



# 2SCALE

## Stories from the Field

# Potatoes for profit

**T**he first 2SCALE agribusiness clusters in East Africa were launched in Kenya in December 2012. Farmers in Meru County, in the foothills of Mount Kenya, have set up three clusters to grow high-quality potatoes for sale to a processor in Nairobi.

The clusters include over 800 farmers in the communities of Kibirechia, Timau and Kisima. A business support team is in place, providing intensive training and technical advice. Training programs on fertilizer and pesticide use have been completed. Training on financial management is ongoing, conducted by Equity Bank (the country's largest private bank), which will offer loans to cluster members.

Other partners include the Syngenta Foundation for Sustainable Agriculture, which will provide crop insurance; the Kisima Foundation (training); Kisima Farm (seeds); and fertilizer and agrochemicals suppliers in Meru County.

2SCALE focuses on small-scale farmers, who typically grow potatoes without irrigation, on quarter- to half-hectare plots. The project will help farmers double their yields through improved production methods, and increase their incomes by one-third by linking them to an assured market.

The 'business champion' for these clusters is Fresh N Crisp, a Nairobi-based firm that processes and sells whole, peeled and sliced potatoes to hotels and

### 2SCALE consortium



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*Harvest time for the Kisima potato cluster in Meru County, Kenya: high yields, good quality and fair prices.*

*“These clusters will help us keep our processing plant running at full capacity throughout the year.”*

– Audrey Ndubi, managing director of Sparta Foods in Nairobi

restaurants. Fresh N Crisp plans to triple its capacity to 450 tons per month by 2014, and expand its outgrower base to 4,000 to 5,000 farmers in the next five years. “Our main problem is supply,” explained Peter Karanja, the company’s managing director. “We currently import potatoes from Tanzania during periods of low supply. These clusters will help us keep our processing plant running at full capacity throughout the year.”

### **From planning to implementation**

The planning phase was completed in 2012, when cluster partners developed a detailed work plan to address each of the key challenges they faced. The biggest challenge is price fluctuation. Farmers who sell on the local market currently receive anywhere from 1,500 to 4,500 Kenyan shillings per bag depending on the season. Instead, they will now have contracts with Fresh N Crisp specifying quality standards, delivery schedules and prices.

The clusters’ first field trial was harvested in February 2013. The trial, planted in a farmer’s field in Kisima, measured not only yields but also production costs, and the costs and benefits of various levels and combinations of agro-inputs. It showed, for example, that fertilizers and agrochemicals account for less than 25 percent of production costs – but could dramatically increase yield. Data from the trial are being used to create a fair, transparent pricing system.

Peter Mwangi, a farmer from Kisima, is optimistic. “If I could grow only one crop, it would be potatoes,” he said. “And this is just the beginning. Once we get going, there are many more farmers waiting to join.”



*The 2 SCALE project is funded by the Netherlands government and implemented jointly by IFDC, ICRA and BoP Inc. 2SCALE was launched in June 2012. In the next 5 years we aim to develop 500 viable, sustainable agribusiness clusters in nine countries across Sub-Saharan Africa, reaching 1.1 million farmers.*