SPEECH BY THE DIRECTOR USAID MISSION TO KENYA MR. STEPHEN HAYKIN OPENING OF TEGEMEO CONFERENCE ON AGRICULTURAL INPUTS AND SERVICES: IMPACTS ON PRODUCTIVITY, COMPETITIVENESS AND FOOD SECURITY 18TH MAY 2006 AT SAFARI PARK HOTEL, NAIROBI.

MINISTER FOR AGRICULTURE, HON KIPRUTO ARAP KIRWA, PERMANENT SECRETARY MINISTRY OF AGRICULTURE, VICE CHANCELLOR, EGERTON UNIVERSITY, DEPUTY VICE-CHANCELLORS, DIRECTOR OF TEGEMEO, DISTINGUISHED GUESTS, LADIES AND GENTLEMEN

I am delighted to be here with you today to attend this conference. I would like to thank the Vice Chancellor, Egerton University and the entire staff of Tegemeo Institute of Agricultural Policy and Development, for organizing this conference. USAID is pleased to be associated with this fruitful collaboration with the Government of Kenya through Tegemeo Institute and Michigan State University's Department of Agricultural Economics.

The theme of this conference is relevant and timely considering the challenges of low agricultural productivity in Kenya, which affects the country's competitiveness in global and regional markets. The conference will address key issues for raising agricultural productivity through accessing efficient and affordable rural financial services, including agricultural credit, extension, and access to high quality seed and fertilizer inputs. Previously, USAID has assisted with the liberalization of agricultural markets; supported the commercialization of agriculture and strengthened the role of private sector in agriculture. These are important issues to Kenya's agriculture and have been highlighted in the Strategy for Revitalizing Agriculture (SRA). Effective implementation of the SRA

demands empirical policy research and analysis for informed and timely decisions by policy makers. I am happy that Tegemeo Institute is working to bridge this information gap.

The Strategy for Revitalizing Agriculture (SRA) outlines the strategy and policy directions to enhance agricultural productivity and competitiveness, accelerate agricultural growth and reduce poverty. However, the implementation of this strategy remains a major challenge for the Government. In the past, several strategies and sessional papers have been prepared but have not been implemented. Tegemeo Institute, with assistance from USAID, has been working with the Agricultural Sector Coordination Unit (ASCU) to support the implementation of the strategy, particularly in the area of policy and legal form.

USAID has funded policy research and analysis in Kenya through Egerton University's Tegemeo Institute over the last 15 years. The institute has developed a rural household data base, which is being used to monitor impacts of various interventions by government and other development agencies in the rural sector. Tegemeo has also carried out a variety of agricultural research initiatives that have informed the reform agenda in Kenya. Tegemeo has, through close collaboration with US-based institutions such as Michigan State University, developed into a respected Kenyan policy research institution. Its growing human resource capacity and database have allowed Tegemeo to carry out high quality evidence-based policy research. This research has provided important input in the preparation of key government documents such as the Economic Recovery Strategy (ERS) and the Strategy for Revitalizing Agriculture. Tegemeo has

also played a catalytic role in the public policy dialogue debates and meetings with senior government officials and parliamentarians through seminars and publications. The Institute has also been called to participate in various task forces whose objective is to develop policy papers to inform the agricultural strategy.

I note, however, that the policy-making environment is sometimes more complicated than is anticipated by researchers. At times, policies being pushed by Government are based on minimal empirical input. A major challenge for Tegemeo and other policy research institutions is how to get the political leadership and relevant policy makers to pay more attention to and make use of empirical research findings. A more collaborative approach to research problems could improve the application of research findings, with research institutions ensuring that research findings are packaged in a form that is most useful to policy makers.

From the agenda circulated, the conference looks very interesting and timely, with important issues and topics to be discussed.

I wish you a very successful conference.

Thank You.