



Workshop Sustainable services

Terms of Reference

'Workshop sustainable services" (mission #AS8358) is an assignment within the framework of project [17lela-7165](#) | Building fundamentals towards milk processing, where Agriterra co-operates with Lelan Highland Dairies. The Agriterra business advisor responsible for this assignment is Hillary Maket. In case of changes in the assignment and/or programme the advisor has to be consulted immediately.

Background

Agriterra is a network organisation of Dutch agri-employers' organisations and companies. It has a vision that farmers' associations and cooperatives can have a positive influence on development by contributing to a more equal distribution of income and an enhancement of democratic decision-making and relations. This vision has become almost undisputed, the mechanisms are understood, and the mission derived from it - the strengthening of farmers' organisations - is the only logical one.

Agriterra mobilises hands-on experience from the Dutch agricultural sector via the so-called Agripool. Experience-based knowledge is increasingly important to fulfil the demands of private enterprises wishing to connect with smallholders. The aim of Agriterra is making cooperatives bankable. By focusing on few clients within a limited number of countries, Agriterra is able to target those cooperatives or other farmer owned enterprises, who are ambitious, have good management, have been economically active, have significant amounts of members and who have plans to invest in order to expand their business. Agriterra's support is especially based on technical support from experts from the Dutch agricultural and cooperative sector. Their advisory services can be applied to all aspects of the business planning process, access to finance trajectory or the implementation phase.

Lelan Highlands Dairies (LHD) is a milk intake public company fully owned by farmers. The company is situated in West Pokot County, Lelan division, in a rugged landscape. Lelan has 10 collection sites where by more than 3 collection sites are under zone manager. The company recorded an average daily collection of 18,300kg of milk in 2016. It has a total registered membership of 5,313 of which majority is actively delivering milk to the company. Agriterra Kenia and LHD started their partnership in 2015, after a Cooperative assessment was conducted. The cooperation is focusing on professionalising LHD in its financial, governance and business aspects. Main aim is to upscale the milk delivery to the cooperative to 23.000 kg/day in 2019. In order to achieve this goal, focus is on improved extension services. In addition Agriterra supports in improving financial management, governance and youth participation and representation.

LHD established an extension department in January 2016 with support from Agriterra. First activity was developing an extension strategy and an implementation plan. Currently, Lelan employs 10 extension officers (EO) whom are paid by LHD. These EOs report to a manager in charge of extension department. LHD therefore in general provides;

- Trainings to farmers on increased milk productivity
- Farm and animal inputs through the agro-veterinaries and input stores
- Financial services and advance payments

LHD encounters lots of challenges on service provision especially during draught seasons. In this period, milk reduces by 60%. This further exposes the need to intensify extension services for reduced milk fluctuations. Without adequate milk, they are unable to run their activities sufficiently and hence even provision of member services.

As the catchment area of LHD is huge with an estimated around radius of 50Km coupled with a rugged terrain, LHD finds it difficult in getting services reaching the members. In some places, farmers sale milk to hawkers as LHD has not sufficiently invested in collecting milk from these places. Additionally, some of the milk coolers have been received as grants from the county government. It's of utmost need that LHD becomes self-sustainable even when they are gearing up for their own milk proceeding plant. Based on these and the need to reactivate the inactive members, there was a need for a training on sustainable service provision.

This field guide serves as the bases of the three days' workshop, supporting LHD to design a sustainable farmer led advisory provision system, include financial projections

Mission

The mission will take place from 24th To 30th September and will be composed of:

- XX workshop facilitator (an experienced trainer/ facilitator familiar with this workshop)
- XX workshop facilitator/ subject specialist (experienced in for example extension services, sustainable models for advisory services to farmers)

(supported by Hillary Maket local Business advisor Agriterra for translation and / or co facilitation)

Objective(s)

Support LHD in setting up a SMART and financially sustainable farmer led extension services system, including an action plan for the next 1 to 2 year.

Activities

1. Prepare (1 day) the workshop together with the responsible people from LHD and Agriterra. During the preparation day the learning needs are already inventorised, and prioritised; service providers are mapped and gaps are identified. This will be used as starting point of the WS.
2. Facilitate the 2 days' workshop sustainable famer services (maximum 15 participants)
3. Extension services strategy put on paper including an action plan and budget . One small workgroup : manager, extension manager, accountant, 1-2 extension officers and one BoD representative. (1 day): Based on the results of this workshop, prepare an action plan for 2017/2018 and define if and which concrete activities / objectives will be supported by Agriterra in 2018 by advisory services and limited financial support.

Methodology:

For the training, the field guide Setting up a sustainable services provision system of Agriterra will be used.

Program:

International Flight schedule:

Date	Itinerary	Flight no.	Depart	Arrival

Participants in the 2 days workshop

2 Managers, 1 chairman, 1 accountant, 4 active board members, 3 field workers, 2 lead farmers (maximum 12 persons)

Expected results

1. The outcome of the workshop is a clear structure (including financial aspects) of a farmer led services provision system of LHD including financial projections for the coming years. This can be used as a basis for defining the future cooperation between LHD and Agriterra.
2. Action plan of the LHD: what needs to be done (action plan) to introduce / implement a sustainable farmer led advisory system
3. Short proceedings of the workshop (to be prepared by LHD)

The proceedings of the workshop and the action plan should be submitted to Agriterra before September 15, 2017.

Budget of this workshop: to be prepared by LHD and Agriterra

Programme tentatively**Day 1.**

Field visits with EOs. Need assessment , mapping service providers and preparing the workshop.

Day 2 (WORKSHOP DAY 1)

Step 0: introduction	Time schedule
Introduction	15 minutes
Exercise 1: getting acquainted	20 minutes
Exercise 2: leveling expectations	10 minutes

A. Identification

Step 1: advisory services needs assessment	Time schedule
--	---------------

Presentation and verification of : 1. learning needs 2. service providers	1 hour
River code	20 minutes
Step 3: matching needs and current service provision	
Exercise 1: best learning experience ever	10 minutes
Exercise 2: criteria for good quality services	20 minutes
Exercise 3: matching current service providers and learning needs	1 hour

Step 4: brainstorm service activities	
Exercise 1: prioritizing needs	30 minutes

Day 3 (WORKSHOP DAY2)

B. Designing (extension structure, strategy and activities)

Exercise 2: brainstorm service activities for learning need	1- 1,5 hours
---	--------------

Step 5: requirements: financial sustainability and organizational structure	
Exercise 1: finances	1,5 hours
Exercise 2: strategies for financial sustainability	20 minutes
Exercise 3: current financial situation and forecast	1 hour
Exercise 4: building the pyramid and agree upon this	2 hours
Exercise 5: Extension structure linked with proposed activities: draw the main framework and principles	1 hours
Evaluation	0.30 hours

Day 4 (working in small group, half day)

1. Finalise and write down the extension strategy and structure
2. Prepare a SMART action plan and budget (including the projected income) based on idea from Workshop

Annex 1:

Overview of the summarized financial reports/audit of the organization (at least for 2 years) clearly showing current level of dependency upon external funding and showing the core costs.

Documents for further reading/ background materials:

1. Company assessment 2015
2. Extension strategy
- 3.