NAKURU COUNTY

FOOD SYSTEMS FINANCE(FSF)

LEARNING EVENT REPORT

June 2026

Contents

List of Abbreviations

AFC – Agricultural Finance Corporation

CGN: County Government of Nakuru

DCA: Danish Church Aid

EAG – East Africa Growers Ltd

FSF: Food Systems Finance

MoALD: Ministry of Agriculture, Livestock and Development

NFP: Netherlands Food Partnership

RAI: Results for Africa Initiative

RRA - Rapid Results Approach

SDLD – State Department of Livestock Development

SMEs: Small and Medium-sized Enterprises

1. Executive Summary

The Nakuru County Food Systems Finance (FSF) Learning Event, convened by the Netherlands Food Partnership (NFP) in collaboration with the Nakuru County Government, the DaniChurchAid (DCA), Results for Africa Institute (RAI) and Foresight Kenya, brought together a diverse range of stakeholders to explore innovative approaches to financing sustainable and inclusive food systems.

The event provided a platform for engagement among government actors, financial institutions, development partners, impact investors, SMEs and community representatives, including farmers from Nakuru county's Kabazi Ward. Its central focus was to examine how financial systems can be better aligned to support food systems transformation, using the Kabazi Model as a practical example of a locally grounded and integrated approach. The Kabazi Model was highlighted as a "living lab" that demonstrates how community-driven approaches can address systemic challenges such as limited access to finance, weak market linkages and low youth participation. The model promotes inclusivity, co-creation, agroecology and strong stakeholder coordination, with farmers positioned at the center of Food Systems transformation efforts.

A key takeaway from the discussions was that food systems transformation cannot be achieved without intentional integration of finance. Participants emphasized the importance of moving away from fragmented and siloed value chain approaches toward more holistic ecosystem-based models that consider production, markets, finance, governance and community dynamics as interconnected elements.

The event also revealed several structural barriers, including low access to formal financing among farmers, weak aggregation systems, inadequate storage infrastructure, declining extension services, and limited trust in formal financial institutions. Youth exclusion was also identified as a critical issue, largely driven by lack of collateral and limited access to tailored financial products.

Despite these challenges, participants identified significant opportunities in green financing, blended finance models, digital financial systems, and expanding roles for SMEs and impact investors to transform FSF. The discussions also reinforced the importance of governance as a unifying force that connects policy frameworks, stakeholder coordination and implementation efforts.

The event concluded with a strong call for well coordinated food systems multi-stakeholder action and produced a set of commitments aimed at refining financial products, strengthening partnerships, supporting farmer aggregation and scaling the Kabazi Model to other regions.

2. Overview of the Event Objectives and Agenda

2.1 General Objective

The primary objective of the learning event was to revisit and deepen stakeholders' understanding of the *Manifesto for Change*, which lays a particular emphasis on the articulated pathways toward achieving a more sustainable, inclusive and resilient food system, particularly in the context of smallholder farmers and rural economies.

These pathways provided a guiding framework for the discussions and included strengthening farmer collective action, building an inclusive and enabling policy environment, promoting green and climate-smart agribusiness practices, supporting sustainable land management, shaping nutritious and resilient value chains, and driving dietary shifts through education and broader food systems interventions.

2.2 Specific Objectives

i. To move beyond conceptual understanding by translating these pathways into practical, context-specific actions within Nakuru County.
   Participants engaged in identifying concrete sustainability and investment opportunities that align with the Manifesto's priorities, of both economic and environmental outcomes
ii. To understand how financial flows can be structured to support sustainable food systems and improve livelihoods. This included examining bankable opportunities within the food system, innovative financing mechanisms like blended finance and green financing, and strategic partnerships that can unlock capital for sustainable food systems.
iii. To facilitate dialogue among diverse food systems stakeholders, enabling them to identify systemic gaps and co-create solutions.
iv. To showcase the Kabazi Model as a practical example of an integrated food systems approach.

Overall, the objectives were designed promote collaboration and co-creation to bridge the gap between strategy and implementation by aligning food systems stakeholders' efforts and commitment around actionable pathways, strengthening collaboration, and catalyzing investments that support long-term food systems transformation.

2.3 Event Agenda Overview

The event was conducted over two days and featured a combination of presentations, panel discussions, interactive sessions and question-and-answer segments. The first day focused on introducing food systems thinking, presenting the Kabazi Model and capturing stakeholder perspectives on existing challenges and opportunities.

The second day concentrated on market dynamics and financing mechanisms, including the presentation of the Rapid Market Assessment findings. Participants also engaged in discussions on sustainability models, investment opportunities and practical actions required to operationalize the insights generated during the event.

The agenda concluded with food systems stakeholder commitments and reflections, setting the stage for future collaboration and implementation.

3.0 Summary of Key Presentations and Discussions

3.1 Introduction to Food Systems Thinking

The introductory session from Foresight Kenya emphasized the centrality of finance in driving food systems transformation. The presentation highlighted that traditional approaches focusing solely on value chains are insufficient and must be replaced by broader ecosystem approaches that recognize the interconnectedness of production, markets, finance, environment, and governance.

There were strong acknowledgement and consensus from the participants that adopting a systems perspective allows for more effective identification of bottlenecks and opportunities, thereby enabling more sustainable and scalable interventions within the food systems.

3.2 The Kabazi Model

The Kabazi Model was presented as a comprehensive, community-driven framework designed to integrate multiple components of the food system. It emphasizes placing farmers at the center of development efforts while fostering collaboration among stakeholders, including financial institutions, government agencies and private sector actors.

The model promotes agroecological practices and highlights the importance of shared value creation, where stakeholders collectively contribute to and benefit from the food system. It also underscores the need for infrastructure development, such as storage facilities and digital connectivity, to enhance market access and reduce post-harvest losses.

Presentation of Kabazi Ward Model

3.3 Stakeholder Perspectives during Panel discussions

Discussions from community representatives from the Kabazi Ward revealed that women's groups and savings cooperatives play a significant role in enhancing food security and financial resilience. These groups enable members to pool financial and other resources, invest in productive activities and improve access to markets.

Financial institutions highlighted the need to develop tailored financial products that reflect the realities of smallholder farmers, including irregular income streams and limited collateral. Some institutions such as Equity group and Cooperative Bank of Kenya mentioned that are already exploring innovative approaches such as green financing and digital financial services.

SMEs and off-takers emphasized the importance of contract farming as a mechanism for ensuring market access and improving product quality. However, they also pointed out challenges related to aggregation, logistics and consistency in supply.

Impact investors noted the growing potential for blended finance models that combine grants, loans and equity investments to support agribusinesses. They stressed the importance of aligning investments with community impact and sustainability goals.

Panel discussion of Key FSF stakeholders

3.4 Rapid Market Assessment

The Rapid Market Assessment provided critical insights into market dynamics within the food system. It revealed that while farmers are actively producing and selling their products, they continue to incur losses due to inefficiencies in market systems, including poor storage, limited bargaining power, and fragmented supply chains.

The assessment also highlighted the dominance of informal markets, which are often preferred due to trust issues and limited financial literacy regarding formal systems. These findings underscore the need for improved market integration and targeted interventions to reduce post-harvest losses.

3.5 Key Discussion Themes

Several cross-cutting themes emerged during the discussions. Participants noted that the low uptake of cooperatives is largely driven by immediate financial needs and lack of supporting infrastructure. Youth inclusion was identified as a priority, particularly given their potential to drive innovation and digital transformation. There was also strong emphasis on the importance of partnerships in delivering extension services and supporting farmers. Challenges related to pricing, logistics, and mechanization were discussed as key constraints that need to be addressed to enable scaling of food systems enterprises.

4. Main Lessons Learned and Emerging Themes

5. Key Recommendations and Follow-up Actions

- Participants emphasized the need for financial institutions to develop more flexible and inclusive financial products that cater to the needs of smallholder farmers, where expanding green financing and blended finance models was identified as a priority, alongside the adoption of alternative collateral mechanisms.
- Government actors were encouraged to strengthen policy implementation and coordination, as well as to invest in critical infrastructure such as storage facilities, roads and digital connectivity. Also, the public-private partnerships were highlighted as an effective approach for addressing the existing systemic challenges.
- Development partners were urged to continue providing technical assistance and financial support, while also facilitating knowledge sharing and capacity building. Their role in scaling successful models and bridging resource gaps was considered essential.
- SMEs and off-takers were encouraged to strengthen aggregation systems and expand contract farming arrangements to improve market access and stability. Investments in logistics and quality control were also identified as key areas of focus.
- At the community level, there is a need to strengthen cooperatives and savings groups, promote sustainable farming practices and enhance financial literacy among farmers.
- The cross-cutting actions include the establishment of a dedicated secretariat to support scaling of the Kabazi Model, formalization of the model through a Living Lab approach and improved coordination among stakeholders.

5.1 Rapid Results Approach (100-Day Action Plan) and Stakeholder Commitments

A key outcome of the learning event was the adoption of a 100 Rapid Days – Rapid Results Approach (RRA), as a practical mechanism for translating the Kabazi Model and broader food systems pathways into tangible, short-term actions. This approach will accelerate implementation by focusing on achievable results within a defined timeframe, while fostering accountability, collaboration and continuous learning among stakeholders. Through this framework, participants committed to bringing the model to life by leveraging food systems finance as a central enabler of transformation. Stakeholders outlined a series of commitments aligned with their respective mandates and capacities;

- The County Government of Nakuru (CGN) committed to optimizing devolution structures to enhance coordination and accelerate the implementation of policy frameworks. This effort is intended to ensure that communities are empowered to become self-reliant while contributing meaningfully to national development.

Financial institutions also demonstrated strong commitment to reform;

- NCBA indicated its intention to review and redesign its financial products to ensure they are relevant, accessible and impactful for farmers.
- Similarly, Co-operative Bank committed to strengthening its engagement with cooperatives, recognizing that practical, context-driven solutions are essential for enabling food systems enterprises to scale effectively.

- Equity Group highlighted its role in incubating farm enterprises under its Food and Enterprise Development pillars, with a focus on enhancing business-to-business linkages and strengthening performance monitoring systems.

From a systems development perspective;

- The Egerton University Living Lab will formalize the Kabazi Model, with the aim of refining and replicating it across other counties.
- The State Department for Livestock Development (SDLD) under the Ministry of Agriculture and Livestock Development (MoALD) committed to leveraging available resources, including international partnerships such as support from the Government of France, while also exploring global best practices, including lessons from China's food systems, to inform local adaptation within the Kabazi Innovation and Resource Centre.

Development partners and technical organizations also made strategic commitments.

- The World Resources Institute (WRI) pledged to work closely with farmers and other stakeholders to facilitate access to its resources, including small grants and technical assistance, particularly in areas such as Payments for Ecosystem Services (PES).
- Similarly, NFP, RAI, Foresight 4 Food – Kenya and DCA committed to strengthening partnerships with key stakeholders to provide technical assistance and support implementation within the food systems.

Financial inclusion actors, including microfinance institutions, also outlined targeted interventions.

- Moto Hope committed to working with development partners as guarantors to enable the provision of cash advances to farmers, thereby addressing liquidity constraints and supporting increased productivity.

Private sector actors, particularly SMEs and off-takers such as Moto Feeds, Big Thunder Macademia, East Africa Growers (EAG), and Farmlife, emphasized their continued role in supporting farmers through contract farming arrangements. These partnerships are expected to enhance market access, improve quality standards and provide more predictable income streams for farmers.

Impact investors also committed to strengthening market systems.

- Root Capital indicated its intention to support the development of strong cooperatives and facilitate communities of practice among off-takers, with the goal of increasing farmers' bargaining power in key value chains such as coffee, macadamia and avocado oil.

Collectively, these commitments reflect a shared commitment to operationalizing food systems transformation through coordinated action, targeted investments, and strengthened partnerships. The Rapid Results Approach provides a clear pathway for tracking progress and ensuring that the momentum generated during the learning event translates into measurable impact on the ground.

6. Conclusions and Reflections

The Nakuru County Learning Event demonstrated that transforming food systems is both a complex and achievable goal when approached through inclusive, coordinated, and well-financed strategies. The discussions highlighted the importance of aligning financial systems with the realities of smallholder farmers while fostering collaboration across sectors. A key reflection from the event is that farmers should be viewed not as passive beneficiaries but as active partners in transformation. Empowering them with the necessary resources, knowledge, and support systems is essential for achieving sustainable impact.

The Kabazi Model stands out as a promising framework for scaling integrated food systems approaches, combining community ownership, financial innovation, market integration and policy support. Its success underscores the importance of grounding interventions in local contexts while maintaining a vision for broader replication.

Moving forward, the success of food systems transformation efforts will depend on sustained collaboration, effective implementation of commitments, and continuous learning.

Participants listening to various key stakeholders committing to enhancement of the FSF

7. List of Attendants - Organisations

1.	NFP – Kenya Team	15.	Big Thunder Nuts Ltd
2.	MoALD	16.	Moto Feeds Ltd
3.	County Government of Nakuru	17.	East Africa Growers Ltd (EAG)
4.	Results for Africa Initiative	18.	Imara TV
5.	Foresight 4 Food - Kenya	19.	Farmlife Ltd
6.	DanChurchAid	20.	Agricultural Finance Corporation (AFC)
7.	Equity Group Foundation	21.	Egerton University – Nakuru Living Lab
8.	Cooperative Bank of Kenya	22.	One Acre Fund
9.	NCBA	23.	Truvalu
10.	World Resources Institute	24.	Moto Hope Capital
11.	Moving Frontiers	25.	Kabazi Ward Is Set
12.	Family Bank	26.	Root Capital
13.	PNG	27.	Nakuru NAFCS
14.	Catholic - Kabazi	28.	

NFP Netherlands Food Partnership