Improving the livelihoods of 30,000 farmers through sustainable farming and milk-water-carbon value creation

LIVELIHOODS MOUNT ELGON PROJECT KENYA

Margaret Muchanga, Alpha Women group, Kiungani dairy cooperative
Richard Khisa, Muliro Umoja SHG, Ndalu dairy cooperative
A LARGE-SCALE PROJECT...

**AREA:** Mount Elgon, Kenya.

**TARGET GROUP:** 30,000 small-holder farmers, whereof 15,000 dairy farmers. These are members of 15 cooperatives and organised in 1,200 groups.

**PERIOD:** 2016 - 2026 with the first four years being intensive implementation.

**AT LANDSCAPE LEVEL**

![Map showing the project area in Eastern Africa with legends for organizations/cooperatives, rivers, Mt. Elgon National Park, and livelihood project area.]

**LEGEND**
- ▲ Organizations / Cooperatives
- Blue Rivers
- Green Mt. Elgon National Park
- Brown Livelihood Project Area

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**CHALLENGES**

Deforestation, inefficient agricultural practices, uncontrolled grazing and soil erosion have a direct impact on local biodiversity and soil fertility in the Mt Elgon region. This also threatens the watersheds and the ecosystem of Lake Victoria as a huge quantity of sediment are carried by rivers. Crop yields and milk production are low and smallholder farmers don’t have a guaranteed sustainable connection to markets for their produce.

The dairy sector’s development is hindered by unsecured milk supply, both in terms of quantity and quality. Milk collecting challenges prevent the sector from fully exploiting its potential.

**CREATING MUTUAL VALUE IN THE DAIRY CYCLE**

The Livelihoods Mt Elgon project aims at improving the livelihoods of 30,000 small-holder farmers by empowering farmers with sustainable agricultural practices and establishing connections to markets through 15 cooperatives.

**Empowering farmers with sustainable farming practices**

Farmers are trained on Sustainable Agricultural Land Management (SALM) practices in order to adapt to the impacts of climate change and reduce greenhouse gases, increase farm productivity and food production. The practices require limited financial investment and have proven efficiency to improve agricultural productivity.

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**KEY GOALS**

- Increased revenues for dairy farmers and improved livelihoods for 30,000 farmers
- Increase average milk production from 5,000 l/day to 135,000 l/day in 5 years
- Adoption of sustainable agriculture on 35,000 hectares of land
- Increase farmers crop yields by 30%
- 15 cooperatives strengthened to become professional hubs for business and social empowerment with increased women participation
- Preserve watershed and avoid soil erosion degrading Lake Victoria’s ecosystem
- Sequester 1 million tonnes of CO₂ over 10 years
Among the methods are:
- Nutrient management such as mulching and composting
- Soil and water conservation such as retention ditches
- Agronomic practices such as crop rotation and intercropping
- Agroforestry – growing trees alongside crops and livestock
- Tillage and residue management such as zero-tillage
- Integrated Livestock Management with improved livestock feeding, breeding and waste management
- Integrated Pest Management such as biological pest control

Strengthening existing cooperatives and empowering women
Farmers are reached through 1,200 farmer groups and 15 existing cooperatives. Trainings are organized by field officers through demonstration farms and farmer trainers. The cooperatives are supported for milk collecting, cooling and bulking. The project strengthens the capacity of cooperatives to offer more services to their members such as veterinary services and artificial insemination. Moreover, the governance of the cooperatives and their members will be strengthened to enable women to participate more actively in the dairy value chain and decision making at household and cooperative level.

Improving dairy efficiency and sustainably connecting farmers to markets
Currently, most of the farmers in the project area produce an average of 3l of milk per day, with an even lower level during the dry period in Kenya. The low productivity is due to inadequate access to nutritious feed, water and low producing breeds. The project aims at increasing productivity to 6 - 9 litres per day per cow. This is possible as farmers will produce fodder crops on farm to feed the cows all year round while introducing improved breeds through high quality artificial insemination. Moreover, Brookside Dairy commits to buy all milk produced within the project over a period of 10 years.

Generating tangible environmental benefits
Sustainable agricultural practices, agroforestry and the protection of river banks contribute to watershed conservation and protection of Lake Victoria. Land restoration and agroforestry trees will highly reduce soil erosion, and in the long run increase soil fertility. Free grazing, which severely damages the ecosystem, is avoided as cows have access to feed and water throughout the year.

The project will also have a substantial impact on CO₂ through increase in soil organic matter, tree planting and dairy cow productivity.

Measuring the tangible benefits of the project through a new process
The farmers’ livelihood improvement is estimated by looking at three key aspects; women empowerment, food security and farm revenues. Every three years, a social survey is conducted to measure the three aspects.

Carbon (CO₂) sequestration will be tracked using increase in cow efficiency and crop productivity as a result of adoption of Sustainable Agricultural Land Management practices. This is done by the farmers themselves by filling in a simple farm activity monitoring form every season. This data is then computed by Vi Agroforestry and Unique Land Use and Forestry. The quantity of carbon sequestered is used as an indicator of the results delivered by the project. This first of its kind carbon measurement, approved by the Gold Standard, has been specially designed for the Livelihoods Mount Elgon project.

The impact of the project on water will be measured in terms of reduced erosion into rivers (“runoff”) as well as increased infiltration inside farmland. Information to measure these changes will also be obtained through the farm activity monitoring form.
AN INNOVATIVE INVESTMENT MODEL

The project is developed through an innovative investment model. It is financed by the Livelihoods Fund, an investment fund created by private companies, who bears the investment risk. Brookside Dairy, a private company, co-invests in the project and pays according to milk production. Vi Agroforestry, an NGO, implements it in the field.

The project will improve the livelihoods of 30,000 smallholder farmers by creating 2 billion Kenyan Shillings value in the dairy sector over a period of 10 years. It will also sequester more than 1 million ton of CO₂ equivalent and create tangible environmental benefits (water, biodiversity).

PROJECT PARTNERS

Livelihoods Funds

Livelihoods investment funds offer innovative solutions to companies to secure sustainable sourcing and offset their activities with high-quality certified carbon credits while generating impact. The funds invest in large scale projects in Africa, Asia and Latin America. Livelihoods funds join forces with public institutions, NGOs and experts to maximize impact while reducing risks. The funds provide upfront financing to NGOs for project implementation and receive results-based payments to guarantee tangible social, environmental and economic impact. Twelve major companies have invested in the Livelihoods Funds so far: Danone, Schneider Electric, Crédit Agricole S.A., Michelin, Hermès, SAP, Groupe Caisse des Dépôts, La Poste, Firmenich, Voyageurs du Monde, Mars Inc. and Veolia.

Livelihoods Fund provides upfront financing for project implementation and maintenance over a period of 10 years.

Vi Agroforestry

Vi Agroforestry is a development organisation, fighting poverty and climate change together with smallholder farmer families and their organisations in the Lake Victoria Basin in East Africa. The foundation of Vi Agroforestry’s work is sustainable agriculture and agroforestry – growing trees alongside crops and livestock. It sustainably provides increased access to food, energy sources and more income. Sustainable agriculture contributes to the adaptation to and mitigation of climate change.

Vi Agroforestry is in charge of implementation and monitoring of the project.

Brookside Africa

Brookside Africa is East Africa’s no. 1 dairy player, with a portfolio of products ranging from fresh and Ultra High Temperature (UHT) milk to powdered milk, yogurts, fermented milk, ghee, butter and both whole and skimmed milk powder. The company benefits from a strong regional milk collection network supported by over 200,000 farmers. It has over 3,000 employees and serves the East African region with a unique distribution platform supplying over 200,000 outlets. Brookside has upheld a tradition of quality, pure farm freshness and flavor in each of the products.

Brookside Dairy invests in the project with the Livelihoods Fund. It commits to buy quality raw milk from farmers in the project over a period of 10 years.

More information:
www.livelihoods.eu | www.viagroforestry.org | www.brookside.co.ke

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