ssnup
Smallholder SustaiNability Upscaling Programme

project results

IMPROVING THE CAPACITY AND AGRICULTURAL PRACTICES OF DAIRY FARMERS IN KENYA

Capacity building

Beneficiary organisation

Premier Credit Kenya was established in 2013 as a credit-only microfinance institution that aims to provide financial solutions to corporates, government employees and individual entrepreneurs. With a network of over 70 rural branches and 40,000 rural borrowers, Premier Credit is a financial institution with a proven track record of lending to smallholder farmers. Premier Credit has developed an impact financing business model through its Maziwa loan (Maziwa is milk in Kiswahili), a product through which the company provides investment in dairy enterprises as well as financial advisory technical support, thus increasing financial inclusion for smallholder dairy farmers in Kenya.

The challenge

The Maziwa loan product enables smallholder dairy farmers to access financing ranging from EUR 12 to EUR 2,500, with flexible tenures of 1 to 12 months. Premier Credit also offers optional livestock insurance, charged at 3% of the insured value per cow, and complements financing with targeted technical assistance for its clients. However, a key challenge remains. **Access to affordable, high-quality cattle feed continues to be the largest operating cost for most dairy farmers and a major constraint to productivity.** Persistent difficulties in ensuring a consistent supply of quality feed – particularly silage – are compounded by limited technical knowledge and practical skills in areas such as forage selection, harvesting at optimal maturity, proper chopping, compaction, and fermentation. As a result, smallholder farmers often produce poor-quality silage, experience high post-harvest losses, and face inconsistent nutritional value, ultimately limiting milk yields and income potential.

The proposed solution

Premier Credit aimed to support the growth of dairy enterprises benefiting from the Maziwa loan product by providing technical assistance on Good Agricultural Practices (GAP), animal husbandry, enterprise development, and financial literacy, in order to **improve farmers' access to reliable, high-quality feed for milk production in the face of a changing climate.** This included the establishment of silage-making demonstration facilities, one-week training sessions for farmers, and the development and dissemination of training materials through a training-of-trainers approach.

The expected outcomes of the project were:

1. **The training of 3,730 dairy farmers** through 15 training events, strengthening practices in feed management, animal husbandry, and farm management.
2. **The establishment of 15 silage demonstration sites** to support practical learning and adoption of feed conservation techniques.
3. **The strengthening of Premier Credit's internal technical capacity** through a training-of-trainers approach, enabling continued and scaled-up training.
4. The **improvement of farmer productivity and increased uptake of the Maziwa loan product.**

PRIORITY TOPICS

Environment and climate change

Food security and improved nutrition

IMPACT INVESTOR

BAMBOO CAPITAL PARTNERS

BENEFICIARY ORGANISATION

Premier Credit Limited

Kenya

NUMBER OF FARMERS REACHED

2,153

AGRICULTURAL VALUE CHAIN

Cattle dairy

START DATE

June 2023

END DATE

September 2025

TOTAL EXPENDITURE

€ 56,371

Including € 44,401 (79%) financed by SSNUP

key results

Needs assessment & baseline analysis conducted to evaluate existing forage resources, silage practices, equipment, and livestock feeding systems

24 management and technical staff trained **on silage production best practices**

forage selection, harvesting, chopping, compaction, fermentation, storage, feeding techniques

2,153 smallholder farmers trained **on silage production, equipment use, and feeding management**

38% women

at 12 one-week training events

16 demonstration sites with bunkers installed

Silage preparation demonstrations
pit, bunker, and bag silage establishment

Equipment and infrastructure use
locally adaptable, low-cost technologies

Feeding management and silage utilisation
ration formulation and efficient incorporation into livestock diets

+75% smallholder farmers improved **their feeding management, silage production and disease prevention**

97% smallholder farmers reported **increased earnings due to higher milk production** volumes

SDGs supported by the project

1. No poverty
1.4 Access to basic services, including microfinance

2. Zero hunger
2.3 Improving agricultural productivity and increasing smallholder farmers' income
2.4 Adoption of productive, sustainable and resilient agricultural practices

13. Climate action
13.1 Strengthening resilience and adaptive capacity to climate change

lessons learnt

Want to know more about the project's impact?
Check out this Voice of the Farmers report

✓ Access to equipment enables practice implementation

Limited financial resources and restricted access to silage-making equipment and storage infrastructure constrained farmers' ability to adopt improved production techniques at the intended scale. Providing locally adaptable, low-cost technologies alongside technical guidance helps farmers implement and sustain better practices, even in resource-constrained settings, and can support gradual expansion.

✓ Peer learning accelerates knowledge transfer

Practical training and demonstration sites activities not only benefit direct participants but also neighboring farmers and partner organisations. By observing the application of improved agricultural techniques in real settings, others are encouraged to adopt similar practices. This ripple effect can enhance productivity, efficiency, and sustainable resource management across the wider community.

✓ Trainer experience influences adoption outcomes

Variations in trainer experience and prior knowledge can affect implementation speed and consistency. Trainer capacity-building initiatives should provide differentiated support, including hands-on mentoring, targeted guidance, and structured follow-up, to ensure all trainers achieve competency and can effectively support wider adoption among farmers.

Outlook

A recent survey among Premier Credit training beneficiaries showed that **64% of respondents are willing to apply or reapply for the Maziwa loan** for their dairy farm within the next year. This indicates a positive level of interest in the product among trained farmers and suggests potential for increased uptake.