I consider a gender approach to be a reflection of the research discourse of today. Considering all of the weaknesses of this study most of them have been overcome or adjusted, but the reliability has also increased with the help of utilising several different methods to collect the empirical material with and also the use of secondary sources. By comparing, triangulating, cross checking and mirroring the different sources by one another I argue that the reliability and validity of this study is good enough to credit it a scientific value and that it can contribute with some new knowledge.

\subsection*{2.8 Analytical approach}

For the purpose and aims of this thesis there really is no relevance for a finished “theory” or a fixed model that can be utilised throughout the analysis and understanding of the research presented. Instead I have chosen to call this section for “Analytical context”. By doing this I hope that the reader steps away from the mindset of having a single explanation to a phenomenon and as an alternative have a framework or context of several different understandings and descriptions to explain the issue of small scale farmers’ access to and participation in formal maize markets in western Kenya. What is presented is earlier research that is relevant for the topic of the thesis. In doing the choice of what should be included in this section I asked “What do we know about small scale farmers’ access to markets?” Asking this question generates information on what knowledge most researchers would agree upon and also disagree about (and it’s also an insight in the current discourse). This analytical context is utilised for the reason of getting a better understanding of my own empirical study by comparing and contrasting it to this knowledge.

\textsuperscript{67} Esaiasson, P (et al.) (2007) p 355
3. **Analytical context**

In this chapter the analytical context of this thesis is presented. In this study different approaches about FO:s and small scale farmers’ access to and participation in markets, have been utilised. The chapter has been divided into three different sub-chapters. The first one is called *The market* and consists of research about food markets in general, governments influence over markets, and the Kenyan maize market. The second sub-chapter, *Market access and collective action*, is about the limitations that small scale farmers face and what possibilities that FO:s may provide for them. The last sub-chapter, *Local procurement of food aid*, some of the research about food that is bought for the purpose of being utilised for food aid, like in the case of P4P, is presented.

### 3.1 The market

During the 1980s and 1990s a strong neo liberal wind blew through the majority of all donor agencies and global institutions that strongly advocated that the state, among other things, should decrease its influence on food and agricultural markets in developing countries. One way of implementing this was the structural adjustment programs (SAP) that several developing countries experienced.\(^{68}\) In 1981 the World Bank declared that a liberal market would reduce the unfairness for food producers in developing countries and improve economic development.\(^{69}\) A researcher like Barrett have concluded that these reforms, using the example of Madagascar, has led to an increase in private actors at the market place, he believes it’s more integrated and that the producers cost has risen. Over all the food market liberalisation has been positive for the countries development but he questions the sustainability of the reform.\(^{70}\) Researchers like Jayne and Jones argue in their text about food marketing in eastern and southern Africa that there are a consensus, even among the populations of the African countries, that the liberalisation of the food market was a necessity and have been a success. Like Barrett they question the sustainability of the reform, and also highlight that there has been some opinion that the reduction of state transfer to small scale farmers has gone too far.\(^{71}\)

On the other hand has the researcher De Vylder a more critical point of view considering the liberalisation of food markets. He acknowledges that the state before the 1980s took too much responsibilities upon itself so that it in the end played too big of a part, and wrong part, in the economy. This led to that a lot of states failed and the solution was to decrease its influence.\(^{72}\) But De Vylder means that the market structures and the activities within it now a day have too much responsibility and that we are overly confident in the market’s ability to solve development issues. That doesn’t mean that if the structures of the market can’t solve it, that the state can, only that we are faced with different developing problems.\(^{73}\) One of the markets failures, De Vylder points out, is that competiveness usually is under developed in developing countries and that there never are an equality of market information among actors.\(^{74}\) Specifically the agricultural market need some state intervention since the world prices on

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\(^{69}\) World Bank (1981)  
\(^{70}\) Barrett, C.B. (1994) p 449  
\(^{71}\) Jayne, T.S. & Jones, S (1997) p 1522  
\(^{72}\) De Vylder, S (2006) p 99-100  
\(^{73}\) Ibid.  
\(^{74}\) Ibid. p 108-109
crops fluctuates a lot, which can be devastating for a small scale farmer with no margins. In these instances De Vylder argues that some form of state support like agricultural consulting, research, government warehouses and guaranteed minimum prices for crops, are necessary.\footnote{De Vylder, S (2006) p 110}

The researcher Swinnen (et al.) argues in a text the importance of governance of the food market and within a supply chain for understanding the dynamics of it and the distribution of surplus along it.\footnote{Swinnen, J.F.M (et al.) (2010) p 77} The distribution of revenues and the efficiency of the supply chain are closely connected to development, growth and food security. Food supply chains look very different in regard to their governance depending on the involvement of private and/or the public sector.\footnote{Ibid.}

Swinnen (et al.) claims that the staple food crop market continuously has to some degree the features of state-controlled governance and the market is characterised by being private and simple (non-interlinked), because of the small scale farmers’ problems accessing and participating in market activities and their reliance on the government as a source of input and support.\footnote{Swinnen, J.F.M (et al.) (2010) p 82, p 91, Coulter, J & Poulton, C (2001)} To generate economic growth, development and poverty alleviation, Swinnen (et al.) argues that the value of staple food must increase. The paradox though is that poor households usually are the producers and at the same time the consumers of staple food.\footnote{Swinnen, J.F.M (et al.) (2010) p 94-95}

Researchers like Conforti and Sarris explore in one of their texts the liberalisation of trade in the context of structural constrains that usually are characteristic for developing countries, using the example of Tanzania.\footnote{Conforti, P & Sarris, A (2010)} Transforming from a food market with a lot of state influence to a liberalised one is often a slow and difficult process. Old structures from the earlier system linger on and gaps between the two systems occur. Conforti and Sarris argue that earlier state influenced markets are characterised by poor infrastructure and backward technologies and weakness in the market structures.\footnote{Conforti, P & Sarris, A (2010) p 99-100, Minot, N (2007), Stifel, D (et al.) (2003)} The researcher Jayne (et al.) argues in one of his texts that one of the greatest misunderstandings is that that the liberalisation of food markets are the cause to the lack of success for small scale farmers participation in it, since he argues that most markets in eastern Africa, including Kenya, aren’t liberal.\footnote{Jayne, T.S (et al.) (2001)} Subsidy programs and food price stabilisation are still very much in use this day. Therefore is the flaws and the failures of the market to be viewed in the context were private trade is allowed within the structures of a state governed food market system.\footnote{Jayne, T.S (et al.) (2001) p 147, Dorward, A (et al.) (2004)} Jayne (et al.) proposes a number of areas where the state should prioritise investments in the context of the market structures. Some of these are for an example to improve national infrastructure, and invest in improvements of vertical coordination along the supply chain for an example creating FO:s and access to credit.\footnote{Jayne, T.S (et al.) (2001) p 148-150}

The maize trade in Kenya, the crop with the single largest share of cultivated land, is struggling with two major challengers according to Ariga and Jayne.\footnote{Ariga, J & Jayne, T. S (2010) p 221} The first challenge is the paradox that also Barrett and Swinnen (et al.) stresses in their text, to keep food prices high enough to work as an incentive for farmers to invest in their food production, but at the
same time low enough so that the poor are able to uphold their food security.\textsuperscript{86} The second challenge in the Kenyan maize trade is to keep the food prices stabilised. The great price instability is one of the major causes for low agricultural productivity and food insecurity in Kenya. The key players in a solution are the state and the private sector. There is somewhat of a consensus that the government has a role to play in most developing countries, supplying small scale farmers with inputs, to generate development. The big controversy is about to what extent the state is to be involved in the agricultural production and trade.\textsuperscript{87}

### 3.2 Market access and collective action

The possibility for small scale farmers to increase their income has during the last couple of decades increasingly dependent on their ability to compete on the food market as a result of the neo liberal discourse within world politics. The markets in developing countries (and other parts of the world) are flawed which make it difficult for farmers to be successful in getting a fair price for their crops.\textsuperscript{88} The researcher Barrett asks himself the question of “why is smallholder participation so important to economic growth and poverty reduction?”\textsuperscript{89} According to himself the answer lays in a farmer’s option of either be a subsistence farmer, or choosing to specialise on a specific crop where you are relatively skilled and sell the surplus at the market. The populations in most developing countries are typically located rurally where they are depending on semi subsistent farming, where they rely on the food that they produce and sell their surplus to buyers, rather than producing food solely for the purpose of commercial marketing. The quantities that the small scale farmers are able to sell a relatively small and are commonly overshadowed by the fact that they during other times of the year they have to purchase the same staple foods.\textsuperscript{90} Even though Barrett is, according to me, neo liberal in his approach, he acknowledges that many small scale farmers in rural areas have difficulties entering the market. He claims that this is a result of the fact that market participation is as much an outcome as it’s the cause of development. The small scale farmers need access to technology and sufficient public and private goods to earn a marketable profit.\textsuperscript{91} Barrett further argues that if small scale farmers choose to grow a specific crop to sell on the commercial market he or she still needs to buy other staple foods.\textsuperscript{92} The researcher Nyoro (et al.) conducted a survey and concludes in an article that households in Kenya that were able to produce a surplus to sell also had a higher sense of well being compared to other small scale farmers that didn’t.\textsuperscript{93} Jayne (et al.) similarly found that farmers that were able to sell bigger quantities of maize also had greater access to markets.\textsuperscript{94} Barrett further concludes that since small scale farmers’ ability to participate in markets is the result of how much surplus they are able to produce and market, one of the significant variables to do so is to increase utilisation of technology and capacity building. Even more so than small scale farmers’ access to infrastructure.

\textsuperscript{89} Barrett, C.B (2010) p 41  
\textsuperscript{90} Barrett, C.B (2010) p 41  
\textsuperscript{91} Ibid. p 41, 68  
\textsuperscript{92} Ibid. p 59  
\textsuperscript{93} Nyoro, J (et al.) (1999)  
\textsuperscript{94} Jayne, T.S (et al.) (2001)  
\textsuperscript{95} Barrett, C.B (2010) p 41
According to research done by Markelova (et al.), Braham (et al.) and Poulton (et al.) FO:s are a possibility for small scale farmers to compete with other actors at the market and along the supply chain more effectively and on more equal terms.\textsuperscript{96} Actors within the market (including small scale farmers) need certain services and information, like rural roads and education to be successful in getting a fair price on their produce. Usually many of these services and information is non-existing or lacking in rural markets. By utilising FO:s and collective action, small scale farmer may overcome and compensate for some of these flaws, for instance over bridge financial obstacles, share transport costs and access other services.\textsuperscript{97} A case study presented by Kaganzi (et al.) from Uganda described how potato farmers saved money to finance their organisation and created a savings and credit co-operative so that members had the means to invest in their food production and increase their yields.\textsuperscript{98} Another case study by Kruijssen (et al.) show how a women’s group in Thailand that was making juice from tropical fruits, was able to buy necessary equipment so that the women could improve their product and get a better price for their juice and access new markets.\textsuperscript{99} In addition to filling the gaps of a flawed market, FO:s also have the possibility to create new market opportunities.\textsuperscript{100} Markelova and Mwangi maintain in a an article that there is a consensus among researcher that linking small scale farmers to markets generates economic growth and productivity, which in return may contribute to poverty reduction and food security.\textsuperscript{101}

The population density in many developing countries in Africa is for the most part heterogeneous, which in turn creates a rural market that is very fragmented.\textsuperscript{102} Markelova and Mwangi refers to in an article that farmers in these areas are to a larger extent involved in supply chains that have become more sophisticated and have higher quality standards. Modern supply chains like these have more commonly involved large- and medium scale farmers and excluded small scale farmers from the opportunities that the supply chains may generate. The small scale farmer is in one way or another connected to the market (formal market, informal market or both) but usually at a local level which doesn’t generate a lot of profit. Markets in developing countries, including Kenya, are characterised by uneven access to market information and technologies that are necessary to participate in market activities in a profitable way. Small scale farmers also have limited access to supply chains, or to the phase of the supply chain that process the commodity. This phase with high-value commodities generates a larger profit compared to the raw material that for an example a maize farmer produces. To be able to access these high-value supply chains the farmer typically also need some type of certification to prove that they are able to meet all food safety and production requirements. Finally, with an increasing globalisation and market liberalisation internationally the small scale farmer no longer only compete with other farmers in his or hers own local area, but also with farmers at a national- and international level.\textsuperscript{103}

Braham (et al.) argues that markets imperfection and flaws and farmers difficulty to enter many markets aren’t their only obstacles in selling crops. Sometimes the infrastructure is lacking, or there is no demand for their products, or there is too much of the product on the market which makes the pricing very low. In some cases there is no incentive or possible

\textsuperscript{96} Markelova, H (et al.) (2009), Braham (et al.) (2009), Poulton (et al.) (2005)
\textsuperscript{97} Markelova, H (et al.) (2009) p 2
\textsuperscript{98} Kaganzi (et al.) (2009)
\textsuperscript{99} Kruijssen (et al.) (2009)
\textsuperscript{100} Markelova, H (et al.) (2009) p 2
\textsuperscript{101} Markelova, H & Mwangi, E (2010) p 622
\textsuperscript{102} Ibid.
\textsuperscript{103} Ibid. p 623
opportunities to create a FO. But when there are incentives to create a FO Markelova (et al.) argue that there often is a need for external input, FO:s rarely self-organise on a formal basis. There is a need for a formal organisation so that the agricultural produce fulfils quality and quantity standards and that the food safety requirements demanded by the buyer are met. The case studies presented by Kaganzi (et al.) about the potato farmers in Uganda and Kruijssen (et al.) concerning a women’s group making juice in Thailand are successful cases of this form of farmers’ organisations. The external input has even proven in some cases that farmers can re-negotiate the power relationship between buyer and supplier or among other actors along the supply chain and gain better terms in the bargaining situation. But the researcher Thorp also argues that for this to happen, issues like marginalisation and social exclusion must be addressed before and during any economic initiative can be successful and sustainable in a farmers’ organisation. Markelova and Mwangi argue that FO:s are able to simplify long and complicated supply chains by cutting out middlemen and directly link the farmers to the market. By doing this the farmers are also more likely to bargain for better prices and terms of trade.

In addition to access to and participations in markets researchers like Owusu (et al.) and Barrett (et al.) also emphasise the importance of non-farm activities to uphold food security at a household level. Barrett argues that non-farm work in the rural areas is a possible way for Africa south of Sahara to break the vicious circle of food insecurity. Owusu (et al.) uses a case study to statistically show that non-farm work has a significantly positive effect on income and food security at a household level. The study also showed that women to a larger extent participated in these activities than men. In my understanding of the concept non-farm work in this context, works as a risk management tool for commonly small scale farmers since they are more marginalised than others if for an instance their farming were to fail due to bad weather or drop in food prices.

### 3.3 Local procurement of food aid

The literature on local and regional procurement of food aid are somewhat limited in comparison to research about the food market, small scale farmers access to and participation in markets and collective action in the context of FO:s. But the literature that do exist, among other things, claims that the process where food is procured locally or regionally for the purpose of food aid, like in the case of the P4P program, is by many believed to assist in poverty alleviation and the development of agriculture for the farmers that supply the food. Coulter argues in an article that certain conclusions about local food procurement can be done from the literature review he has made. For instance have several case studies shown that this type of food aid procurement doesn’t increase the market price stability on the market for the food that is bought. Further the impact that this procurement of food has had on the market has been mixed. In some cases it has created investment opportunities and better practice

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104 Braham (et al.) (2009)  
106 Kaganzi (et al.) (2009), Kruijssen (et al.) (2009)  
107 Thorp, R (et al.) (2005)  
111 Owusu, V (et al.) (2011) p 117  
113 Coulter, J (2007) p 1-2
among actors along the supply chain, but it has rarely affected the market structure outside the food aid procurement in any way. According to Coulter his literature review has also shown that the quality of the food grain or crops that has been bought usually hasn’t improved with the procurement of food.\textsuperscript{114} When utilising the case of Uganda, Coulter concludes that the procurement of food aid is very much logistically inefficient, and in return it has encourage in the investment of storage and drying facilities to be located in Kampala (the capital of Uganda) which has turned out to be an inappropriate location since it isn’t equipped for a scenario where the need for food aid is decreasing.\textsuperscript{115} On the other hand he also states that this creates a base for a structured formal food market and long turn investments into infrastructure that is needed for a formal food market.\textsuperscript{116}

The researchers Wandschneider and Hodges (referred to in Coulter, J (2007)) have studied a case in Ethiopia where WFP has procured food for the purpose of food aid from FO:s.\textsuperscript{117} The members of the FO:s have received training and capacity building. Despite this have members had difficulties to understanding and handle the formal trade aspect of it, the contracts and the quality standards that are required by WFP. The members of the FO:s had also experienced complications in their access to credit which in turn had limit them to store their commodities until WFP where able to uplift them. Still the researchers also state that some FO:s are successful in all of this and therefore are able to benefit from the procurement of food aid from them and make a larger profit than otherwise. The main reason for their success, according to Wandschneider and Hodges, are that the FO:s are well organised.\textsuperscript{118} Researchers Ferguson and Kepe concludes in an article about a case in Uganda were WFP also has procured food from small scale farmers for the purpose of food aid, that the participants has benefited from it in regard to provide them with a safe market to trade their commodities in and also to build their capacity and empowering them.\textsuperscript{119} This case of food aid procurement has also its share of challenges. The primarily problems that they face are that the FO members perceive the contracts as to intricate, and that the payments are complicated and that the food suppliers aren’t ensured food security just because they sell their produce to WFP.\textsuperscript{120}

4. Results

In this chapter the results from the use of the methods introduced in chapter 2 in this thesis are present. The results have been divided into two different sub-chapters. The first one is called The Kenyan maize market and contains a quick description of the market in question. Sub chapter two is named The case of the P4P program in western Kenya which presents the results from the fieldwork in Kenya.

\begin{thebibliography}{9}
\bibitem{114} Coulter, J (2007) p 1-2
\bibitem{115} Ibid.
\bibitem{116} Ibid. p 6
\bibitem{117} Wandschneider, T & Hodges, R, J (2005) p 7-8
\bibitem{118} Ibid.
\bibitem{119} Ferguson, H & Kepe, T (2011) p 27
\bibitem{120} Ibid.
\end{thebibliography}
4.1 The Kenyan maize market

Maize is the staple food in Kenya and therefore an important commodity. Kenya has two rain seasons during a year, one short around March and one longer between approximately September and December, which also results in two harvest periods. In the region are neighbouring countries varying slightly in their rain seasons which results in areas peaking their maize production to some extent at different times. This creates opportunity for trade across borders. Countries like Tanzania and Uganda have their maize harvest just a couple of months before Kenya when the prices are at their highest at the markets. This creates a situation where maize flows are so large from other bordering countries which in the end affect the pricing on the maize market in Kenya. This is off course is beneficiary for farmers in Tanzania and Uganda that are getting a higher price for their produce, but it floods the markets in Kenya, primarily close to the borders to the exporting country, and lowering the prices for the Kenyan farmers when they are to sell their maize. Although the same study points out that prices in the main markets in Kenya aren’t as severely affected by this phenomenon as the markets localised close to the borders. But Kenya is also relying on this import since the country consume more maize than it produces (in 2002) and Tanzania for instance produced a surplus the same year. Another important aspect that affects the pricing on maize in Kenya is the amount of rain that fall during the two rain seasons under a year. The lack of rain certain years has had devastating effects on the harvests and therefore decreases farmers’ possibilities to supply maize to consumers.

Since many of the poor in rural areas in developing countries are depending on agriculture governments need to find a way to balance pricing on a staple food like maize. A small scale farmer isn’t only a producer of commodities but also a consumer and how does one ensure that there is a balance between farmers getting fair revenue on their produce and still keeping the price low enough that poor people depending on the staple food are able to meet their food security requirements. In Kenya the government has created an organisation called the National Cereal and Produce Board (NCPB) that has a vital role in the pricing of maize for this purpose among other things. The NCPB determines the price on an administrative level as they buy maize to the national grain reserves as a risk management for future shortage. Since 1988, with the introduction of the SAP, there is also a private market that operates legally in Kenya that compete with the NCPB and where the prices are determined by supply and demand (even though private marketing of maize has been illegal during different periods of time in Kenya, this has never fully stopped people from buying and selling maize this way). The two market channels are interlinked with one another as maize is bought by assemblers from farmers that further down the supply chain sell to the NCPB. Large millers generally buy maize from both the NCPB and the private channel. Since the two market channels are so interrelated the market price are very much affected by the price set by the NCPB which is announced to the public through different media. When talking to people, small scale famers, staff involved with the P4P and others about the NCPB and their activities concerning the maize market, I have observed there is a big mistrust directed towards the

121 Awour, T (2007) p 20
122 Ibid.
123 Ibid. p 19
124 Ibid. p 20
125 Ibid. p 19
128 Ibid.
organisation. Jayne (et al.) argues that the controversies that surround the NCPB have to do with the fact that people don’t understand its operations and the outcome of the same.\textsuperscript{129} But he also states in another article that only 30 percent of all farmers in Kenya are able to produce a surplus that they are able to sell and that 50 percent of the maize that are sold has been produced by 3 percent of the farmers.\textsuperscript{130} Since the farmers that the NCPB usually buy their maize from are large and politically well connected they have been criticised for raising the prises, something that is supported by research by Jayne (et al.). Instead he argues that the NCPB’s activities at the market have through history stabilised the market price on maize in Kenya.\textsuperscript{131} Others argue that NCPB raise the market price on maize when buying great quantities for the national grain reserves and at the same time subsidising the agricultural inputs thus forcing private actors out of the market, and further making the bureaucracy regarding the seed industry over complicated.\textsuperscript{132} It’s also important to point out that the NCPB’s resources are limited. Usually they procure maize in the beginning of the season and raise the prices, when the organisation later on runs out of funds and stops buying, this in turn lowers the market price on maize.\textsuperscript{133}

A typical maize supply chain where the producer is a small scale farmer is characterised by middlemen that buy maize to bulk to sell to larger buyer or even export abroad, where is in the end will reach a consumer.\textsuperscript{134} Middlemen are actors within the supply chain that often operates in both the formal and informal market. The most common means of transport in western Kenya to uplift the produce is small trucks, pickup trucks, motorbikes, tractors or donkeys. The maize is either bought from the farmer at the farm gate or the farmer delivers it to the buyer’s store. During the harvest season it isn’t uncommon for small local markets to appear where middlemen are able to access and buy maize from farmers. These middlemen have usually worked in this profession for a long time and therefore are known to the farmers.\textsuperscript{135} Purchases at the farm gate is typically done with cash where as purchases among middlemen further down the supply chain or between a buyer and larger farmer, in contrast to a small scale farmer, is done using credit. These middlemen may for an instance sell the maize to a wholesaler where the maize is dried, fumigated, sorted according to quality, weighed and packaged to be sold to the next buyer along the supply chain. A maize supply chain may start with a small scale farmer and sold within the context of an informal market, to end up in a super market in the formal market.\textsuperscript{136} The price difference between the two transactions are typically diverse, the price that the consumer pays is just a part of what the farmer gets paid by the middlemen at the farm gate. In Kenya, and many other developing countries, the cost of transport is one of the leading causes to why that price changes so much, that the local markets are fragmented. A well integrate market system is thought to be a crucial way to utilise productive recourses within the country to generate development, but also to reduce the risk of unnecessary decrease in crop price for the farmer to pay for long and difficult transports.\textsuperscript{137} The lack of market integration is generally caused by low population density, most common in rural areas, and lack of infrastructure. Small scale farmer that are linked to markets are more likely to improve on their livelihood.\textsuperscript{138}

\textsuperscript{129} Jayne, T.S (et al) (2008) p 313 \\
\textsuperscript{130} Ibid. \\
\textsuperscript{131} Ibid. p 324 \\
\textsuperscript{132} WFP (2010) \textit{Kenya P4P Country Programme Profile} \\
\textsuperscript{133} Semi-structured interview (2012) Informant Nr 1 \\
\textsuperscript{134} Awour, T (2007) p 35-36 \\
\textsuperscript{135} Awour, T (2007) p 35-36 \\
\textsuperscript{136} Ibid. \\
\textsuperscript{137} Yamano, T & Arai, A (2011) p 23 \\
4.1 The case of P4P in western Kenya

The small scale farmers presented in this case study are very much typical for small scale farmers in Kenya in general, but now with the difference that they are involved in the P4P program. These farmers are organised into FO:s that the WFP procure maize from for the purpose of food aid to be distributed in areas with low food security or where famine is prevalent, for the most part in Kenya or other countries in the region. When buying directly from the FO:s in collaboration with local NGO:s, like in the case with AMPATH, WFP aim is that the market structures that are created from this program will benefit the farmers and provide them with a secure market where they are offered an opportunity for capacity building so that they are able to increase their yields, improve the quality of their produce and give them possibility to store their maize. In areas with high agricultural potential, like in the case with the town of Eldoret located in the Rift Valley in western Kenya, the P4P program aspires to help the FO:s to produce maize in a reformed tendering and market structure so that the small scale farmers are able to access and participate in a formal competitive market.

The farmers that was interviewed and participated in focus group discussions have expressed that prior of getting involved in the P4P program that they had and to some extent still have several different factors that limit their agricultural production. As mentioned earlier in the definition of the concept of small scale farmer is one of the limitations that they face the lack of access to own, rent or lease a larger area of land to cultivate. Further another of the great limitations that small scale farmers are confronted with is their lack of access to farm inputs. These inputs are primarily credit, since a small scale farmer as a rule isn’t eligible for a bank loan because of their lack of financial security. The lack of credit results in that the farmers aren’t able to access higher quality in seeds, fertilisers and pesticides during the cultivation of the crops, and the tools and machinery that is necessary for a farm that is of a larger scale or to be able to increase the yields, and lack of access to fumigation to prevent alfatoxin (a toxic mould that grows in the maize when stored). The lack of access to storage is another limitation that farmers are confronted with that prevent them from storing their maize in a proper way to wait until that the market prices are higher or to be able to wait for a different buyer so that they don’t have to rely on selling to the first buyer that approach them. The farmers also lack the possibility to process their own produce. In the case of maize the processing usually includes milling which is something that adds value to the commodity and typically done by an actor further down the supply chain. It’s argued that low competition among millers and traders, creates a maize supply chain that is inefficient and generates lower farm gate prices. As most developing countries, are Kenya lacking in infrastructure which limits small scale farmers to access and participate in formal markets.

"Being a farmer is really hard. The roads are really bad and renting a truck is costfull when everyone else needs one. Everything costs a lot of money, seeds and fertilisers. ../../No

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139 WFP (2010) Kenya P4P Country Programme Profile
140 Ibid.
141 Focus group discussion (2012) Nr 1-4
142 Ibid.
143 Focus group discussion (2012) Nr 1-4
144 Ibid.
banks want to loan you money when they find out that you are a farmer that has little land and no money.”

It’s very rare that farmers organise themselves without any outside input, and all FO:s I met in my fieldwork had initially received help from a NGO, in this case AMPATH. Prior to forming a FO the small scale farmers sold their maize at the farm gate to middlemen whereas since joining the P4P program they market it collectively. These middlemen would bulk up on maize buying from several different farmers usually in the same area and later on sell the maize to urban wholesalers and millers. Even though the farmers now are organised they still have the issue of high transaction costs, which in this case includes the long distances that the maize has to be transported in the combination with the lack of functioning infrastructure. The long distances between the farmers are also one of the incentives in the communities not to get involved in the FO:s and the P4P program since it increases the costs of marketing. Initially there where small scale farmers that were reluctant to join the FO:s because they didn’t trust that the program would be beneficial to them and that it was a high risk engaging in it before knowing whether it would be successful or not. The FO that has been developing and building their capacity and earning a larger profit than before, are now increasing their number of members. But there are also FO:s that are experiencing mistrust towards the leadership within the group or arguments among members. There have been cases where groups have dissolved because of conflicts within the groups or that the interest for the FO activities has faltered and in the end fizzled out. The fact that many of the FO:s are umbrella organisations for several different smaller groups may be one of the things that create friction among groups and members. When asking the farmers involved in the P4P program about those who choose not to participate in their activities even if the FO was successful and there was no obvious hinder to why they couldn’t join the reason given to me was that some people just want to work alone and don’t feel comfortable working in a large group where someone is elected to be a leader and make the decisions.

One of the biggest changes that the farmers made when joining the P4P program had to do with their own approach towards farming. These small scale farmers usually perceived farming to be a “hobby” or something they did along other types of work just to be able to save some of their expenses by growing some crops. Together with AMPATH and other NGO:s the farmers have reformed their mindset to think of farming as a business. Before most of the farmers didn’t calculated on cost of the inputs they utilised in their agriculture and therefore didn’t know what to charge for their maize to be able to make a profit when the middlemen approached them. Knowing how much money they put in to the maize the farmers also started to view their maize production more as a business since they now realised what profit they made or didn’t make. Most of the members of the FO:s have received some training in book-keeping, or a member (usually someone in a leadership role within the group) in the FO has been trained so that person can share this information and knowledge with the

147 Semi structured interview (2012) Informant Nr 12
149 Focus group discussion (2012) Nr 1-4
150 Semi structured interview (2012) Informant Nr 7-19
151 Focus group discussion (2012) Nr 1-4
152 Semi structured interview (2012) Informant Nr 15 & 18
153 Focus group discussion (2012) Nr 1, 3 & 4
154 Semi structured interview (2012) Informant Nr 2
155 Focus group discussion (2012) Nr 1-4
157 Semi structured interview (2012) Informant Nr 7-19
others. The farmers didn’t cultivate all of the land that they have access to since the farmers already where able to meet the basic needs where the food that they produced would be enough for their basic needs and manage the risk of food insecurity. But with this new mindset they expanded or planned to expand the area that they cultivated.

“Before the P4P I didn’t think about farming as a way to earn money, I just did it so we had food. Now I do book keeping and I get more money for my maize.”

Furthermore in practising farming as a business comes the aspect of understanding and working with contracts. Within the framework of the P4P program WFP offers its participants three different types of contacts that they utilise to procure maize (and other produce) from the FO:s; direct contract, forward contract and pro smallholder tendering. The first of the mentioned contracts entails dialogue with the FO:s or small scale buyers to sell their maize at a set price. This type of contract is typically utilised to train and initiate new participants in the P4P to sell to WFP. The forward contract on the other hand is made out before the planting of the crops or during it. The contract also entails what quantities that is to be delivered and at what time. The price of the maize that is procured by WFP is negotiated before the season or sooner than the harvest. The forward contract is the one that was utilised by WFP and the four FO:s that I have been in contact with during my fieldwork in western Kenya. The last of the contracts, the pro smallholder tendering, involve several different FO:s, traders and agro dealers that bid for the contract in a competitive process to be able to sell to WFP. With all of the different contracts WFP uplifts maize from the seller’s storage. This food will later on be used as food aid were the food insecurity is high or even famine in Kenya or other areas in need.

In the negotiation of the price on maize with the direct contract and forward contract WFP points out that the P4P program isn’t about subsidised farming were the members of the FO:s get overly paid for their produce not relating to the market price. Instead the price that is negotiated between the supplier and WFP is generally in line with the prevailing market price at the frame gate or local wholesalers. The members of the FO:s or other sellers will also add on the costs for bagging, post harvest handling and quality improvement resulting in a price that is slightly over the market price or that the FO’s members get a larger profit since they for instance didn’t have to pay for the bags. But what this contract primarily represents for the farmers is a guaranty that they will get a fair price on their produce no matter what happens to the market price when it’s time to sell. This is a way to manage risk of selling maize to a price with very low or no profit. When discussing the effect of the P4P program on the market and the prising on maize in interviews and conversations people involved in the program were reluctant to admit that it has influenced the maize price. Since the quantities of maize that has been procured within the framework of the P4P program are so small in

\[158 \text{ Semi structured interview (2012) Informant Nr 7-19, Semi structured interview (2012) Informant Nr 2, 4, 5, 6} \]
\[159 \text{ Semi structured interview (2012) Informant Nr 8, 9, 13 \\& 17} \]
\[160 \text{ Semi structured interview (2012) Informant Nr 19} \]
\[161 \text{ WFP (2009) Purchase for progress (P4P) Kenya} \]
\[162 \text{ Ibid.} \]
\[163 \text{ Focus group discussion (2012) Nr 1-4} \]
\[164 \text{ WFP (2009) Purchase for progress (P4P) Kenya} \]
\[165 \text{ Ibid.} \]
\[166 \text{ Ibid.} \]
\[167 \text{ Semi structure interview (2012) Informant Nr 1-3} \]
\[168 \text{ Semi structure interview (2012) Informant Nr 1-6} \]
comparison to the amount of maize that is traded in the whole of Kenya, and in the area where the fieldwork for the case study was done, it has little effect at these levels. But the informants couldn’t deny that at a local level the maize price to some extent has been affected. This is particularly so when the price on the direct and forward contract is higher than the market price. With pro smallholder tendering the price is decided by what supplier is able to give the best/lowest price on the maize that the supply to WFP. 169

“At a certain point the P4P will have an effect on the market price, but on a very small scale. I do believe that the FO:s that we are buying from are operating in a radius not exceeding 20 kilometres. So prices may be affected by the time the FO is aggregating for the purpose of selling to WFP. So the impact is limited in time and geography.” 170

Since the four FO:s that I studied had forward contracts with WFP the price on the maize was negotiated in the beginning of the season, the price may have fluctuated when it’s time to uplift the produce. This becomes an issue for the members of the FO:s if they get a lower price on their maize compared to the market price. 171 This puts the farmers understanding of the concept of delivering towards a contract to the test. As the contract is a guaranty to get a good price on your produce before you have harvested as a way to manage risks, it may also force you to sell to at a lower price in comparison to your neighbour that isn’t involved in the P4P program. 172 This is one of the reasons that FO:s has defaulted on their contracts with WFP. Instead of selling to WFP at the price they have decided beforehand the farmers (usually individually) choose to sell their maize to other buyers that are able to give a better price. This is just one of the reasons as to why FO:s in Kenya compared to other countries that have launched the P4P program, have some of the most defaulted contracts. 173 Other reasons are that the quality of maize doesn’t meet the standard required of WFP or that the farmers are in need of instant cash and don’t have time to wait for WFP to procure their maize or that WFP and the farmers overestimated their ability to produce maize which makes the farmers to default their contracts. In the case were farmers are offered a better price on their produce compared to what WFP has contracted them to it isn’t uncommon that FO’s tries to renegotiate the prices on the contract, something that to some extent is possible. 174 Even though the FO:s have had some issues to up fill their end of the contract, the farmers have also directed some criticism towards WFP. Primarily it has to do with payment delays after the maize have been uplifted by WFP. It is suppose to take about three weeks for the farmers to get paid, but sometimes these payments are delayed with several weeks. 175 It mainly has to do with bureaucracy within WFP, were documents has to be signed in Rome were WFP has their head office before any payments to the farmers can be done; overall the WFP is a large organisation. 176

Even if contracts aren’t defaulted it isn’t uncommon that they are delayed. It may be a simple thing as the rain season being late affecting the whole process. But it also has to do with the fact that trading with maize involves several different steps and in the case of the P4P

169 Semi structured interview (2012) Informant Nr 1 & 2
170 Semi structured interview (2012) Informant Nr 1
172 Semi structured interview (2012) Informant Nr 2
175 Semi structured interview (2012) Informant Nr 7-19, Focus group discussion (2012) Nr 1-4
176 Semi structured interview (2012) Informant Nr 1-3
program allot of people. All members of the FO:s have to bring their individual maize produce to the common store so that all the maize can be fumigated, dried, bagged and so forth. This in turn must be timed with WFP activities, where they have to uplift the maize at a time when not just one FO is ready to sell their produce, but all of them. The roads have to be good enough for transporting the maize and, as mentioned before, the administration of WFP must be in sync with the organisations activities. When the forward contracts have been signed money are set aside for the purpose of buying that maize at WFP. When the delivery of the maize gets delayed or defaulted, this money gets hold up. This has created a scenario where FO:s that are doing well are held back by other FO:s that aren’t doing as well because WFP’s head office won’t release more funds until the money that already been set aside for buying maize has been utilised for its purpose. Instead the FO:s that are doing well are asked to try to find other buyers within the formal market. This isn’t only a result of that WFP isn’t getting new funds until the once they already have been utilised, but it also has to do with FO:s that are able to produce a surplus that succeeds the amount of maize that has been contracted for. That is also why some of the FO:s have to try to find buyers other than WFP.

“I don’t like that WFP don’t pay us directly when they get the maize from us. I would like if they paid us when they get it. /.../
That’s the only negative with the P4P.”

The forward contract also creates an opportunity for the FO:s to be granted access to bank credit, something that is almost impossible for a single small scale farmer to get. The loans are taken by the individual members, and are paid back as such, but utilising the same forward contract as guarantee. This is done in collaboration with Equity Bank within the framework of the P4P program. With the help of these bank loans farmers has been able to invest in their agriculture in a way that hasn’t been possible before. For instance has one FO chosen to invest money in to buying a smaller truck so that they can transport their produce to the store or to other buyers than WFP. FO:s have also been able to buy material to start build their own permanent store where they can keep their maize before it gets sold. Storage where all members leave their produce and have it in bulk is one of the demands that WFP has for FO:s to participate in P4P so that they only collect the maize from one place and not at every single farmer. Now temporary storage facilities have been provided by WFP. The lack of possibilities to produce and bulk sufficient quantities is one of the main reasons to why small scale farmers have difficulties to attract buyers within the formal market. This was instead done by middlemen that were going from farmer to farmer buying their maize at the farm gate and bulking it and then selling it to wholesales or other types of buyers in the formal market. Ever when I was in the field together with any staff from WFP I observed that members from the FO:s (usually in a leadership position and the ones most articulated in

177 Focus group discussion (2012) Nr 1-4
178 Semi structured interview (2012) Informant Nr 2-6
179 Semi structured interview (2012) Informant 3, Observation (2012) meeting between AMPATH, WFP & USAID in the field with the FO’s Kaptebee and Schemers, 2012-02-07
180 Semi structured interview (2012) Informant Nr 9
181 Focus group discussion (2012) Nr 1-4
182 Observation (2012) meeting between AMPATH, WFP & USAID in the field with the FO’s Kaptebee and Schemers, 2012-02-07
183 Focus group discussion (2012) Nr 3
184 Focus group discussion (2012) Nr 3 & 4
185 Semi structured interview (2012) Informant Nr 1-6, Focus group discussion (2012) Nr 1-4
English) always tried bargain about getter better price on their maize, better deals, funds to different projects or other types of sponsorships that would benefit them.

Since a large proportion of small scale farmers are female, women’s equality to men has been one of the focus points of the P4P program. But most (three out of four) of the four FO:s that I met during my fieldwork had a patriarchal structure in their leadership organisation and during focus group discussions women weren’t as talkative as the men. Also the type of food that WFP procure from the FO:s (maize, sorghum, corn-soya blend and mixed pulses) are typically characterised as “male crops” that are farmed commonly by men, whereas women usually farm other types of crops than the ones largely bought by WFP. The numbers of members that are female are understandably different between FO:s, but in Kenya in general the participation level is about 50 percent among men and women which is an improvement of how the FO:s were assembled early on. WFP has together with NGO:s that they are in partnership with, in this case AMPATH, has in line with the P4P been working with building the capacity of the women and trying to strengthen them and give them confidence. This is a long process that takes time, but according to WFP’s own evaluation of the P4P the members of the FO:s have made big progress in this area. Women’s constrains for accessing and participating in the maize market may not necessarily only depend on the supply chain or the maize market itself, but it has also to do with their limited access to secure land for agricultural production and financial services.

Prior to the P4P program many of the small scale farmers experienced under production, low yields and harvests, the losses after harvest were great and the maize prices on the market fluctuate allot creating a scenario of considerable risk where the farmers could lose money because of the volatile maize prices. It isn’t uncommon that small scale farmers manage to produce a surplus, and then finding themselves in the need of cash without the ability or possibility to store the maize to a time when the price on maize is higher, they sell the maize to a middleman at the farm gate at a low price. A few months later the farmer has run out of maize and therefore has to rely on the market for the supply of it, and now at a higher price than the farmer sold it for a few months earlier, making them lose money in the transaction. With the help of capacity building and procurement training the members of FO:s have been able to battle these limitations. FO:s have received training in on how to improve their agricultural production and sorting, how the maize is best dried and stored, how to manage a storage facility and how to conduct a proper quality control. Members of FO:s have also been trained in group dynamics, gender issues and book keeping. More than just having a secure market to sell maize in with the help of WFP in the context of the P4P program, the members of the FO:s have learned how to produce and market a high quality product, and in contrast to before the P4P program, now the farmers know the standard of the maize that they produce. This generates a situation where the farmers now find themselves in a better bargaining situation compared to before in contact with buyers.

187 Focus group discussion (2012) Nr 1-4
188 Mitchell, J & Leturque, H (2011) p xv
189 Ibid. p xviii
190 Ibid. p 8
192 Semi structured interview (2012) Informant Nr 1
193 Semi structured interview (2012) Informant Nr 7-19
194 Semi structured interview (2012) Informant Nr 7, 13-16, 19
“If a middleman would come to me now and want to buy my maize, I would just say no /.../ They [the middlemen] don’t come here anymore. /.../ I now know how much my maize is worth.”

All farmers that were interviewed for this case study had personal experiences of getting deceived and cheated by middlemen when selling maize to them. But now with their new knowledge and confidence the farmers have changed the power relationship among the actors (maize producers and buyers) and are now able to ask for better prices when selling their produce. This has made the middlemen to stop approaching members of the FO:s since they no longer are able to make the same profit as earlier. The middlemen have taken their trade to other areas or in some cases they have even joined the FO:s and are now selling to WFP through the P4P program. As mentioned earlier, the middlemen typically live in the area that they trade in and therefore it isn’t too surprising that they chose to participate in the P4P program.

With the additional profit that the farmers now get since joining the P4P some is reinvested into the farming and agricultural production. They have chosen to invest in higher qualities in seeds, pesticides and fertilisers, and some have invested in increasing their area of agricultural land that they cultivate. But the members of the FO:s have also decided to invest their profit in other things. The most common investment is into their children’s education. School fees and school uniforms were nearly everyone’s answer to what they chose to invest the profit in. One FO has even decided to sponsor one of its members’ children to go to university. Other investments were buying a cow, chickens or a sewing machine. This relates to what additional work farmers usually do that don’t directly have to do with growing maize. Cows are bought for their milk that women commonly process and sell, chicken are bought for their eggs and meat, as with the sewing machine women make usually makes clothing and so forth. Others have small businesses that sell traditional meals and tea, or a business that build furniture or repairs bicycles, or a taxi service with the use of a motorbike (in Swahili called a boda-boda). Even though the members of the FO:s are able to make these different investments and changes for themselves and their families, they also expressed that they are proud to be able to contribute to the country as a whole. Since the food that WFP buys from the FO:s are utilised in Kenya to elevate hunger, the members feel that they are helping their fellow countryman. For instance at the food distribution at AMPATH in Eldoret they regularly utilised food that has been bought from FO:s involved in the P4P and according to the staff their the food that comes from the P4P is always appreciated and considered to better compared to food from some of the other suppliers. I also observed that staff at WFP and AMPATH is proud of their work in regard to the P4P program.

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195 Semi structured interview (2012) Informant Nr 13
196 Semi structured interview (2012) Informant Nr 7-19
197 Ibid.
198 Focus group discussion (2012) Nr 2 & 3
199 Focus group discussion (2012) Nr 1-4
200 Semi structured interview (2012) Informant Nr 7-19
201 Focus group discussion (2012) Nr 2
202 Semi structured interview (2012) Nr 10, 12, 13, 15, 16 & 19
204 Semi structured interview (2012) Nr 10, 12, 13, 15, 16 & 19
205 Semi structured interview (2012) Nr 12, 13, & 17
206 Focus group discussion (2012) Nr 1-4
5. Understanding limits and opportunities at the maize market

To understand the dynamics of the Kenyan maize market isn’t easy primarily because of the governmentally controlled maize market works alongside the private maize market and both of them are intertwined. The price that NCPB are willing to buy maize for is reflected in the pricing at the private market. Even though the maize market has been through a liberalisation process the government still has allot of influence over it. The neo liberal wind that blew through the market politics during the 1980s and 1990s has also had its effect on the Kenyan maize market. As Barrett claim has this change in the food trade paradigm led to more private actors at the market place.\textsuperscript{207} But as Swinnen (et al.) and Jayne (et al.) argues, there are few markets in the world have free trade and no influence by the government, as in the case of Kenya.\textsuperscript{208} Further Swinnen (et al.) insists that small scale farmers’ lack of participation in markets has to do with them relying on subsidy and external inputs.\textsuperscript{209} In the case of Kenyan maize market I could see that his line of thought to some extent would apply, but in the case of governmental intervention in the market I argue that NCPB’s trade has a greater influence on the market than any subsidies. If anything would the case of the P4P program show that many of the small scale farmers would be helped by an external organisation, not by subsidies specifically but better access to market information and training in capacity building, and therefore discard Swinnen’s argumentation. I would chose to describe the maize market to be in a position of transition where the market is going from being fully controlled by the government to become more liberalised and allowing private trade as well, as discussed by Conforti and Sarris.\textsuperscript{210} Swinnen (et al.) and Coulter and Poulton also conclude that this type of transitions is slow and difficult,\textsuperscript{211} or as Jayne (et al.) chose to put it; that private trade is allowed within the structures of a state governed food market.\textsuperscript{212} This results in a market that has poor infrastructure and technologies, and flawed structures.\textsuperscript{213} This is one of the explanations, among others, as to why small scale farmers have difficulties to access and participate in the formal market in developing countries, as in the case of the Kenyan maize market.

Since maize is the most common staple food in Kenya it also is the most cultivated, this is the reason as to why maize is such a political issue. The Kenyan government, through the NCPB, is trying to make an effort to make sure that its citizens are food secure by trying to regulating the price. As the researcher Ariga (et al.) and Jayne (et al.) stresses in their texts is the Kenyan government (as all governments) faced with the challenge of how to keep food prices high enough to give farmers a profit that they are able to invest in their food production, and at the same time low enough so that the poor (also commonly small scale farmers) are able to uphold their food security.\textsuperscript{214} This paradox is one of the reasons to why NCPB is trading with maize. Making the situation ironic is that the NCPB is primarily procuring maize from middle- and large scale farmers and at the same time raising the price on maize, making the consumer, among others the small scale farmers, pay a higher price for the staple food than in a case where the state wouldn’t intervene like this in the market. When reviewing the

\textsuperscript{207} Barrett, C.B (1994) p 449
\textsuperscript{209} Swinnen, J.F.M (et al.) (2010)
\textsuperscript{210} Conforti, P & Sarris, A (2010)
\textsuperscript{211} Swinnen, J.F.M (et al.) (2010), Coulter, J & Poulter, C (2001)
\textsuperscript{212} Jayne, T.S (et al.) (2001)
\textsuperscript{213} Conforti, P & Sarris, A (2010), Minot, N (2005), Stifel, D (et al.) (2003)
literature about the functions of the food market and contrasting it to my own empirical experiences of the Kenyan maize market I find it easy to see that all disagreements concerning how to help small scale farmers in rural areas in developing countries comes down the controversial issue of what role the state in relation to the private sector should have. This is a result of the battle of ideologies. Some argue that the market has been privatised, some that there is a gap in the transition from public to private market, and some argue that there never has been a private market, and that these are the different reasons to why small scale farmers have difficulties accessing and participating in markets.\textsuperscript{215}

Most researchers agree that the government has a part to play in the market, whether it’s to supply with services like transport and credit or to offer subsidies, but they don’t agree to what extent. At the same time several researchers argue that FO:s are a possible way to compete on more equal terms than otherwise. I’m in the belief that the government has a role to play to enable small scale farmers to access the formal food market. In the case of Kenya has the government with the help of the NCPB tried to help both the food producer and the consumer by stabilising the price and trying to find the balance to please both of them. As in line with De Vylder argumentation is this role of the government not necessarily the right one.\textsuperscript{216} But on the other hand has the private market been given too much responsibility to resolve the issue of development and economic growth. WFP has with the P4P program made an effort to give small scale farmers an opportunity to take advantage of the opportunities that the formal market presents. The P4P program has with the support of external input (WFP) built the capacity of the farmers so that they are able to gain of a liberalised market, and by doing this utilising the benefits of an external input (WFP or government or otherwise) as well as the private market. It’s possible to argue that the WFP is only doing the job that the Kenyan government is supposed to do by helping the farmers. Since governments influence on the food trade is somewhat controversial I believe that WFP through the P4P program has shown that an external input may be very much beneficial for the farmers that are involve without disrupting the structures of the market in a negative way. But at the same time it isn’t that easy to make an equals sign between WFP and the Kenyan government.

Not only is the maize market in Kenya complex, with both a private and governmentally administered maize market, it’s even more multifaceted by the fact that is fragmented primarily in the rural areas because of the shifting population density within the borders.\textsuperscript{217} This in turn also has a tendency to create more sophisticated supply chains that relatively has higher quality standards. These modern supply chains attracts middle- and large scale farmers and excludes small scale farmers because of their lack of ability to sell large quantities, uphold required level of standard and ensure a secure supply of maize. The maize might even require some type of certification to be eligible to trade in these supply chains.\textsuperscript{218} The small scale farmers involved with the P4P was prior to the program not able to participate in these supply chains activities and therefore not take part of the opportunities that these may generate. The supply chains that the farmers were involved with were in the informal market and at a local level, meaning that the maize trade took place in the geographical area close to the farmer’s home. By joining the P4P program small scale farmers are now able to access the formal maize market to a larger extent. They are also aware of the standard of the maize that they produce and market, and possibly some of the more successful FO:s might even be capable of competing in the bidding for contracts with large scale buyers, like supermarkets.

\textsuperscript{216} De Vylder, S (2006)
\textsuperscript{217} Markelova, H (2010)
\textsuperscript{218} Ibid.
and so forth. But with the increasing participation in the formal maize market, and possibly with other big buyers alongside WFP, these small scale farmers are now also competing on a national and even international market. The globalisation of the food market worldwide creates the opportunity, for those that are able overcome the limitations of the market, for farmers that that used to sell their produce to middlemen or the local market to reach a larger market globally. But on the other hand it may create a scenario where those farmers, typically small scale farmers, that aren’t able to access this international market, find the gap to do so, widen even more.

The Kenyan maize market is, according to me, inefficient and overly complicated with both a private market channel and one governed by the government and it’s exploitive towards small scale farmers. The result of this, among other things, is that small scale farmers don’t receive the support or empowerment so that they may participate in the market activities at their fullest potential. Since food markets in development countries usually are flawed, and so also in the case of Kenya, this poses problems and limitations for small scale farmers to access and participate in the formal food market, and the few that does have a hard time to get a fair price on their commodity. With the help of FO:s farmers involved in the P4P program have been able to overcome some of these barriers and create opportunities to partake in the market activities on more equal terms. In line with Barrett’s argument about how farmers have to make a choice whether to be a subsistent farmer, semi subsistent farmer or cash crop farmer, has the small scale farmers involved in the P4P transformed their mind set about their farming activities to think of it more as a business instead of like a hobby. One of the larger limitations that the small scale farmers encountered prior to joining the P4P program was their lack of ability to bulk and store large enough quantities of maize. When the farmers came together and started to market their commodity in a larger bulk they were also able to attract large scale buyers, in comparison to the middlemen that earlier was the most common buyer. Barrett also points out the paradox about market participation, as much as it’s the cause of development it’s also the outcome. You need development to be able to participate in markets, but participating in markets at the same time generates development.

Other than a flawed market and small scale farmers’ lack of ability to bulk and store maize prior to joining a FO and the P4P program they are also up against other barriers. Some of these obstacles are the lack of infrastructure and transportation costs, no or limited access to financial credit, that there is no or uneven access to certain services and market information, that there are no demand for their produce or that the market is flooded with maize and therefore lowering the price on it. By coming together in FO:s some of these obstacles may be overcome. In the case of the P4P program the members of some of the FO:s have been able to utilise their forward contract to access financial services and bank credit which is a barrier that a farmer singlehanded would have great difficulty to conquer. This money has also been invested in trying to decrease the limitations of infrastructure and transportation costs. One of the FO:s has been able to invest in to their own truck to cut down transportation costs. The storage facilities are an example of infrastructure that has made it easier to bulk maize and therefore access the formal maize market. The FO is also a good basis for farmers to share their experiences with one another and also between FO:s and through that communication the small scale farmers gets better access to market information. The structure of the FO has also been utilised in the spread of certain services within the P4P. In the pursuit to build the farmers capacity a small number of the FO’s members has for instant been trained in post

221 Barrett, C.B (2010)
harvest handling (for example drying and sorting) and book keeping, and later on learned the other members of the FO these skills. This is one of the examples of how in the context of the P4P that collective action in the form of FO:s has been utilised to overcome barriers and limitations of a flawed maize market in Kenya. But some limitations are though very difficult for even FO:s to overcome. The fact that there might not be a demand for their produce or that the market is flooded with maize is hard to have a real affect upon. FO:s are able to create new market opportunities, when filling the gaps of a flawed market. The WFP has created a new market opportunity for the FO:s in the case of the P4P program in Kenya by procuring maize from small scale farmer, but the situation has nothing to do the farmers filling a gap in a flawed market. Without WFP as a buyer, I believe that the farmers wouldn’t be accessing this type of formal market on their own.

With the help of the capacity building and the support of the members in the FO, groups are feeling more empowered and are finding themselves in a better bargaining situation in comparison to prior of joining the P4P program. As Thorp and Markelova argue, FO:s have also created possibilities for small scale farmers to compete with other actors along the maize supply chain. Most farmers felt more confident in what their input in their agricultural produce is and what the market price on maize is and this in a combination of empowerment and support generate a situation where farmers have more power in the price negotiations, when utilising the case of P4P program. For an example when asked about a hypothetical case were they would be confronted by a middleman at their farm gate offering them to buy their maize, all farmers that was interviewed for the purpose of this study, would refuse to sell to them if their price wasn’t good enough according to the farmers. This scenario is rare now since the middlemen for the most part have stopped approaching farmers that are involved in the P4P program. Middlemen have even chosen to join the FO:s since it’s a greater benefit to them. There are even cases where small scale farmers that are members in a FO have started to buy maize from other farmers that aren’t participating in the P4P program. The small scale farmers have now, in some cases, replaced the middleman and also that actors’ position of power along the supply chain. So by utilising the FO:s and their ability to creates shifts in the power relationships for the benefit of small scale farmers, also makes them able to cut out the middlemen (or become them) within the supply chain, and make a long supply chain more simple. But for the effects of the FO to happened and continue to be sustainable, Thorp argues that issues like marginalisation and social exclusion must be addressed simultaneously. This comes back to the paradox whether market participation generates development or if the relationship is the reversed.

Even though there are a lot of benefits with collective action and the P4P program there have also been shown that there are some down sides to it as well. The defaulting of contracts is problematic and costly. The justification for these defaults from the FO:s that I met with was among other things due to better offerings on the pricing, but is also has to do with the small scale farmers’ perception that the WFP is ineffective in their payments. Since WFP has the policy not to pay premium prices on the maize that they procure it isn’t unlikely that better offers may occur from other buyers. Anyone in the same position would consider selling to a buyer that offers a higher price. Kenya is one out of the 21 pilot countries were the P4P program has been started up, that is dealing with some of the most frequently defaulting of contracts. In a situation where this were to happened in a business transaction in a formal food market there would be serious consequences for the part not fulfilling their end of the contract. In the case of the P4P there really are no consequences for contracts defaulting.

222 Thorp, R (et al.) (2005), Markelova, H (2010)
223 Thorp, R (et al.) (2005)
When talking to staff at AMPATH and WFP about it I was told that it isn’t the purpose of the program to punish farmers, instead it’s a learning process for all actors involved in the program, which also gives WFP some flexibility towards the delays in payments. But on the other hand soon some of the FO:s are expected to compete in the formal market without the same support of AMPATH or WFP and then they must be able to fulfil their end of the contract, or suffer the consequences if they don’t. The fact that farmers chose to default their contracts because of better offer must also be considered in the understanding of the purpose of the P4P program. The purpose with the P4P is to enable small scale farmers to enter the formal market and because of it it’s hard to blame them for seeking other buyers that pays a better price than what WFP offers them. The paradox is that the FO:s that defaults their contracts because of better offers are still fulfilling the purpose of the P4P program. So WFP aren’t really able to blame them for doing what they trained them to do.

Small scale farmers are defaulting on contracts in an initiative that primarily is trying to help them get a fair price on their maize. With the delays on payment from WFP they stand in front of the challenge to make the organisation more small scale farmer friendly. From a farmer’s perspective are they leaving a simple system in a commercial market, often informal, where they got paid in cash with little consideration about the quality on the maize or with concern of other members in a FO. Since joining the P4P the farmers now face prolonged discussions and bargaining on the pricing on the maize decided on the contract, the payments are delayed sometimes even longer than the contracts proclaim most commonly due to bureaucracy within WFP. Further they have to meet specified quality standards on their maize and the payments they get have to go through the FO. To do business with the WFP through the P4P program has also come with a cost for the members of the FO:s. They have to invest their time and labour and trust that this more sophisticated system of trading with maize, in contrast to the more simple one, will live up to what has been envisioned. More specifically some of the costs of the delayed payments to the farmers happen after the harvest that follows the long rain season in Kenya. This in turn usually coincides when school fees has to be paid, which possibly may result in parents have to take their children out of school, at least until the fees are paid, or they have to put themselves into debt and lone the money to be able to pay (none of the farmers interviewed by me had experienced this personally). The cost may also be that debts that they already have since earlier, even loans to the bank with the help of the forward contracts, might be delayed due to the late payments from WFP. Not having money when other farmers that aren’t involved with the P4P already have been paid for their produce may also create a social stigma for the members of the FO:s. These costs is also the reasons as to why farmers chose to default their contracts when they are offered a better price on their maize, and sometimes even a lower price, just because they are in need of cash at that point in time. WFP is working hard to decrease these payment delays and are aware of the issues that they are creating for the farmers. Even so, all farmers that were interviewed all would have preferred if WFP had paid them in cash when the maize is uplifted.

As from a buyer’s perspective when trading with a staple food like maize instead of a cash crop like coffee from small scale farmers, it’s somewhat of a risk because of the many options the producers have of selling to, as in the case of the P4P program in Kenya, compared to a high value crop. Also trading with a crop that the producer also consume for its livelihood, as it’s common with small scale farmers, is a risk if for an instance the weather would create a situation where the farmer consumed the maize and had none left for the purpose of trade. Trading maize with several different buyers is a common hindrance for a vertical relationship among actors along the supply chain (that is when the producer chose to sell to only one buyer instead of branching out to several, giving the supply chain characteristics of being a vertical
This is way these kind of vertical relationships most commonly occurs when the small scale farmers isn’t able to consume the produce that she or he is producing and when there is only a limited amount of buyers. These conditions are rarely something found in the formal staple food market. In the case of the P4P program the intended buyer was the WFP, procuring food for the purpose of food aid in areas of need. This would have been a vertical relationship between producer and buyer. But as the maize market is characterised by allot of different buyers the trend is for the supply chain to be more fragmented. The lack of vertical relationships along the supply chain may also be an additional explanation for the understanding as to why the member of the FO:s are defaulting their contracts.

As discussed earlier are the members of the FO:s feeling more confident when they work together. I would think that this also would apply for the women within the groups. The number of female participants in the P4P program is increasing and hopefully this will also be reflected in the decision making in the FO:s. Women were encouraged by me and others working together with the FO:s to talk and make their voices heard. The fact that women’s rights are something that is bought up during meeting with the FO:s it’s my belief that men also have become more aware of their responsibility in creating more equal FO:s and a society in general. But that the increasing membership of women in the FO:s and the P4P program in the end will profit the women is an assumption easy to make without really knowing how it’s affecting them. Increased female membership also doesn’t automatically lead to women participating in the activities of the FO:s or that they are in any way involved in the decision making. The involvement in the decision making on the other hand doesn’t necessarily lead to something progressive, this is also an assumption. But just because they are assumptions doesn’t make them untrue. As most societies, Kenya are for the most part built on a patriarchal structure, and it would be strange if this also wasn’t reflected in the dynamics of the FO:s. Changing these structures is a slow and many times difficult process that doesn’t happen overnight. Since the P4P isn’t solely a gender issue program, this is something that FO:s together with AMPATH and WFP are working with alongside battling other problems that small scale farmers face when trying to access and participate in the formal maize market in Kenya.

The FO:s that were interviewed for the purpose of this study were all relatively successful in their trade with maize with the WFP and with other buyers (when member of the FO:s produced even more maize in comparison to what was contracted to be procured by WFP). This in turn had lead to increased revenue for most small scale farmers that they were able to make investments with. The primary investment was into children’s education (school fees), but following that investments that would generate an additional income along agriculture (for an example sewing machine, cows or motor bike). As argued by Owusu (et al.) and Barrett (et al.) are non-farm activities important for small scale farmers to uphold their food security. This is an additional way to manage risks, if their farming were to fail as a result of climate for an instance (additional work along the farming). This in turn also goes along side Thorp’s argumentation that be able to create development and economic growth for these small scale farmers you have to address issues like marginalisation and social exclusion. These are initiatives from the farmers themselves to do just that. They are expanding their ways of income so if one were to fail they could always relay on their other ways of incomes. When talking to the farmers about their worry of not being able to feed oneself or his or her family they were assured that this wouldn’t happen to them. If they would find themselves food insecure they were convinced that in the end they could always rely on their family,

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neighbours and friends to give or borrow them some food just to make it through. But this confidence and assurance also must be understood in the context of the P4P program. Even though it reaches out to small scale farmers, these farmers have to be able to produce a surplus to be eligible to participate in the program. So in comparison to middle- and large scale farmers, the members of the FO:s are considered marginalised for example in regard to their market access. But still there is a segment of small scale farmers that are exclusively subsistence farmers and not generating any surplus to market, and therefore aren’t capable to participate in the P4P program. This may also be a reason as to why the members of the FO:s not really are considering food insecurity to be a prominent issue.

Even though collective action and FO:s may be the basis and catapult that small scale farmers need to be able to access and participate in the formal market to make use of the benefits of it, all FO:s aren’t necessarily successful in this. The small scale farmers aren’t only faced with the limitations of the market but also the limitations and barriers of the P4P program. Not all FO:s have been able to overcome these barriers, like understanding and handle the formal trade with contracts and book keeping, and are therefore not able to access and participate in the activities that might be beneficial for them. Even though the P4P program’s purpose is to include small scale farmers it also excludes members and FO:s that aren’t able to manage the formalities of the formal market. It’s even possible that some small scale farmers would benefit from staying within the structures of the informal maize market since aspiring to join the formal market also has its costs. The farmer has to invest time, labour and money, which in some cases are greater than the benefits of accessing and participating in the formal market, the transformation may be too costly. Also the reach of the reformed maize supply chains are limited. For instance according to Coulter, the procurement of food from small scale farmers for the purpose of food aid has had mixed results. In some cases it has reformed the maize supply chain to the benefit of the farmer and created investments opportunities, but most commonly are these changes only limited to the trading activities connected to the program. In the case of the P4P program the effect on the market outside the structures of the program has been limited. The program must first of all be understood in the context where the amount of maize that is procured is very small compared to the amount of maize that is traded with within Kenya as a whole, and therefore the expectations on the effects that the P4P program must be at the same level. At the same time as the P4P program is trying to reshape the maize supply chain, WFP is also trying not to influence the market price by inflating prices with paying a premium price on the food that they procure. Even though WFP want to influence the maize market to benefit small scale farmers they also want the influence to be something positive for the market in general. Increasing the price on food would be damaging for those buyers that are relying on maize for their staple food, coming back to the paradox of setting a price high enough to be beneficiary for the producer but also low enough for the buyer with limited margins. Inflated prices could also undercut the sustainability of the P4P program when WFP no longer will procure maize from the farmers and they are suppose to navigate the formal food market on their own and negotiate prices with buyers.

It’s also important to point out, as argued by Ferguson and Kepe, that local procurement of food for the purpose of food aid, as in the case of the P4P program, isn’t a guarantee for food security for the small scale farmers that sell their maize to WFP. The intent is there to help these farmers to ensure their livelihood, but no one can predict the outcome of such a program and therefore assure its participants food security. This is almost certainly one of the reasons to why there are farmers in the same areas as the FO:s are operating in that chose not to

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225 Coulter, J (2007)
226 Ferguson, H & Kepe, T (2011)
participate in the P4P program even if they have been invited to do so. As the researchers Wandschneider and Hodges, and Coulter discuss in their articles some FO:s are more successful in their involvement in programs similar to the P4P and the local procurement of food for the purpose of food aid, in comparison to other groups.\footnote{Wandschneider, T & Hodges, R.J (2005), Coulter, J (2007)} This may have different reason, for an example are there FO:s that are struggling with conflicts among members which is understandable if the members aren’t used to work in groups outside your family unit and in large numbers, and there have been cases of mistrust towards the leaders of the groups. There has also been cases were the FO:s have dissolved. My understanding of these issues is that the primary reason for FO:s to dissolve is a leadership issue. Whether it’s the leadership of the FO:s or AMPATH or WFP that are responsible for these failures is difficult to determine. But out of the four FO:s that I was able to meet with, two of these had the same social worker from AMPATH connected to them and was at the same time also considered to be somewhat of success stories from the P4P program. Even though it isn’t reliable to make out a trend from this limited empirical material, it still to some extent support the argument that FO:s rarely form without external input,\footnote{Markelova, H (et al.) (2009), Thorp, R (et al.) (2005)} and therefore I would argue that a lot of the success of a FO is depending on the leadership skills of the external input and how these skills are transferred to the leaders of the FO:s. But on the other side of the argument is every case unique and also depending on the actions of the members and leaders of the FO in question.

When placing the P4P program in a larger context, it shows what this case is typical for the difficulties that small scale farmers in general in developing countries have to face when trying access and participate in food markets. As portrayed earlier by De Vylder, Jayne and Jones, and Markelova are these markets flawed,\footnote{De Vylder, S (2006) p 108-109, Jayne, T.S & Jones, S (1997) p 1522, Markelova, H (et al.) (2009) p 1} which in turn creates markets that are lacking in information, technologies and services among other things.\footnote{Mitchell, J & Leturque, H (2011) p 4-5} In the case of the maize market in western Kenya the dynamics of the market are somewhat different in comparison to the general food market due to its two market channels. But on the other hand is this a symbol for the ideological standpoint that all governments in the world have to take in regard to what role the state should have within the food market. For me it’s obvious that the state has an important role to play and that governments, international agencies and NGO:s and others have put too much trust in the market’s ability to generate development and economic growth for all. The liberalisation of the maize market in Kenya may have benefited middle- and large scale farmers, even though they (if you chose to believe the statements about corruption) might benefit even more from the procurement from the Kenyan maize market for the purpose of the food reserves. Whereas the small scale farmers unintentionally have been excluded from the formal market, which middlemen take advantage of and therefore exploit this already marginalised category of the society. This development is probably also useful for other actors along the maize supply chain that are benefitting from a low price on maize.

6. Conclusions

The first purpose of this thesis was to portray the dynamics of food markets in developing countries, utilising the case of the P4P program in Kenya, and showing what limitations and
opportunities there are for small scale farmers. In general are these food markets flawed and lacking in infrastructure, market information, bank credit and services, which is also the case of the Kenyan maize market. The dynamics of this market are even more complicated by the fact that it’s made up of two different marketing channels. One is govern by the state and the other by private actors, and the two are intertwined with one another. The market is also characterised by informal and formal market structures that also are connected to each other along the maize supply chain, and further it’s fragmented because of the shifting population density in Kenya. Maize supply chains are becoming more sophisticated and as a result of globalisation small scale farmers are also expected to compete at international food markets. The Kenyan maize market is in a transformation where it’s going through a liberalisation process were private trade has become legal within the structures of state governed maize market. Even though the NCPB’s intent has been to ensure that farmers get a fair price on their produce and at the same time keeping the prices low enough for consumers, has this together with the characteristics of the market created a maize market that is overly complicated, inefficient and exploitative towards small scale farmers. There is much debate about what role the state is suppose to have within food markets, as in the case of the maize market in Kenya. I am convinced that the state has an important role within the development of the maize market and increasing the possibility for small scale farmers to be able to access and participate in markets. But in the end this discussion comes down to ideology and therefore it’s unlikely that researchers, NGO:s, donor agencies and the leaders of the world will agree on the way forward.

The primary purpose of this thesis was to understand how small scale farmers try to navigate the market to be able to access and participate in the formal maize market to be able to improve their revenue and livelihood. With the help of collective action in the form of FO:s the small scale farmers have been able to overcome many limitations of the maize market as they for instance share transportation costs and the possibility to bulk maize to attract large scale buyers. Further has the capacity building and training that the farmers have received since getting involved with the P4P program helped them to increase their yields and limit the post harvest losses. Also utilising the forward contract as a security to access bank credit has enabled the farmers to invest in their agriculture. The contract is also a guarantee for the farmers to get a good price on their produce no matter what happens with the prices at the maize market, a way to manage risks. But one of the primary changes that the farmers has been trough is their change in mind set from viewing agriculture as something of a hobby to a business. This is the foundation for the farmers to become successful in navigating the Kenyan maize market. This together, with all the other changes that the P4P program has brought on the farmers, has made them become more empowered and affected their power relationship towards buyers within the maize supply chain, especially in the bargaining situation. Even in the farmers relationships towards WFP they are renegotiating the price on the maize which shows that the participants of the P4P program has become more confident about the quality on the maize that they are marketing and what price they can expect to get for their maize. This has made the middlemen to stop approaching the small scale farmers involved in the P4P program, and they have been cut out of the maize supply chain. To some extent has even the farmers started to buy maize from other farmers and taken the position of the middleman.

This change in the farmers’ mind set and their improved power position along the maize supply chain has also had the effect that the farmers are defaulting on their contracts because they, among other things, are finding buyers that are able to top the price that WFP is offering them. But since WFP are the once that has trained the farmers to access and participate in the
formal market and when they now are doing so, although at the expense of the forward contract, WFP can’t really blame the farmers for doing it. One of the major criticisms directed towards the P4P program and WFP has to do with the delays in payments because of the bureaucracy within WFP organisation. It’s important to point out that the farmers has gone from a relatively simple system where the farmer got paid in cash on the spot when the maize was uplifted at their farm gate by a middleman, to a system that is more intricate and pays the farmer several weeks after the food has been uplifted and it also must meet a certain level of standard. This means that the maize might get rejected because it’s lacking in quality. The delays in payments risks farmers not being able to pay school fees on times or loans that the farmer possibly have. Not having cash when others not involved in the P4P program have been paid for their produce may also result in social stigma. But from a buyer’s perspective is the staple food market more risk full due to the large amount of buyers in it, which in turn makes it difficult to create vertical relations along the supply chain. In the case of the P4P program this type of relationship between actors is created on the basis of a forward contract. But the lack of vertical relationships along the maize supply chain may also be one of the explanations as to why members of the FO:s chose to default their contracts.

In regard to the small scale farmers own subjective experience of the P4P program they all expressed gratefulness for the positive outcomes from the program. The farmers feel more empowered and have been able to invest in their agricultural production and increasing their yields. Further they have besides their maize production primarily chosen to invest in their children’s education, which shows that the positive outcomes not only affect the farmers personally but also their family members. They have also chosen to invest in non-farm related work like sewing machines and motor bikes as a way to diversifying their income so if their farming would fail one season they can rely on other sources of income as well. This is a way for the farmers to manage risks. Some FO:s have been more successful than others within the framework of the P4P program which, among other things, is a reflection of the barriers within the program itself. To be successful within the P4P program the members of the FO:s have to be able to master the skills of book keeping and following the agreements of a contract, among other things, in addition to overcome the obstacles of the formal market. Further the activities of the P4P program have been limited to those that are members of the FO:s and their closest family making the spread of the program not very wide. At the same time WFP is trying to limit their influence on the market price by not offering the farmers higher prices for their procurement of maize, this not to inflate the prices at the maize market. Even though the purpose of P4P program’s activities is to increase the revenues of the food production for small scale farmers and improve their livelihoods, the program can’t give any guarantees that its activities will secure food security for its participants.

The members of the FO:s and staff at AMPATH and WFP feel proud about their accomplishments within the framework of the P4P program and the positive effects it has had for the small scale farmers involved in it and the contributions it has given the people the food aid has helped in times of distress. The small scale farmers have assisted fellow countrymen and contributed to the development end economic growth of their home country. Procuring food for the purpose of food aid, as in the case of the P4P program, from small scale farmers has achieved a reformation of the geography of the maize supply chain and the power relationship between buyer and supplier, although limited to the FO:s involved in the program. Along with this the socio-economic conditions has improved for most members of the FO:s that are able to overcome the barriers of the P4P program itself. To be able to help people in need of food aid and at the same time improve the livelihood of other marginalised groups of people when procuring that food from small scale farmers, are probably going to be
the new food aid procurement paradigm for international organisation and donor agencies in the future. Indeed, the P4P program has offered its participants an opportunity to overcoming barriers within the formal food market by bringing together small scale farmers with a reliable buyer (WFP) and reduce the risks for the food supplier.

This thesis has, according to me, portrayed the dynamics of the Kenyan maize market and how it operates and how this in turn has affected small scale maize farmers in western Kenya. It has shown what limitation and barriers that these farmers face and must overcome to be able to benefit from the opportunities that the formal maize market has to offer. Further it shows how farmers have tried to navigate the market and struggled to get a fair price on their maize when selling it to middlemen. Also it describes how the supply chain has changed in regard to transforming from trading maize at the informal market to the formal one and how the power relationships among actors has changed along it since the involvement in the P4P program. In the thesis I have also explained the prospects of collective action and coming together in FO:s, but it also describes the limitations of such structures. The thesis also contributes with a description and discussion of the rather new phenomenon where food is procured locally for the purpose of food aid, like in the case of the P4P program. Relatively little has been researched about this topic and with this study I hope that I have contributed to extend the knowledge about this topic, and what effects it has on the market and primarily for the small scale farmers that are involved in the program. The case of the P4P program is much context oriented, meaning that it’s only valid and limited to the time and place when the fieldwork in Kenya was conducted. Therefore one thesis most primary contributions of this thesis are the small scale farmers own subjective experience of being involved in the P4P program. But still the case of the P4P program has also been put in a larger context trying to portray how small scale farmers in developing countries are struggling to access and participate in formal food markets in general and that this case contributes to this knowledge.
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Appendix: 1 Letter of introduction

My name is Maja Skjöldevald and I am a student at Stockholm University in Sweden. I am studying human geography and I have received a scholarship to travel to Kenya and collect information about the P4P program and the maize market. The World Food Program is well aware of my presence here; they are the ones that have referred me to you. I don’t work for WFP, they don’t pay me or have any influence of my work, but they will take part of the finalised product.

The purpose of me meeting with you and talking to you is for me to collect information for my master thesis in human geography. I want to get a better understanding of the maize market in the context of farmers’ access to and participation in markets utilising the case of WFP’s project P4P in the area.

- All the information that I gather from meeting with you will only be used for the purpose of my master thesis. Therefore the information won’t be published or generate any financial income.

- Everything you say to me will be handled with confidentiality. If any recordings are made during our meeting, I will first ask you if this is ok with you and when I start and stop to record. I will be the only one that have access to the recordings and are the only one that can listen to them.

- You participate in any way on your own free will. This means that you can choose not to participate, not to answer a specific question or stop the interview at any time.

The outcome of this master thesis will hopefully increase the understanding of the maize market and the P4P program. Participating would be a great favour to me.

Do you have any questions?

Would you like to be interviewed for the purpose to collect information to my master thesis?

Is it ok with you that I record this meeting?

Would you like a copy of my master thesis when I am finished with it?
Appendix: 2 Interview guide – Farmers (semi structured interview)

- How big is your farm?
- What do you grow on your farm and what does the P4P buy from you?
- How big is your surplus generally?
- How much of what you produce do you and your family consume?
- Do you have any other means of income except your farming?
- If you’re farming where to fail, how would you feed yourself and your family?

- In what way do you sell your agricultural produce (direct contract, forward contracting or pro smallholder tendering)?
- How is this way of selling different from how you used to sell before joining the P4P?
- To whom did you used to sell to before joining the P4P?
- Are you satisfied with this new way of selling or would you like to sell in any other way? (Why is that?)
- What has been difficult with selling to the WFP?
- What has been positive with selling to the WFP?
- What do you do with the profit that you make?
- Why do you think some farmers and FOs choose to default their contracts with WFP to sell to someone else?

- What kind of training have you received since joining the P4P?
- Have the quality of your maize improved? (Why is that?)
- Are you satisfied with the price of your produce (maize)?
- How has the price changed since joining the P4P?
- How do you find out what the market price is?
- Have you ever felt that you have been cheated on the pricing before joining the P4P and after?
- Have your relationship towards buyers and bargaining situation changed since joining the P4P?

- Did you have difficulties accessing and participating in markets before joining the P4P? (Why was that?)
- What do you think was the biggest obstacles for you to not access and participate in markets like you do with the P4P?
- What would you say is the biggest change since joining the P4P?
Appendix: 3 Interview guide - Organisations and partners in P4P (semi structured interview)

- Please describe what kind of organisation this is and what it does?
- What role does your organisation have within the P4P?
- How did your organisation get in contact with the WFP and the P4P?

- How would you choose do describe the farmers that are involved in the P4P?
- How would you choose to describe the maize market in Eldoret (or Kenya in general)?
- How would you describe the farmers’ access to and participation in markets prior to joining the P4P and how is it now?
- What would you say are the obstacles for small scale farmers to access and participate in markets in Eldoret?
- Why is the food market to such a large extent informal in Eldoret (or Kenya in general)?
- What are the incentives and reasons to formalise the maize market in Eldoret?
- Are there any reasons to why people would like to keep the food (maize) market informal?

- Why do you think small scale farmers in Eldoret (or in Kenya) have issues to access and participate in markets?
- Why is it difficult for small scale farmers to compete at the market?
- What effect do you think that the P4P will have on pricing on maize at the market?
- Why is there a need for a program like the P4P?

- Farmers in Eldoret (or Kenya) are both producers and consumers of staple food (like maize), how would you balance the pricing so that the farmer get a fair price but still keep the prices on basic foods low for consumers?
- Do you think that small scale farmers participating in markets will generate development, or do you think development will encourage farmers to participate in markets?
Appendix: 4 Interview guide – (focus group discussion)

- Why is there a need for a program like the P4P in Eldoret?
- Why do you think that farmers in Eldoret have problems to access and participate in markets?
- Why is it difficult for small scale farmers to compete at the market?
- How has the price on your produce changed since joining the P4P?
- Have your relationship towards buyers and bargaining situation changed since joining the P4P?
- What would you say is the biggest change since joining the P4P?
Appendix: 5 List of semi structured interviews, focus group discussions and observations of meetings

Semi structured interviews with staff at AMPATH and WFP

- Informant Nr 1.) Mr. Martin Kabaluapa, Country director for the P4P program in Kenya at WFP (Nairobi). The interview was done in English, was recorded and transcribed, and took approximately 30 minutes.
- Informant Nr 2.) Mr. Cleophas Wesoli, head of social work at AMPATH in Eldoret. The interview was done in English, was recorded and transcribed, and took approximately 45 minutes.
- Informant Nr 3.) Ms. Rosemary Babu, staff at WFP based in Eldoret working with the P4P program. (Informal interview done in English).
- Informant Nr 4.) Mr. Elphas Tiparo, social worker at AMPATH in Eldoret (informal interview done in English).
- Informant Nr 5.) Ms. Otilia Kessio, social worker at AMPATH in Eldoret (informal interview done in English).
- Informant Nr 6.) Ms. Margaret Alegwa, social worker at AMPATH in Turbo (informal interview done in English.)

Semi structured interviews with small scale farmers involved in the P4P

- Informant Nr 7.) Male small scale farmer and member of FO Moiben federation interviewed the 6th of February 2012. The interview was done in English and was recorded and transcribed, and took approximately 20 minutes.
- Informant Nr 8.) Male small scale farmer and member of FO Moiben federation interviewed the 6th of February 2012. The interview was done in English and was recorded and transcribed, and took approximately 35 minutes.
- Informant Nr 9.) Female small scale farmer and member of FO Maisha Bora group interviewed the 14th of February 2012. The interview was done with the help of an interpreter, was recorded and transcribed, and took approximately 20 minutes.
- Informant Nr 10.) Female small scale farmer and member of FO Maisha Bora group interviewed the 14th of February 2012. The interview was done with the help of an interpreter, was recorded and transcribed, and took approximately 15 minutes.
- Informant Nr 11.) Female small scale farmer and member of FO Maisha Bora group interviewed the 14th of February 2012. The interview was done with the help of an interpreter, was recorded and transcribed, and took approximately 20 minutes.
- Informant Nr 12.) Male small scale farmer and member of FO Kaptebee interviewed the 15th of February 2012. The interview was done in English and was recorded and transcribed, and took approximately 40 minutes.
- Informant Nr 13.) Male small scale farmer and member of FO Kaptebee interviewed the 15th of February 2012. The interview was done with the help of an interpreter, was recorded and transcribed, and took approximately 45 minutes.
- Informant Nr 14.) Female small scale farmer and member of FO Kaptebee interviewed the 15th of February 2012. The interview was done with the help of an interpreter, was recorded and transcribed, and took approximately 40 minutes.
- Informant Nr 15.) Female small scale farmer and member of FO Kaptebee interviewed the 15th of February 2012. The interview was done with the help of an interpreter, was recorded and transcribed, and took approximately 45 minutes.

- Informant Nr 16.) Male small scale farmer and member of FO Schemers interviewed the 16th of February 2012. The interview was done in English, was recorded and transcribed, and took approximately 20 minutes.

- Informant Nr 17.) Male small scale farmer and member of FO Schemers interviewed the 16th of February 2012. The interview was done in English, was recorded and transcribed, and took approximately 20 minutes.

- Informant Nr 18.) Female small scale farmer and member of FO Schemers interviewed the 16th of February 2012. The interview was done with the help of an interpreter, was recorded and transcribed, and took approximately 25 minutes.

- Informant Nr 19.) Female small scale farmer and member of FO Schemers interviewed the 16th of February 2012. The interview was done with the help of an interpreter, was recorded and transcribed, and took approximately 15 minutes.

Focus group discussions

- Focus group discussion Nr 1.) FO Moiben federation on the 6th of February 2012. The discussion was done with the help of an interpreter, was recorded and transcribed. It took approximately 1 hour and 10 minutes and had about 10 participants.

- Focus group discussion Nr 2.) FO Maisha Bora group on the 14th of February 2012. The discussion was done with the help of an interpreter, was recorded and transcribed. It took approximately 35 minutes and had 4 participants.

- Focus group discussion Nr 3.) FO Kaptebee on the 15th of February 2012. The discussion was done with the help of an interpreter, was recorded and transcribed. It took approximately 1 hour and 20 minutes and had about 20 participants.

- Focus group discussion Nr 4.) FO Schemers on the 16th of February 2012. The discussion was done with the help of an interpreter, was recorded and transcribed. It took approximately 30 minutes and had about 10 participants.

Observations of meetings

- Observed meeting between WFP staff working with the P4P program evaluating the activities of 2011 and the plans and prospects of 2012 on the 12th of January 2012 in Nairobi.

- Observed meeting between representatives from AMPATH, WFP and USAID about credit guarantees in Eldoret, and also meetings with the FO:s Kaptebee and Schemers in the field on the 7th of February.

- Observed WFP evaluation of the food distribution at AMPATH in Eldoret on the 8th of February.