

Seizing An Opportunity Of A Public-Private Partnership Initiative For Agritourism Development As A Strategy For Poverty Reduction In Kisumu, Kenya

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ABSTRACT: High poverty level is one of the major developmental challenges facing Kisumu County with over 60 percent of the population being poor. The main economic activity in this region has for a long time been farming. The high incidence of poverty level is attributed to several factors ranging from the ever escalating costs of farm inputs, poor distribution and unpredictable rains, poor farming methods resulting to poor crop/livestock production hence low yields for farmers and food insecurity, lack of diversified agriculture, environmental degradation, lack of empowerment, HIV/AIDS scourge and low incomes. This calls for farmers to find alternative sources of livelihoods to generate additional income. From an exploratory survey conducted in Kisumu County in July 2014 on Agritourism is a strategy for poverty reduction and livelihood improvement, 95.62 percent of the respondents indicated that Agritourism as a viable venture for farmers in this county. Both qualitative and quantitative data were collected. Quantitative data collection entailed a household survey through administration of questionnaires while qualitative method involved interviews and focus group discussions. Participants consisted of farmers and key informants irrelevant county government offices in the study area. This paper builds on this survey to reveal the possibility of a Public-Private Partnership initiative (PPP) for agritourism development as a strategy for poverty reduction in Kisumu County. PPP is a form of legally enforceable contract between the public sector and private sector, which requires new investments by the private contractor (money, technology, expertise/time, reputation, etc.) and which transfers key risks to the private sector (design, construction, operation, etc.), in which payments are made in exchange for performance, for the purpose of delivering a service traditionally provided by the public sector. The PPP approach may be the way to go for developing Agritourism as a strategy for poverty reduction in Kisumu County since this is a new concept. The paper reveals that Agritourism can be pursued in Kisumu county by taking advantage of the potential opportunities that a PPP approach can give. Potential benefits include the possibility of generating opportunities for local farmers to increase income, revenue generation and improved food security, enhanced entrepreneurial skills and the diversification and uniqueness of traditional food crops within the county. Agritourism may reduce rural-urban migration of the young population since it will provide incentives to preserve agricultural land in Kisumu County and create employment opportunities. More opportunities for value addition of farm produce will be created and diversification of produce for direct-marketing may stimulate economic activity. With improved infrastructural support, Agritourism programs may help capitalize on the natural, historical, and cultural resources of communities and also build community pride and improve on the quality of life for local community. The study concluded that concerted effort of all stakeholders is needed to exploit the PPP benefits of Agritourism. To sustain Agritourism, there is need for stakeholder sensitization and strategic planning for Agritourism in Kisumu County. The County government should explore public-private partnerships that are beneficial to further the pursuit and development of Agritourism in Kisumu County.

KEYWORDS: Agritourism, Livelihood, Poverty Reduction, Public-Private Partnership (PPP)

I. INTRODUCTION

1.1 Background

Public-Private Partnerships (PPPs) have long been applied in the traditional economic infrastructure sectors (energy, ICT, transportation, and water & sewerage) more recently have been applied with increasing frequency, to the agriculture sectors (White, 2014). Recent international experiences have demonstrated that

PPPs can be structured to provide significant, new, and innovative investments that can boost agricultural output, improve sector efficiency and cost-competitiveness (IDS, 2015). Governments, donors and development practitioners are focusing attention on leveraging private investment in agriculture, including through fostering public-private investment collaborations, as a means to access critical resources and achieve sustainability and scale in rural poverty reduction. In addition, leveraging private sector investment is not an end in itself but is sought because it can – under the right conditions – contribute to pro-poor development that raises incomes and strengthens food security. The constant instability of net farm incomes and the loss of jobs in rural areas have led to a human and financial capital drain from many rural areas, with many farming families and businesses under economic stress (Stewart, 2002). Rural-urban migration, infrastructure development, national policies, private sector forces, and other aggressive socio-economic and political processes, including globalisation, drive urbanisation across the developing world (United Nations 2007:7). Lack of employment opportunities in the rural areas is the main push factor driving this process while the main pull factor is the anticipated job availability. Organizational challenges further impede private-sector inclusion of smallholders. Although the public sector has traditionally provided services such as extension, research, infrastructure, and marketing outlets to smallholders, the movement toward a demand-driven agriculture, rather than one focused on productivity and output, limits the ability of governments to fully assist smallholders in the manner demanded by the marketplace. In the face of these market failures and externalities, public-private partnerships (PPPs) can play a key role in strengthening and enhancing links within the Agricultural value chain development and increase small farmers' participation (Henson, and Wetherspoon 2003).

Isaac and Van der Sterren (2004:2) argue that tourism and its products are a possible strategy of growth for developing economies and an agent of development because of its potential to be a source of income for local economies. One of the driving forces that is becoming of great interest in the agricultural sectors to diversify their income sources is to embrace agritourism practices into their daily farming activities (Viljoen and Tlabela, 2006:15). Agritourism is emerging as an alternative form of tourism. Introduction of Agritourism can be a catalyst to both income and non-income benefits to farmers. Globally, Agritourism is gaining fame and is now considered a potential source of income. As countries that primarily focus on tourism or agriculture look for ways to enhance their activities, Agritourism has become a primary focus. Implementation of an Agritourism project as a new venture may require a more systematic and empirical approach to the design and implementation of PPPs in agriculture. The forms of public-private-partnerships that are currently seen in rural areas worldwide are mostly related to organic agriculture, timber exploitation, seed production, certification of ecological products and promotion of rural tourism (Bogdanov, 2010). In Kenya, Vision 2030 which is the blue print of development and the Agricultural sector Development Strategy (ASDS) state that more than 80 per cent of the flagship projects will be implemented using PPPs as persistent budget deficit and declining donor funding have created a big financing and investment gap (GOK, 2012a). Currently, the provision of key public goods and services (infrastructure, utilities, research and extension) is the responsibility of the Government alone, but that is not sustainable. In providing these services, the government of Kenya aims to support the activities of the private sector by creating an enabling environment that allows the actors to produce a wide range of commercial goods and services to ensure sustainable growth, poverty reduction and food security. A look at the list of national prioritized potential agricultural value chains for PPPs does not include agritourism, yet Agriculture and tourism are among the six high priority areas identified as key drivers for the transformation under the economic pillar which aims at moving the economy up. In as far as tourism is concerned, Agritourism is one of the niche products and Kenya aims to develop in order to be among the ten top long haul tourist destinations globally so as to be among the leading countries like China, Mexico and Malaysia (GOK, 2012b). In the current County integrated development plan (CIDP) for Kisumu, the county aims at developing and diversifying competitive tourism products, and the target is to increase from 4.3% to 60% in five (5) Years. Among the activities to be done are: Develop Community Based Tourism Products in each Sub-County (Kit- Mikayi, LwandaMagere, Kadibo Beaches, Abindu, Dunga Beach, Got Mesa, Kajulu Caves) Gok, 2013).

The PPP approach may be the way to go for developing Agritourism as a strategy for poverty reduction in Kisumu County. The poor rural communities must be assured of an improved standard of living if they are to support the venture and both national and county governments must collaborate with the private sector towards developing the new concept of agritourism through PPPs. Agritourism can contribute to the overall income, cash flow and profitability of a farm by providing alternative income via farm products, and farming activities (Colton and Bissix, 2005; Huybers, 2007; Keith et al. 2003; Sharply, 2002). Kisumu County is endowed with diverse touristic sites which attract lots of visitors into the county. This places a level ground for the development of agritourism as an alternative source of livelihood. The county is still associated with exacerbated poverty with over 50% of the local people living below poverty line (Africa Environmental Outlook, 2005). Lake Basin has been characterized with entrenched poverty, recurrent drought, crop failures and

fish decline (Abila, 2002). If the rich attractions are harnessed well and two government Ministries i.e. agriculture and tourism combine efforts, they could transform the livelihood and create employment opportunities to optimize economic benefit to the local people. Governments and the private sector institutions need to work together with relevant institutions so that the utilization, development and management of tourist areas are given serious attention (Nandi, 2008; Narayan, 2000). This paper therefore focuses on identifying the possibility of a successful Public-Private Partnership initiative in Agritourism development in Kisumu County. Agritourism activities should aim to improve the quality of life by creating jobs, have an impact on the social and economic aspects, as well as the multifunctional development of rural sustainable development (Wyporska and Mosiej, 2010).

1.2 Objective

To examine the possibilities of applying the concept of PPPs in the development of agritourism as a strategy for poverty reduction in Kisumu County

1.3 Research question

What are the possible ways in which PPP can be applied as an initiative for poverty for Agritourism development in Kisumu County?

1.4 Significance of the study

Kenya's Vision 2030 aims at transforming agricultural sector into an innovative, commercially oriented, competitive and modern industry that will contribute to poverty reduction and improved food security in rural and urban Kenya. This study highlights the possibility of a public private partnership for Agritourism development as a strategy for poverty reduction. This is because it's a new concept not only in Kisumu but Kenya as a country. The Agriculture is the priority economic sector in Kisumu county and dominated by the public sector. The effect of public sector involvement has led to the crowding out of private sector and the public sector investments essentially funded through budgetary provision from the public coffers are inefficiently utilized. Commercializing agriculture, agritourism will create new sources of income, conserve natural resources and the environment, and promote tourism. By looking at the possibility of drafting policies and establishing guidelines that would be used to mainstream Agritourism practices in Kisumu County the agenda on sustainable economic development and livelihood improvement can be promoted. Since appropriate planning may need to be incorporated in the whole process, the decisions made should take into consideration the future generations to avoid depriving them of a quality environment. Development of appropriate complementary products in the tourism sector will also increase the attractiveness of Kisumu County as tourist destination and increase tourist spending in the local economy. In order to succeed in the designing and applying rural development policies in poverty reduction, there is need to develop partnerships with both the public and private sectors and have a good network of parties in order to take advantage of the contribution of the synergetic effects that brings about collaboration which fosters innovation for both parties. This paper therefore looks into the possibility of applying the concept of PPP in the development of agritourism in Kisumu County as a niche tourism product that can be used as a strategy for poverty reduction.

II. LITERATURE REVIEW

2.1 Agritourism.

Literature has it that Agritourism started in the United States in the early 1800s (Karabati et al., 2009). A number of countries of the world have transformed their economies through agro-tourism activities. The Inter-American Institute for Cooperation on Agriculture (IICA) has been promoting Agritourism in the Caribbean since 2005 to strengthen links between tourism and agriculture (IICA, 2011). In Thailand, it has been used as one of the main medium to attract tourists from all over the world. Since the advent of Agritourism in Thailand in 2002, Agritourism has created a great impact by having a record of more than half a million tourists visiting farm areas in a national scheme (Taemsaran, 2005). In Europe, Agritourism has become a way of life for Europeans as a large percentage of Europeans take farm holidays (Frater, 1983). In Greece for instance, the Ministry of Agriculture embraced Agritourism and this is reported to have promoted the mountainous and less favoured areas to attract tourists (Aikaterini et al., 2001).

Agritourism industry is gaining ground in Malaysia as the country has a wealth of products for visiting tourists (Hamzah, 2011). Main activities involved in the area entail farm visits and home stays. It is reported that Agritourism activities are diversified and entail consumption of natural resources and the local culture as well as the development of personal relationships between visitors and the local community (Iakovidou, 1997 in Lathiras et. al., 2010) and these activities increase the economic income of the local community (Sosnowski and Ciepiela, 2011).The country has more than hundred tourist destinations that offer Agritourism activities.

Hamilpurka (2012) indicated that Agritourism in Karnataka, India, has improved farmers' income and also contributed to educating the tourists and local communities on sustainable agriculture.

In Africa, Agritourism has a short history and in most countries it is at the developing stages (Maumbe, 2012; Bernardo et al., 2007). A case of South Africa indicates that Agritourism is improving economic performance as well as contributing to rural development and employment creation (Kepe et al., 2001). It is utilized as a means to alleviate poverty and create employment opportunities in rural areas. In Ghana, Fantekwa District in 2007 attracted over 4,000 paying visitors who were interested in cocoa farms Cocoa (2006:7).

Kenya is an agricultural country and agriculture has been the leading government revenue earner for many years. This has been surpassed in recent years by tourism. Potential sites for Agritourism in Kenya have been found to be tea plantations in Kericho and Limuru areas, coffee plantations in central province, aquaculture around Sagana area and the Dominion farms around Lake Victoria basin where aquaculture activities are found. Dominion farms also have massive production of horticulture, rice, bee keeping, www.nicheafricaholidays.com/kenya/agro-tourism-peasant-farming.html. Kenya is gaining growth in Agritourism at an initial stage with the incorporation of home- stay vacations also coming in. The concept of home-stays provides the tourists with a place to stay and at the same time join in the activities that are arranged by the owner of the farm. This is providing Agritourism with a wedge as it is picking up very fast especially in central Kenya. Currently, there is Agritourism in practice at Kijijimoja in Meru County where a pilot project started in 2005 (Adventure Kenya, 2011). The pilot project provides a platform for local farmers to acquire alternative tangible and intangible income benefits, protect rural landscapes and agricultural lands and educate the population about food production and environmental protection. According to the Agritourism strategic plan of 2012-2016 (GOK, 2012), the Economic pillar of Kenya's vision 2030 which aims at moving up the value chain encompasses six key sectors with potential to deliver 10 percent economic growth per annum. Tourism and Agriculture (Agri-processing) feature as the two out of the key six sectors. Under tourism, a key product diversification strategy is to provide Niche products such as Agritourism. Both the National and county governments in Kenya are making deliberate efforts to promote the tourism sub-sector through niche products. To this effect, the criteria for homestays which is a concept in Agritourism is already in place. According to Nilsson (2002), Agritourism goes together with the concept of home-stays which also brings in opportunities for educational programs and recreational activities. Trends of visitors to Kisumu in the past years indicate a steady increase in the number of international visitors for mass tourism as shown in Table 1.0. This provides an opportunity for Agritourism development since Tourism must come into play before agritourism can be developed

Table 1.0: Trends of visitors in Kisumu National Museum and Impala Sanctuary

Year	No. of visitors in '000s (Museum)	No. of visitors in '000s (Impala sanctuary)
2008	75.3	79.8
2009	89.7	174.6
2010	104.1	195.2
2011	110.9	201.6
2012	144.9	247.0

Source: Economic Review 2012

Sustainable development of Agritourism should emphasize economic growth together with the preservation of local culture and environment, equitable benefit sharing and community participation (Chemnasiri, 2013). Agritourism as an economic activity inherently affects the social, cultural and the economic life of a community. It is a tool that has been widely used around the world for the purpose of intensifying the socioeconomic aspects of the local community (Hamzah et. al., 2012), and as a catalyst for economic growth and income supplements (Das and Rainey, 2010). It is also a successful industry in increasing revenue (Chesky, 2009).

1.2 PPP concept and its application in agricultural development

2.2.1 Definition of ppp concept

PPP is a form of legally enforceable contract between the public sector and private sector, which requires new investments by the private contractor (money, technology, expertise/time, reputation, etc.) and which transfers key risks to the private sector (design, construction, operation, etc.), in which payments are made in exchange for performance, for the purpose of delivering a service traditionally provided by the public sector (White, 2014). White(2014) further say that PPPs differ from other forms of public-private cooperation, such as Corporate Social Responsibility (CSR) projects, which feature voluntary donations and contributions from private corporations, but lack binding, long-term contracts.

2.2.2 Why are PPPs done?

The reasons why Governments have pursued PPPs have varied from simply seeking new sources of financing (for projects that Governments have been unable to finance on their own) to seeking to ensure better quality, reliability, and “value” in terms of the performance of key infrastructure assets, networks, and public services. Modern concepts of managing local and rural development require changes to traditional organizational and management structures and relationships, i.e. they require that the state starts sharing its competences (and funds) with a large number of partners (Hartwich, Gonzalez, and Vieira 2005). PPPs also represent a form of decentralisation and imply the cooperation of public authorities with the private sector at the local and regional level, in order to satisfy some public needs. Successful PPPs must induce benefits that outweigh the costs of organization. Hartwich, Gonzalez, and Tola (2005) provide three requirements that underpin the creation of a PPP:

- (1) The existence of common interests between public and private parties,
- (2) Positive benefit-cost ratios to PPP participation for both the public and private sectors, and
- (3) The potential for the creation of synergies among public and private participants.

According to Bogdanov (2010), the basic characteristics of PPPs are dependent on the following:

- The cooperation defined by a contract between public and private stakeholders
- The contributions of partners to a common goal are complementary, thus they can achieve their goals more efficiently within the framework of a PPP than through acting independently.
- Each partner formulates clear goals and both negotiate within the framework of the PPP
- The public partner does not finance the basic activities of the private partner, but offers support
- The PPP must not have distortive effects on general trade and business conditions
- The PPP enables the private partner to achieve its economic goals (e.g. profit and penetrating new markets), while allowing the public partner to achieve political development goals.

2.2.3 Forms of PPPs

PPP covers various transactions where the private sector secures the right to provide a service that was traditionally the responsibility of the public sector (GoK 2012a). They can be as short as a 2-year management contract to simply operate and maintain an existing publicly-owned asset or facility, such as an existing irrigation network or a grain storage silo, to a 30-year concession contract to finance-construct-and-operate a new agricultural waste-to-energy incinerator (Ned, 2014).

Other forms include Leases where the private partner leases an existing public sector asset, such as a grain terminal at a maritime port for a specified term and pays a lease-fee (or “rent”) to the public sector, as the owner. The private operator takes on the Commercial risk of the level of demand for the facility’s services from customers while the public sector, as the owner, is responsible for all long-term decisions for the facility, including financing any long-term investments in assets. Leases can be very effective at improving the commercial performance of specific facilities that have to compete with other service providers (such as the competition-in-the-market that exists for different maritime ports). However, they do not bring-in the new long-term financing for new facilities, which many Governments continue to seek. Build Operate Transfer (BOTs) contracts is another type of PPP which requires private partners to provide the new long-term financing to construct new facilities as well as to operate them for term long enough to recover their investments. While BOTs provide a key benefit that many Governments seek today it typically comes at the cost of Governments having to make long-term off-take commitments and agree to buy of the new project’s services, whether they are actually needed or not.

2.2.4 Public-Private Partnership concept for the development of Agriculture

A large untapped potential exists to strengthen cooperation between the private and business sectors in the development of agriculture. According to Pray (2002), private sector investment in agriculture is higher in developed than in developing countries. Today, most Governments are getting interested in PPP transactions that seek to bring in new long-term financing from the private sector to provide new projects and sector services that the public sector has been unable to provide on its own (Ned, 2014). In Ukraine, PPPs are relatively new though there is a policy, legal, and regulatory framework in place that explicitly allows for PPPs, including in the Agriculture sectors. The foundation for Ukraine’s PPP framework is provided by the Law “On Public-Private Partnership” dated July 1, 2011.

In a report published by the Economist Intelligence, it is outlined that the relevance of PPPs in transforming rural Africa from being the begging bowl to the breadbasket of the world is very crucial and that Agricultural partnerships have the potential not only to raise productivity, bring food security and lift rural

people out of poverty, but also to act as “a catalyst for broader rural development creating jobs outside of farming in both service and production sectors,” (Oslo, February 01, 2013). A report as cited in the Africa Agricultural status report World Bank (2013) says that some of the policy interventions needed to reform output and trade in the agriculture sector include investment in infrastructure (e.g., roads, electricity, communications, and water) to support rural processing zones in rural towns and these are huge investments which often makes them suitable for public–private partnerships given the severe constraints on public–sector resources and capacity.

In Kenya, those who have worked long in the field of PPPs often think of them in the context of large-scale privatization and infrastructure development projects, the so-called hardware PPPs. In this respect, Kenya’s agricultural sector has a limited record of such hardware PPPs. There are very few examples of successful private public partnerships in the agricultural sector. In Kenya the Public-Private Partnership Act of August 2013 is in place but the only challenge is that the county regulations are yet to be done.

Most common themes in Agriculture PPPs involve value Chain development (meso/micro), innovation and technology transfer, business development/advisory services and market infrastructure and Logistics. For the Public sector, PPP will leverage investment, open access to new technology and research methods, add value to management skills and create income generation opportunities while for the private sector, they will benefit by lowering market entry risks, make accessibility to local genetic material, protect intellectual property, give additional access to extension networks and create room for trial of new technology (FAO Study, 2014). The FAO report further says that the main objectives of Agriculture PPPs are food security concerns, Pest and disease control problems, climate change effects, environmental degradation, rural poverty and unemployment. Collaboration will foster innovation for both public and private sector. The forms of public-private partnerships in agriculture currently are as illustrated below in Table 2.1 as cited by Kinornay and King (2013).

Table 2.1: Types of public–private partnerships in agriculture

Scale	Typical aims	Examples
‘Mega’ or macro level	Changes in economic, legal and regulatory policies to ensure that conditions exist for the private sector to develop Increases in domestic and foreign direct investment (FDI) Improvements in agricultural productivity/job creation	New Alliance for Food Security and Nutrition GROW Africa Growth corridor model of agricultural development
Meso level	Making markets work for the poor Providing grants or non-recourse loans to further business ideas that could have a positive impact on poor people	Challenge funds Advance market commitments Integrating farmers into local/national or international value chains
Micro level	Reducing risk for smallholder farmers and improving livelihood options Transferring technology to farmers	Micro-finance arrangements Micro-insurance Women’s economic empowerment activities to link women to credit and markets

Source: Oxfam, adapted from S. Kinornay and F. Reilly-King (2013) ‘Investing in the Business of Development: Bilateral Donor Approaches to Engaging the Private Sector’, North-South Institute and the Canadian Council for International Cooperation.

2.3 Conceptual framework

The study was built on two conceptual frameworks: (1) the sustainable livelihoods approach and (2) the level of PPP projects in Kenya operating under the agriculture sector. Sustainable Livelihood Approach (SLA) is one way of “organising” complex issues surrounding poverty and the needs to be adapted and made appropriate to local circumstances. This livelihood approach looks at a community as being favored by the integration of the five capitals: natural, social, human, physical and financial capital (Shenet. al. 2008:4). SLA framework identifies asset levels as the main entry point for development by transforming assets, processes and institutions to give desirable outcomes (Viriyā 2009:10). It involves participation and the poor themselves are the key actors in the system to identify and address livelihood priorities. Consequently, interventions are then planned as per the relevant groups in terms of the assets owned.

On looking at the PPP conceptual framework, Fig 2.1, the purpose for this was to start from the known to the unknown. Agritourism is a new niche product in tourism and it involves two sectors, Agriculture and Tourism. Agriculture and Tourism are among the six pillars identified as key drivers for the transformation under the Kenyan economic pillar in Vision 2030 and therefore there is need to reposition the agricultural sector to take full advantage of emerging opportunities in PPP. The framework suggests that by harnessing and implementing the investment opportunities in agritourism through a PPP, it is possible to reduce poverty levels and improve livelihoods in Kisumu County.

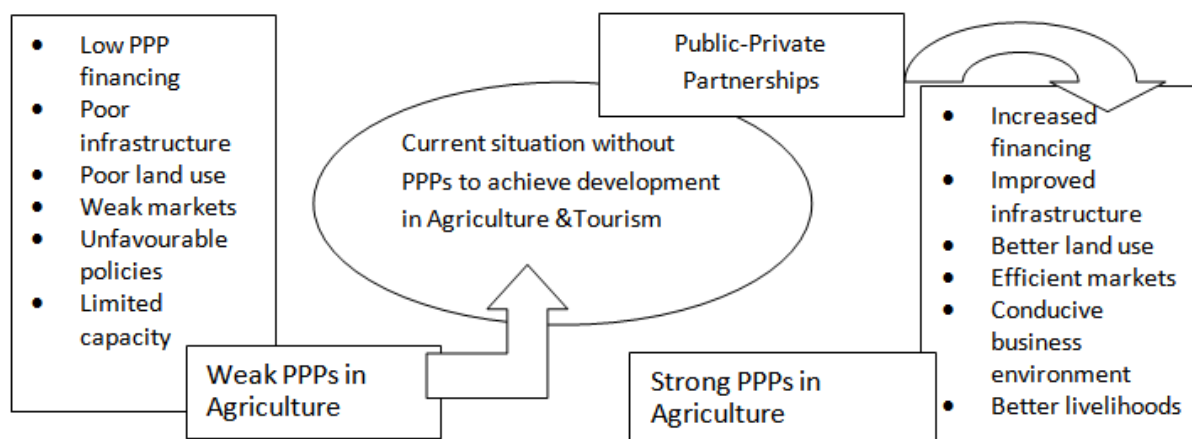


Figure 2.1: Conceptual Framework for Public Private Partnerships, adapted from: Strategy to enhance private sector participation in agriculture, April2012

III. METHODOLOGY

3.1 Research design

The study adopted a cross sectional design employing a survey method to administer structured questionnaires to households in the study area. Key informant interviews and Focus group discussions were also conducted among stakeholders within the relevant institutions in Kisumu County.

3.2 Target population

A study population is the totality of objects in the real world in which a study is undertaken (Gilbert, 2008). Potential Agritourism sites in this study comprised of a total of 4,818 households from the three selected sub-counties.

3.3 Sample size and sample selection

The study was carried out in three out of the six sub-counties in Kisumu County namely: Kisumu East, Nyando and Seme. Purposive sampling technique was used to target these areas as potential sites for Agritourism attraction and also for being strategically placed en route to high tourist attraction areas within Kisumu County and its environs. Anderson (2009: 202) says that purposive sampling is where a sample of participants is chosen for their experience and perspectives relating to the investigation. Israel's (2013) formula was used to get the sample size. Sample size was proportionate to number of households per site based on 95% confidence interval with a margin of error of ± 5 (Ary et al., 2002). A total of 388 households practicing horticulture were randomly selected from the sample frame provided by area agricultural extension staff.

Table 3.0: Sample size distribution per site

Sub-county	Ward	Sub-location	No. of households	Sample size (proportionate to number of households per site)
Kisumu East	Kolwa East	Buoye	1230	99
Seme	East Seme	Kit Mikayi	1305	105
Nyando	Ahero	Kakola Ahero	2283	184
	Total		4818	388

Source: Households and Density by Sub-location -2009 Census

3.4 Sampling techniques

The study sub-divided the population according to sub locations. A total of 388 households practising horticulture were then randomly selected from the sample frame provided by area agricultural extension staff.

3.5 Data collection techniques and Analysis

This study used a mixed method approach combining both quantitative and qualitative methods. This enabled the researcher gain broader perspectives as a result of using the different methods for triangulation as opposed to using a predominant method alone (Creswell, 1991, 2003) and also mitigate the weakness of using one method instead of the other. Sources of data included both primary and secondary data for several variables. Primary data was obtained directly from the respondents in the field while secondary data was through review of literature from books, journals and the internet. Quantitative method entailed a survey conducted on 388 households where structured questionnaires were administered. For qualitative data, Key informant interviews were done with agricultural field extension staff of the sampled areas, senior county government officials in tourism and agriculture sectors, the hotel industry, institutions of higher learning and tourists visiting Kisumu during the time of data collection. Focus group discussions with community based groups were also conducted. Data was analysed using descriptive statistics and presented using frequencies, percentages and tables.

IV. RESULTS AND DISCUSSIONS

4.1 Demographic characteristics of respondents

From the data collected, 61.9% (240) were males and 38.1 % (148) were females. Majority of the respondents about 45.9% were aged between 20 to 30 years, followed by 21.1% aged between 31 to 40, 19.1% aged between 41 to 50years and 13.9% for ages between 51 to 60 years. The demographic data seems to indicate that a greater percentage of the population in Kisumu County is young and energetic and below 50 years of age. The type of land tenure system for most respondents was freehold for 76.8%. The remaining 23.2% indicated their parcels of land were leasehold. The mean land holding size in the county is 1.6 acres while the mean agricultural parcel is 1.0 acres. The population is predominantly rural with those living in rural areas depending entirely on land as the natural resource for subsistence and economic purposes.

74.49 % of the respondents were reported to be poor. This concurs with what is in literature that poverty levels in Nyanza have remained high with over 67% living below the poverty line (Ministry of Planning, 2007). Majority of the respondents (52.1%) indicated having attained only primary school level of education, 29.3 % had reached secondary school level and 9.8% had tertiary education (college education and above). The proportion of those who had not attended school at all was 8.8%. This indicates that literacy levels are still low in Kisumu County.

4.2. Possibilities of public-private partnerships in Agritourism in Kisumu County

4.2.1 Suggested government promotional strategies for Agritourism

The study found out that 99% of the respondents felt that the local community should promote agro-tourism as a livelihood strategy. Further results revealed that 96.9% of the respondents felt the need for the government to be involved in promotion of agritourism. The identified promotional strategies for the integration of Agritourism practice in households in Kisumu County were suggested by respondents and these would be the entry points through which awareness creation on the new concept would be done as indicated in Fig 4.1.

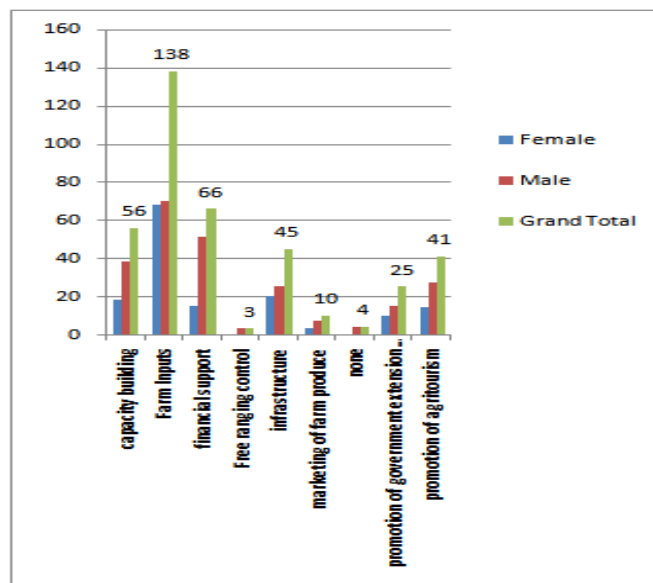


Fig 4.1: Suggested ways for government promotion of Agritourism ,Source: Field survey 2014

4.2.2 Existing opportunities for agritourism

Various responses were given about the existing opportunities that would be exploited for agritourism development in the study area and these are indicated in Fig 4.2

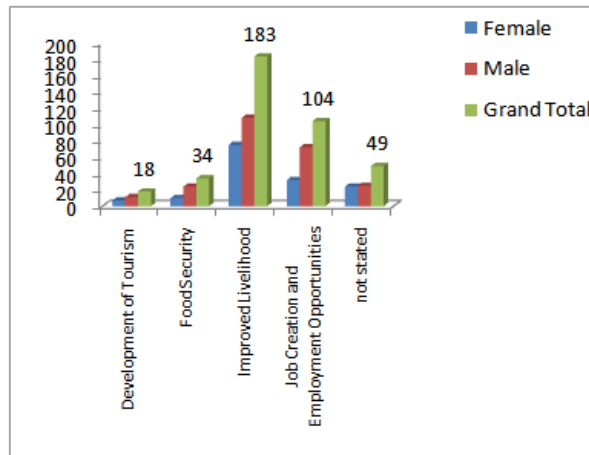


Fig 4.2: Suggested opportunities for agritourism development in Kisumu County Source: Field survey 2014

Responses from the key informants triangulated the information gathered from the household surveys. An initial venture according to the chief officer in the Ministry of Agriculture, would be to do proposals and seek funds from both the government and the private sector to develop Agritourism. He said that there was need for development of policies to guide in agritourism development since this is a gap that is still missing. An officer from the Ministry of Commerce, Tourism and East Africa region on the other hand stated that the best way forward in this venture would be to package the new tourism product well and do capacity building for the relevant stakeholders since there would be lots of employment opportunities that are untapped and would be created by this new tourism product. There is need for the county government to partner with investors interested in agriculture in form of a public private partnership and also market the concept of Agritourism in the county in the website.

From institutions of higher learning, one key informant’s response was that small scale agritourism could be initiated on an experimental basis through a model to enable the local community understand the concept which would later improve their livelihoods.

All the levels of key informants were in tandem as to the kind of challenges which may hinder Agritourism development. Among the key cited challenges were: unpredictable weather, soil fertility, attitude of the local people about farming and working capital/finances. The argument is that the best way forward in this venture would be to package the new tourism product well and do proper publicity and training. This will require the county government to partner with investors interested in agriculture in form of a public private partnership and also market the concept in the county website. It was noted further that no specific policies have been developed for community based-tourism in the county but ecotourism has policies some of which may apply to Agritourism. The tourism bill is in progress and the homestays is in draft form but the county by-laws did not include Agritourism, hence there is need to come up with policies for effective operationalization of the new concept. The Fig.4.3 illustrates the proportions of each challenge.

4.2.3 Challenges that may hinder the development of a PPP in Agritourism in Kisumu County

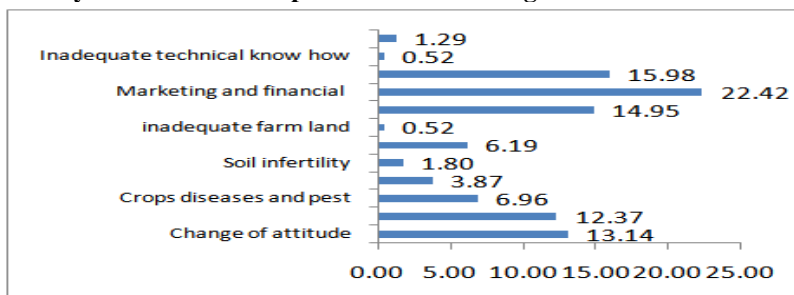


Fig 4.3: Challenges that may hinder agritourism development. Source: Field survey 2014

From the institutions of higher learning, it was reported that there are no courses directly teaching agritourism in the universities but the concept would work subject to putting up in place institutions and guiding policies. There is need for sensitisation of both potential and active operators, encouraging locals to plant crops that would be ideal for Agritourism promotion, and putting in place policy and institutions to govern agritourism. Potential benefits will be revenue generation for the county, income for the operators, more learning opportunities, and sustained food production at the local level. One of the respondents had this to say: “Awareness is still low, shift from wildlife based tourism to agritourism would take a while, we still have inadequate policy, and weak legal and institutional framework for Agritourism development. Another challenge was that most of the farmers are peasants who still need to be encouraged to practice agriculture beyond the peasant level. Majority are still dependent on rain-fed agriculture”.

From the results of the study, measures that support the diversification of Kisumu county economy in a socially, economically and environmentally sustainable way are needed in order to reduce poverty and the degradation of the environment and natural resources. Agritourism being a relationship between an area, the local community and the citizens living in these areas, the tourists and the tourism industry could be a good strategy and could be looked at as a public private partnership in this context. Isaac and Van der Sterren (2004:2) argue that tourism and its products are a possible strategy of growth for developing economies. As a niche product of tourism, agritourism will bring different partners from agriculture, tourism and various stakeholders. In the long run, it will maximize long term economic growth and bring about socio-economic impacts in the study area. There are no previous cases of such a partnership in Kisumu tourism sector. The Kisumu County Integrated Development Plan (CIDP) has in its proposed development plans some targets to commercialise Agriculture and improve on niche tourism products in tandem with the Vision 2030. A potential to this is the possibility of a public private partnership and suggestions of responsibilities of partners are outlined in table 4.3.

Table 4.3: Proposed responsibilities of the partners in developing a PPP initiative

National government	Public sector (County Government)	Private sector
National government support – securing general political support for the National /regional initiative	Securing public infrastructure, complying with the county land-use plan	Constructing and managing an area’s tourism capacities
	Securing support and services to private entrepreneurs in the form of infrastructure, equipment and objects – the most essential infrastructure that is necessary in the initial stages of development in order to show the potential of the study area (demarketed touristic sites as per CIDP)	Capacity building initiatives for all stakeholders in order to achieve the highest possible quality of services provided
Providing the county regulations of the PPP Act of August 2013 and capacity building on the same	Liaise with the national government and introduce relevant regulatory measures to secure buy-in by the community on the social, cultural and ecological sustainability	Participating in the preparation of investment guidelines, marketing strategies and assistance in the creation of databases for different kinds of market and strategic research
Providing financial support where possible	Ensuring that the local community is completely included and that as many people as possible benefit from Agri-tourism development	Preserving, taking care of and protecting touristic sites and attractions
Offer funding support for different concessions for projects	Securing all preconditions to ensure that agritourism services are compatible in terms Environmental Impact Assessment, quality of products and services and the local social and cultural practices	Environmental protection
Monitoring	Conducting necessary research in collaboration with institutions of higher learning, zoning the county and preparing a master plan of agritourism, formulating a marketing and promotion strategy in conjunction with stakeholders in the both the private and business sector	Monitoring

V. CONCLUSION AND RECOMMENDATIONS

Agritourism is basically where agriculture and tourism intersect and it is one of the fastest growing segments of the tourism industry. It includes visit to working farms, plantations, agricultural industries including food processing, homestays and the like. The study was more of exploratory and it is evident from the preceding discussions that there is a potential for Agritourism in Kisumu County. The concept is still very new and largely untapped. Despite the positive responses, the study revealed some challenges that may hinder the development of agritourism in the study area. Marketing and financial support was ranked highest. Other challenges were unpredictable weather as majority are still dependent on rain-fed agriculture, the effects of climate change and weather, soil fertility, attitude of the local people about farming and working capital/finances. There are currently no courses directly offering Agritourism specialization in the Universities. Awareness is still low, shift from wildlife based tourism to agritourism would take a while, inadequate policy, and weak legal and institutional framework was a major issue since Kenya's tourism policy is largely skewed towards mass tourism. Most of the rural areas are peasants who still need to be encouraged to practice agriculture beyond the peasant level. Poor infrastructure, and costly farm inputs, lack of title deeds, free range grazing and wildlife destruction by hippos from the lake was a menace at the lake shore as they destroy crops occasional. Insecurity was also cited as a challenge

There is a lot that the county government in collaboration with the national government need to do to promote the strategy. Griffin (2008) advocates for this when he says that Agritourism development is a process that requires planning, organizing, coordinating, and controlling of resources to achieve goals effectively and efficiently. There is need to do an inventory of available actors along the potential Agritourism value chain and plan for public-private partnerships to find a way of strengthening these linkages. This may create a big socio-economic impact through a multiplier effect right from the agro-input suppliers, producers, transporters, traders, service industries (hotels) and the homestays. The Kisumu Local Interaction Platform under the umbrella of the Kisumu Action Team, KLIP (2013) can also assist in identification of relevant partners for co-funding. Deliberate efforts to diversify tourism promotional efforts, destinations and attractions to include Agritourism may help preserve agricultural land, conserve the natural resources and spread the benefits of tourism. Feasibility study for a model agritourism farm would be a good starting point. The researcher suggests an approach of planning for Agritourism development in Kisumu County using the mixed scanning model. Mixed-scanning model supports community based and incremental approaches and these will complement each other to produce a very good plan because the goal and values of the community will be taken into consideration and planning is a continuous building process without an end. Further suggestion include a deliberate effort of collaboration and partnership between the Ministry of agriculture, tourism and commerce and institutions of higher learning in Kisumu County and do a feasibility study for potential sites of individual farms or institutions that can act as starting points for hosting Agritourism practise. Policy guidelines and regulations on agritourism were inadequate. There is need for the national government to fast track on this and provide county regulations of operationalizing the PPP Act of August 2013.

There is need for more investments to ensure better activities for visiting tourists and new approaches for aggressive marketing so that Kisumu County as a destination for agritourism can be introduced to tourists. The survey indicated that marketing and financial assistance are the biggest challenges that may hinder the development of agritourism at 22.42%. This gives indication of need for more investment and funding to support and develop agritourism. According to Wang et. al., (2012), agritourism development requires the involvement and coordination of various parties, including the government, the communities and tourism sector for sustainability as majority still depend on rain-fed agriculture and considering the effects of climate change and weather, a lot still needs to be done in form of capacity development in order to make Agritourism a niche market for the county and enjoy the socio-economic benefits.

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