



gorta
make hunger history

**Achieving Prosperous Futures
Through Business Development
gorta's approach**



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A Shift in Thinking

Building on nearly 50 years of experience in the area of food and agriculture, Gorta has over time evolved in its development thinking from an emphasis on agriculture productivity alone to one that embraces a broader mandate guided by the belief that *beyond the eradication of poverty and hunger, our communities' ability can be enhanced to achieve prosperity.*

Particularly in the past five years, in pursuing *community economic, social and environmental development* Gorta has begun to look at its areas of work – *food & nutrition security, water & sanitation, education, health and sustainable livelihoods* - through a business development lens.

Gorta believes that prosperous futures can be achieved through the development of *socio-economic business enterprises*, by harnessing the potential that lies in the local resource-base to create health, and wellbeing. This means investing in institutional development, research and extension, enterprise enhancement and human capital, while supporting the transition of smallholder farmers to become *small-business farmers*, with particular emphasis on women.

Human capital is a major factor in determining the opportunities available to individuals in society and is closely linked to the productive capacity of households and their economic and social well-being. (SOFA, 2011).

Gorta supports the scaling up of agriculture for rural transformation – a process to be accompanied by an ecosystem approach which envisages the integrated management of land, water and living resources to promote conservation and sustainable use of same in an equitable way. Smallholder farmers are encouraged to strategically engage in small enterprise development opportunities and to *operate their farms as businesses*, to improve their food security, nutrition, income, health, education and ultimately achieve truly sustainable livelihoods.

Through the generation, sharing and application of research- based knowledge, innovative solutions can be sought to advance *market-oriented farm production* and enhance the *penetration and management of value chains by small business farmers.*

One of the best investments we can make is in building the human capital of women and girls - basic education, market information and agricultural extension services are essential building blocks for agricultural productivity and economic growth.

(Terri Raney, editor of The State of Food and Agriculture SOFA, 2011).

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(SOFA, 2011).



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Time For Business

The Challenge: how can bring rural community depending on farm income into commercial enterprise development?

In a constantly changing environment where many regions we operate in have benefited from sustained periods of economic growth, **an agri-food sector is now emerging**, which builds on the opportunities offered by the local food industry and aims at strengthening its suitability and viability through diversification.

The emergence of a new middle class has led to changing food demand patterns with growing emphasis on processed foods. Meeting such demand becomes the rationale for strengthening the capacity of rural enterprises and local industry, through new business investments and profitable trade opportunities: **Trade beyond Aid.**

Through appropriate training, skills transfer, knowledge, technology and innovation enhancement, rural enterprise development opportunities can be sought, that promote **sustainable growth of local agri-food industries** – supporting access to markets and trade – **while protecting household food security**. By investing in **safe, sustainable and responsible industry**, we can achieve economic growth that is inclusive and that thrives on ethical public-private partnerships, harnessing different sectors' complementarities and synergies.

Such small business development initiatives need to be based on solid business plan –looking at economies of scope and scale and at strategically and meaningfully bringing farmers into the value chain. They should be inclusive and promote the health and wellbeing of communities. They should look at developing commercially viable and profitable avenues for local produce, investing in processing, quality, promotion, and marketing in such ways to attract competitive prices and determine a niche and solicit foreign investment.

It is essential for such businesses to operate within an environment that is conducive to community social and economic development. This will require investing in: institutional development, capacity and capability building, infrastructure development, the introduction of appropriate technology, the protection and enhancement of the natural resource base, the

preservation and enhancement of indigenous knowledge. **Opportunity diversification is key.**

Further linking local business initiatives into district development plans and national agendas priorities – which should reflect priorities identified by communities themselves - can be an additional element of success, in bringing actors together and leveraging the necessary support.

Public-private partnerships must be part of the equation.

Tapping into the youth potential and identifying ways to engage them meaningfully into social and economic development initiatives for gainful employment is a necessary investment.

AGRICULTURAL COOPERATIVES: KEY TO FEEDING THE WORLD

Of the estimated 925 million hungry people in the world today, 70% live in rural areas where agriculture is the economy mainstay. With this in mind, this year's World Food Day Conference focuses on "Agricultural Cooperatives: Key to Feeding the World", making a case for their strengthening and expansion, while calling on policy makers to enhance transparent legislation, incentives and opportunities for dialogue, where smallholder farmers can voice their concerns and interests and strengthen local voices in the governance of local food systems. take part in the governance of local food systems.

“ It is estimated that one billion individuals are members of cooperatives worldwide, generating more than 100 million jobs around the world ”

(FAO, 2012)



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A "business model with a social conscience" (FAO, 2012), agricultural cooperatives are social enterprise based on collective action which aim at enabling farmers to take advantage of market opportunities, mitigate the negative effects of food and other crisis, increase their negotiating power and ultimately influence policy-making processes. This is done through the provision of a range of services (access to natural resources, information, communication, input and output markets, technologies and training), to help them innovate and adapt to changing markets.

THE IRISH AGENDA

The Irish Government has acknowledged and proactively responded to this new dynamic, through its *Africa Strategy*, launched by the Tánaiste in September 2011, sets out a comprehensive framework for Ireland's business, political and development relations with Africa

The fight against hunger remains a cornerstone of Ireland's Foreign Policy as outlined in the Irish Government 2008 Hunger Task Force Report. Complementing the Hunger Task Force, a the Africa Agri-Food Development Fund (AADF) - joint initiative between the Departments of Agriculture, Food and the Marine and Foreign Affairs and Trade - has been established in March 2012 with the aim to develop partnerships between the Irish Agri-Food Sector and African countries to support sustainable growth of the local food industry, build markets for local produce and support mutual trade between Ireland and Africa.

“ Our development cooperation programme has long recognised that economic and social development in our African partner countries cannot be driven by, or based on, external aid flows alone. Foreign Direct Investment, indigenous enterprise and entrepreneurship, trade, tourism and effective domestic resource mobilisation are crucial ingredients in the economic and social development mix and should be encouraged and facilitated by the Irish Aid programme. ”

(Ireland and Africa, Our Partnership with a Changing Continent: An Africa Strategy for the Department of Foreign Affairs and Trade, Sept. 2011).

GORTA'S APPROACH: A Global Management Approach for Community Economic, Social and Environmental Development (GMA)

Firstly introduced in Gorta by Agnes Gannon, member of Gorta's Programmes Committee, the GMA has in time become Gorta's development approach. It starts with the identification of a geographical community, and of groups at a 'level of preparedness' to lead such community on a development path aimed at prosperity. Selected individuals are taken through a training and community development planning process delivered over 12 to 17 weeks.

The training and planning process involves problem posing that provides participants with a critical awareness and thinking about their individual lives, the lives of their families and that of their community. This process enhances the participants' awareness of both the existing problems and helps them develop linkages between the past, present and future scenarios and how the community could contribute or not contribute to these scenarios.

Throughout the training process, the GMA facilitator trainees keep engaged with their community throughout by carry out household surveys and, community resource audits. The process provides data and information which the participants use to develop an area based development plan and implementation actors which again is critically and examined and validated by the community.

The uniqueness of the GMA approach:

Focus on the Development of People

- It incorporates thematic areas of economic, social, cultural, political, environmental and institutional arrangements
 - It engages in a **dialogue-training** where the participants and community set the agenda
 - It facilitates the participants and community to set **their own preferred future** and identify the vision bearers
 - Vision bearers facilitate the community to become part and parcel of the delivery process
- It appreciates that one cannot change a person but one can facilitate one/people to change themselves in order to bring about change in their lives
 - Unlike other approaches to capacity building, GMA engages in not only capacity but also **capability building** and believes in going the extra mile of accompanying the community in their new path to the preferred future
 - It emphasizes the role of **management** and core values as central to community social economic and environmental development and sustainability
 - The African concept of community wellbeing is very much grounded in the philosophy of GMA where the preferred future is a state where nobody is a nobody and where nobody lacks
 - GMA is a Community Social, Economic and Environmental Development **process** and not just a curriculum and or a module to be delivered
 - GMA requires commitment and determination on the part of the target community and its leadership and the facilitating partner/partners as well
 - GMA always asks the question **what next?** It looks at opportunity diversification, promotion of gainful employment, community ownership and pride of place, home management and family cohesion building.



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Case Study: Keringet Area

Keringet Location is in Kuresoi District Nakuru County – Kenya about 100km South West of Nakuru town. The location has three sub locations namely Keringet, Millimet and Siwot with 3,371 households making a total population of 15,389, 43% of them live in absolute poverty. Keringet Location is currently headed by Chief Nicholas Kering while the Sub Location heads are Assistant Chiefs Peter Langat, Richard Chepkwony and James Koskei respectively. The location stands at 2200m above sea level and lies within the greater Mau water catchment and receiving on average an annual rainfall of 1,270mm. The location enjoys highland equatorial climate conditions. The Molo – Olenguruone tarmac road centrally traverses Keringet location. Keringet town center itself is the seat for the District of Kuresoi, the division of Keringet and the Keringet location administrative offices. Youth constitute 49% of the population and of this 65% are unemployed. The Location is well served by underdeveloped feeder roads most of them being in relatively good condition during the dry seasons but hardly passable on rainy days. Electricity and Telephone facilities are installed at Keringet center but mobiles phones are widely used.

Keringet health center is the only public health facility that serves the entire residents of Keringet location and 9 other locations in the Keringet division with Molo district hospital situated 30 km away being first level referral hospital while the regional referral hospital is in Nakuru town 100km away. One percent of the Keringet population is said to suffer from some form of disability. There are 7 public primary schools and 4 secondary levels schools. Ninety seven percent of children attend school in very underdeveloped facilities. However, about 20% of the group attending school drops out of school. The town center has over 100 small and medium shop outlets, that sale different ware, 7 butcheries, 4 pups 10 eating places and underdeveloped rental housing for the developing town.

Agriculture is a key socio economic activity with dairy and Irish potatoes and other temperate vegetables. These farming activities have attracted human migration from other areas that come looking either for on farm jobs, renting land for cultivation and or carrying out micro business in the market center. Most homesteads have a dairy cow and over 20,000 liters of milk are produced every day giving an annual turnover of about 7million liters of milk. Some of the milk is consumed within the homesteads and the excess is sold to Brookside company Depot situated within

the Keringet centre and to New Kenya Cooperative Creameries situated in Molo town but often at very fluctuating prices. Irish potatoes perform well and on average the Location produces close 10,000 tons (8,800) per season. Sheep, goats and poultry are reared for both meat and eggs mostly on free range. Donkeys are kept mostly for transportation purposes of both farm inputs and farm produce.

Whereas value addition to agricultural produce – milk, potatoes, fresh water are existing gaps, water and sanitation is underdeveloped in a community where Keringet the main town and a growing commercial center has no sewer and where 75% of the population use unimproved pit latrines often located in close proximity to shallow water wells. Only 500 households have piped water outside the house. Over eight percent (86%) of household have at least a corrugated iron sheet shelter making it possible roof water harvesting technology.

Source of energy for cooking is mainly wood fuel which has a huge negative effect of the woodland as only 4 households have biogas as source of cooking energy. Twenty seven percent use lantern for lighting and only about 4% of the population use electricity or pressure lump or gas or solar for lighting while the majority use tin lamps, or wood for lighting in the evenings and 98% of the households use wood fuel for cooking.

1. Training - Engaging people in a dialogue for a prosperous future

Gorta engaged the Keringet Location community starting November 2009 through GMA by delivering a 17 week capacity and capability building in community socio-economic and environmental development. The outputs of this process have been an area based development plan for Keringet Community and 21 GMA trainee facilitators who are on the ground to facilitate the delivery the area development plan.

The five year area development plan has the following areas of focus:

- **Institutional development** – putting in place institutional structures to provide management and governance together with capacity and capability building in the area of human resource
- **Social economic infrastructure development** – putting in place infrastructure to enhance value addition to milk, potatoes and water as well as improving road infrastructure to facilitate delivery of farm produce to market outlets and to facilitate access to improved rural housing technology. This also includes support in capacity and capability building of service provision institutions. Other industries in this result area include eco-tourism, cultural tourism, business tourism and the development of service industry
- **Alternative (renewable) energy for human and environmental health** – to facilitate access to solar and biogas technology. In a community where 98% of households use fuel wood for cooking, this initiative is to facilitate improved human health as well as help to conserve the forests that are critical to the sustainability of the Mau water tower.
- **Water and Sanitation for health and wellbeing** – Eighty six percent of households in Keringet have corrugated iron sheet roofs, 75% use underdeveloped pit latrines that are in

close proximity with water well sources. Roof catchment water harvesting, shallow wells and spring protection as well as development of improved human waste disposal infrastructure aim at making usable water clean and safe for human consumption.

- **Environmental conservation and enhancement** – establishment of 10% of household land holding with household-based farm woodlots and forests. This initiative links with the protection of the environment (forests) as well as making households active participants in forest regeneration.

Already the GMA facilitating group has with the support of gorta acquired a 3 acre piece of land for enterprise development site which will include a leadership development and training center. These two elements (enterprise development and leadership development and training center) will form the economic hub for Keringet Location and the surrounding locations.

A hydra form block making machine has been procured from South Africa to help in the development of the center and rural housing using the interlocking block technology.

The implementation of the Area Development Plan has engaged key government departments, private state intuitions and the entire community of Keringet.



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“ I’ve seen many strategic plans in my working experience with the government. The difference here I can see the implementation team that is very enthusiastic and passionate about their area development plan . . . ”

Mr. Patrick Musango the District officer One (DO1) - Kuresoi District

2. Industries and linkages, preferred future

As a result of the GMA training process, a number of potential industry linked enterprises have been identified:

- 1 **Dairy industry**
– yoghurt, fresh pasteurized milk
- 2 **Potato industry** – potato crisps
- 3 **Water industry** – packaged water
- 4 **Tourism industry** – eco-tourism/cultural tourism including athletics
- 5 **Business tourism**
– training (conference) facility

3. Preferred future

During the GMA training, the GMA facilitator trainees and the Keringet community made a critical and comprehensive resource audit of the location and carried out a SWOT analysis to identify strengths, weakness, opportunities and threats of the location with regard to their past, present and future life. In the process, a preferred future (vision) was developed as follows:

A Social, economic and culturally developed community living in harmony with their environment

“ . . . It has been a different experience, a different learning and a different training . . . the future is great for us in Keringet . . . ”

Paul Kirui secretary of the GMA area development plan coordinating team



4. Implementation

The GMA training process led to the development of a five year Area Development Plan for Keringet Location with five key result areas as follows:

- **Institutional development** – putting in place institutional structures to provide management and governance together with capacity and capability building in the area of human resource
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“ . . . my hotel business closed . . . now I know where I went wrong and I am preparing to start the same business again in Keringet ”

Edna Ng'eno Assistant secretary to the GMA area development plan coordinating team

Partnership

The Keringet community appreciates the role and impact of partnerships in development and in particular in realizing their preferred future. Local partners include the government, the constituency development fund and, Molo dairies. Gorta is a key partner through whom the Keringet community is looking out for more support partners that could engage with the community in the implementation of the area development plan.

“ . . . there is not going back for what time has come . . . ”

Elijah Rere reflecting on the Keringet's preferred future.



A Call For Action

As we move towards an understanding of development that goes beyond pure aid to include business and trade opportunity development, new partnerships come to the fore, where *knowledge sharing, research application, skill & technology transfer and innovation enhancement* become the focus of new profitable ventures.

Moving from a 'donor-recipient' dimension to a **'business to business' dialogue** will open new horizons for local enterprises and new markets for foreign investment.

Eliminating Hunger is Everyone's Business. Sustainable and gainful livelihoods can be achieved and *innovative, ethical* multi-sectoral engagements sought for profitable businesses and prosperous futures for all.



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Since it was founded in 1965, gorta has been the Irish affiliate of the **Food and Agriculture Organization of the United Nations (FAO)**. FAO aims to help developing countries modernise and improve their agriculture, forestry and fisheries practices, with a particular focus given to developing rural areas.

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“Everyone has the right to life, liberty and security of person”

Universal Declaration of Human Rights,
1948, Article 3

Front Cover

A woman - part of the Tanzania Forestry Conservation Group (TFCG) - weeds her maize crop. gorta is working with TFCG in the West Usambara Mountains to eradicate poverty and hunger among rural communities.

Photo Credits: Ethical Sector Communications and Maxwell Osonokwu.

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