

Aqua Shops are helping to build profitable and sustainable aquaculture enterprises

As part of a plan to stimulate economic growth, the government has begun to promote aquaculture as a source of food and income. However, farmers still have little access to basic extension services or long-term access to inputs. Since, 2011 Farm Africa has been in the fore front in promoting fish production in Western Kenya under the Aqua Shops project to supply high quality inputs to fish farming businesses. The Aqua Shops are part of a larger model -similar to a franchise- and are managed by local business owners who invest in the establishment of the shops and provide smallholders with inputs and technical advice on best aquaculture practices. They then stock appropriate high quality inputs and also provide market information and teach fish farmers how to link their businesses with markets to generate additional income.



AN OPPORTUNITY TO CREATE CHANGE

In Western Kenya, almost 60% of households are dependent on fish as a source of income, with Lake Victoria providing over 90 % of Kenya's fish. The overall goal of the Aqua Shops project is to establish a commercially viable input and service distribution system in five Counties (Kakamega, Kisumu, Vihiga, Busia, and Kisii) of Western Kenya. Specifically, the project is establishing a comprehensive and integrated Aqua Shops system in that links wholesale Aqua Shops, retail Aqua Shops, agro-vets and feed manufacturers; it is documenting and disseminating a commercially viable Aqua Shop model, and at the same time, influencing County governments to adopt a commercial approach to aquaculture.

A LUCRATIVE FISH BUSINESS



OUTCOMES

The project has grown significantly over the last three years, with the establishment of an additional 38 Aqua Shops and the collaboration with more than 52 entrepreneurs. During this period, over 7,500 farmers have been reached through sales of inputs and provision of technical information, resulting in a 36% increase in production and 63% increase in farmer incomes. Significant progress has been made by the Aqua Shops project in the development of the fish-farming value chain, given its nascent nature and fragmentation Kenya.

- The newly-formed County governments have continued to support fish farming by supporting "cottage industries" run by farmer groups to manufacture fish feed, building product aggregation centers that serve as fish markets, and promoting and financing the development of new Agua Shops, managed by farmer-led cooperatives and trained by Farm Africa.
- An outreach model that introduces a layer between the fish farmers and the Aqua Shop owners has managed to recruit 35 youth who have been working as Aqua Shop agents to market the Aqua Shop products and services, while providing basic technical support, on a commission basis.
- Five (5 of the original Aqua Shop owners have expanded their businesses to aggregate and market fish locally in addition to selling inputs.
- The project piloted a successful approach that included recruiting existing agro-dealers who sell agricultural inputs and are interested in expanding their business to include fish farming inputs and services.

THE FUTURE

As the second phase of the Aqua Shop project is nearing completion, Farm Africa is developing a follow-on project, which incorporates a number of lessons learnt from our involvement in the aquaculture sub-sector. Continued support to this industry is critical to achieve important development objectives, including income generation, food security and nutrition. The key new elements of the next stage project will include:

- Formal partnerships with financial institutions like Equity Bank and Kenya Women Finance Trust to provide credit to farmers and Aqua Shop owners on affordable terms.
- Clustering of farmers for increased aggregation of harvested fish that will create commercial volumes for sale to private sector buyers. We have partnered with Esoko Network (an information and communication platform) to provide accurate and timely market information tailored for fish farmers.
- Support in promoting and distributing high quality feed to create the critical volumes required to attract private investment in feed manufacturing.

FORDFOUNDATION

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