

Sorghum Value Chain Development Consortium:



Host: Jomo Kenyatta University of Agriculture and Technology

Location: 33 km N.E of Nairobi

Establishment: 1981, Middle Level College to train Agricultural Sciences
1994, Fully Pledged University

Size: 5th largest public university, 5th to be established

Major Milestones: Main Campus – 10,000 students
Constituent colleges/campuses (7) – 12,500 students

Website: www.jkuat.ac.ke

Agribusiness Incubation and Support to SMEs



**Incubation in Sorghum
Development and
Agribusiness™**

Pipal



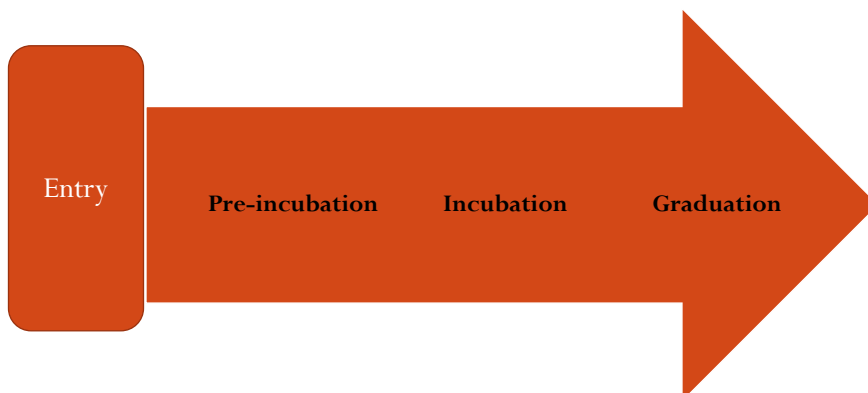
Agritrace
Tracking & Transacting So actions

UniBRAIN (Universities, Business and Research in Agricultural INnovation)

- A **Danida initiative** arising from the realization that:
 - African universities are not sufficiently geared to meet the needs of industry
 - Graduates often cannot find employment,
 - Many small businesses lack staff with the education and skills needed to drive innovation.
 - The relationship between the demands of the private sector and what universities teach is too weak

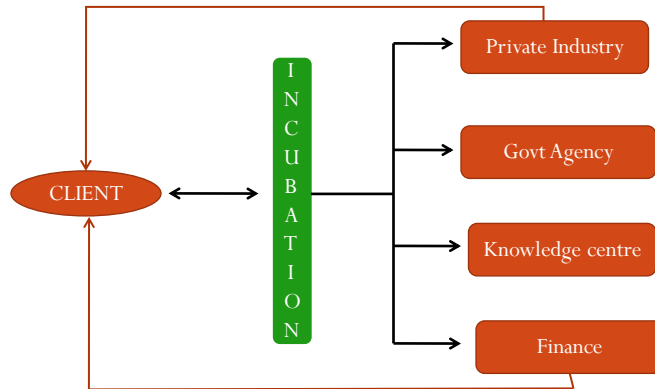
Business Incubation - is a public/private entrepreneurial, economic and social development process designed to nurture business from idea generation to start up companies

Phases of Business Incubation



Establishing linkages for incubatee

Serving as first contact and facilitating direct connection



SVCDC in a nut-shell



S/ No	Value Proposition	No. of Incubatees	Proposed Market	Specific Target Market
1 Food				
1.1	Seed production	5	Farmer groups (3 ASAL regions)	Winnie- Rabobank, Kenya Seed, Simlaw, Indian Company
1.2	Baby Foods	2	Millers	Unga, Nestle, Kiburi Food Processors, Zippys Baby Food Adventures
1.3	Porridges (Biofortified, sour, baby)	1	Millers	Unga, Pembe, Kirinyaga, Nakuru, Ken Uji
1.4	Composite flours	2	Unga	Unga, Winnie Health Foods, Annico, Rwanda
1.5	Extruded/puffed products, Flakes	1	Snacks sector	Annico, Procter and Gamble
1.6	Confectionery and bakery products	1	Cakes and Biscuits, Bakers	House of Manji, Tusksys, Supa loaf,
1.7	Beer	2	Brewing Industry	EABL, Keroche
1.8	Juices FOTEC	1	Beverages	Tuskys, Uchumi, Nakumatt (Cocacola, Pepsi, Milly, Sun Processors)
1.9	Mushroom IBR	1	Hotel Industry (tourism sector)	Farmer groups, Individuals (Olive Limuru)
2	Youghurt FOTEC	1	Middle class segment	SMEs, Brookside
Total		17		

Main Goal/Objectives

Overall goal

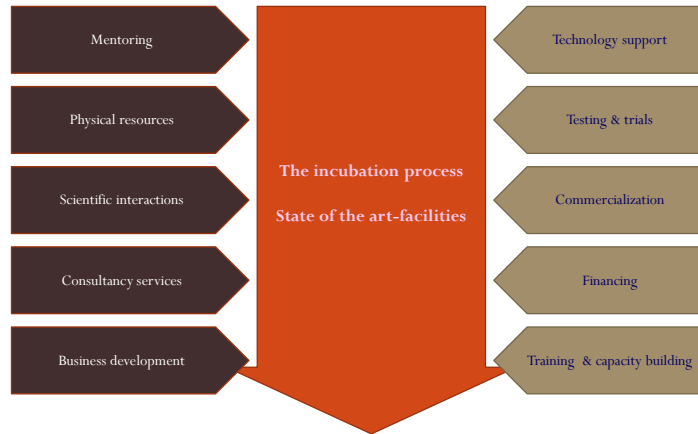
- Development of agribusiness partnerships to enhance commercialization of sorghum and its value added

Objectives

- Create strong linkages between JKUAT, KARI, ICRISAT, FASI, Pipal Ltd, Agritrace Ltd to ensure that innovative interventions from the Incubator Consortium are upscaled
- Produce agribusiness graduates with hands-on experience, better communication, systems and team skills to create and drive agribusiness value chains
- Provide a One-stop Advisory Service Centre for private–public sectors

Main value Chains in consideration: Food, Feed, Fuel (3Fs)

What the incubator contributes towards clients problems and needs



Main Hindrance Issues Identified for SMEs

- Lack of finance
- Shortage of skilled labour
- Getting business site
- Bribes
- Orders/Marketing of Product
- Lack of Knowledge
- Government interference
- Raw Material
- License for work
- New Technology

SME wish list

- **More funding available during early stages**
 - Supporting nascent entrepreneurs through: seed funding, soft loans, credit facilities, guarantee schemes and public funding policies, (Banks, Angel Investors, Venture Capital, Government)
 - Missing link between SMEs and Financial Institutions
- **Smart, better and less regulation**
 - lowering the costs for small companies; reduction/waiver of tariffs (customs, income, service)
 - Fast tracking business registration and licensing
 - An effective SME's statute, no bureaucracy
- **Managerial Training and experience:**
 - Managerial style intuitive other than analytical
 - Day to day operations other than long term
 - Poorly prepared to meet challenges, complex problems at the initial phase
 - Teaching business skills and financial management
- **Intellectual property rules making IPR protection accessible to small companies**
 - IP protection policy nationally, regionally and an African-wide patent system

- **Actions in favor of an entrepreneurial and innovative culture**
 - More mobility for high-skilled workers,
 - encouraging more students to study science
- **Improving the transfer of knowledge between small and large companies and research institutions**
 - the use of tax credits or vouchers for SMEs to access knowledge and consultancy services
 - creation of 'virtual' research communities, - embracing ICT
- **Education reform**
 - allowing universities to attract private funding for research and spin-off their inventions-partnerships with private sector
- **Removing all obstacles to a truly unified regional single market for venture capital**
 - There must be a level playing field in each national market, regional market
 - Regional integration (standardization)

Thank you all
Asante sana

UniBRAIN
Universities, Business
and Research in
Agricultural

