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Smallholder SustaiNability Upscaling Programme

IMPLEMENTING CLIMATE-SMART AGRICULTURE AND SUSTAINABILITY PROGRAMME FOR SMALLHOLDER FARMERS IN THE CHILLIES VALUE CHAIN IN KENYA



Africa | Latin America | Asia



Financial services delivery | Capacity building for end beneficiaries | Market access and product development | Management systems improvement

CONTEXT

Kenya's agriculture sector is the backbone of the country's economy, contributing about 23% of GDP and employing over 40% of the total population and 70% of the rural workforce. The country is a significant producer of chillies in East Africa. The country's favourable climate supports the cultivation of various chilli varieties. Chillies are a vital cash crop, contributing to both local consumption and export markets, especially to Europe and the Middle East. Smallholder farmers dominate production, often using traditional farming methods.

CURRENT STATUS OF THE BENEFICIARY ORGANISATION

PHYMA FRESH PRODUCE LIMITED (PHYMA) is a family-owned business that was incorporated in September 2003 in Kenya. Until 2019, it exported the exotic vegetables, Asian vegetables and passion fruits. In 2020, PHYMA diversified its products and focused on chilli business line which has since grown to be the core product, in line with changing demand by key buyers. The company works with a network of close to 1,300 farmers of which 450 are vegetable farmers and 847 are chilli farmers spread out in 10 counties in Kenya. It has established a contract farming scheme with producers in areas that are conducive for growing chillies. Under this scheme, PHYMA leased the land and provided the necessary infrastructure for chilli farming, including building shade nets.

OBJECTIVE OF THE PROJECT

The primary goal of this project is to strengthen climate resilience and sustainability of smallholder farmers businesses active in the chilli value chain through adoption of smart-agriculture technologies, capacity building, ongoing support and comprehensive training.

The expected results of the project are:

- Train 847 smallholder farmers on climate-smart agriculture practices.
- Reduce water consumption from 7.5 million to 4.5 million litres per hectare following adoption of drip irrigation and mulching.
- Increase the amount paid to trained farmers by 25%.

PRIORITY TOPICS

Environment and climate change

Food security and improved nutrition

Gender equality

Fair agrifood systems

IMPACT INVESTOR

alterfin HUMANITY INVESTORS

BENEFICIARY ORGANISATION

PHYMA FRESH PRODUCE LIMITED (agri-SME) - Kenya

TARGET

847 smallholder farmers

AGRICULTURAL VALUE CHAIN

Chillies

STARTING DATE

August 2026

DURATION

12 months

TOTAL TA BUDGET

€29,347
Including €23,478 (80%) contribution from SSNUP

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