



**POST HARVEST & TRANSPORT TECHNOLOGY
ISSUES IN EASTERN & SOUTHERN AFRICA
VIDEO CONFERENCE**

KENYA POSITION PAPER



KENYA DEVELOPMENT LEARNING CENTRE (KDLC)

22ND JUNE 2010



KENYA HORTICULTURE INDUSTRY



- Over 7million ton. of fruits & vegetables produced annually
- Direct & Indirect employment - over 4 Million people
- Raw material for agro-processing industry – kshs. 7 Billion
- The leading foreign exchange earner – kshs. 71 Billion
- The major export destination is Europe; other markets are the USA, Dubai, Japan, Russia, South Africa etc



COLD CHAIN FACILITIES - COLD ROOMS



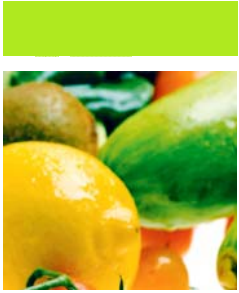
- Private cold storage is mainly owned by exporters and logistic service providers (Specialized Phyto Operators)
- It is estimated that the ten (10) leading export companies have a total cold storage capacity of over 1790 tons per day
- The four (4) leading companies in providing logistic services have adequate cold storage facilities that caters for 259 active export companies
- There is also a private owned cold storage facility with a capacity of 250 tons per day at the Eldoret International Airport.



COLD CHAIN FACILITIES- COLD ROOMS



- The public cold storage facilities are owned by the Horticultural Crops Development Authority (HCDA) and the Kenya Airport Authority (KAA)
- The Horticultural Crops Development Authority owns eight (8) cold storage facilities with a total capacity of 205 tons per day
- The KAA owns two (2) storage facilities with a total capacity of 510 tons per day; the facilities are located at the Jomo Kenyatta and the Moi international Airports



COLD CHAIN FACILITIES- TRANSPORT



- It is estimated that the ten (10) leading export companies have 125 trucks with the capacity to transport 719 tons of horticultural produce per day
- The public transport for horticultural produce is owned by the HCDA. The Authority has 44 trucks with the capacity to transport 217 tons of horticultural produce per day



LOGISTIC SERVICE PROVIDERS



- There are 1200 registered companies actively involved in providing logistic services including air, sea, and land freight in Kenya. The companies' transport capacity for fresh horticultural produce outstrips the demand
- There are forty seven (47) shipping lines registered with the Kenya Maritime Authority (KMA); twenty one (21) shipping lines are active carriers from the port of Mombasa
- On average, logistics for air freight are concluded within 24 hours whereas sea freight logistics are completed within 96 to 120 hours



CHALLENGES - AIR FREIGHT



- The cost of air freight in Kenya is up to 41% higher compared to sea freight; and accounts for up to 30% of the business cost
- Bilateral Air Service Agreements (BASA) have not been implemented mainly due to lack of clear guidelines on competition rules and arbitration procedures
- lack of enactment of regulations on competition into local law of African States



CHALLENGES - SEA FREIGHT



- Shipment through the sea is threatened by piracy in the Gulf of Aden and on the East Coast of Somalia
- Inadequate technology on packaging of produce shipped through the sea