



*Head of States, and other leaders during the Africa Forward Summit. PHOTO CREDIT: STATE HOUSE KENYA*

# Making the Nairobi Declaration work for smallholder farmers and young agripreneurs

By **Wairimu Munyinyi-Wahome**

**T**he Nairobi Declaration adopted at the Africa Forward Summit placed agriculture, industrial growth and investment high on the agenda for the continent's economic future, with discussions focusing on productivity, regional investment and building more resilient food systems and agricultural markets.

For agriculture, implementation becomes the real challenge once the summit declarations are made. Governments, financial institutions and development partners now face the important task of ensuring those commitments translate into systems that work for smallholder farmers

and rural enterprises.

Smallholder farmers in Kenya and much of East Africa continue to operate under conditions that limit productivity and market participation, from high production costs and unpredictable weather to weak market linkages and limited access to mechanisation. Financing adds another layer of pressure, with many farmers in rural markets paying significantly more for loans than farmers in wealthier economies while still struggling to access formal credit.

These challenges matter because agriculture still employs more than half of Africa's workforce and remains one of the continent's biggest economic opportunities. Much of

the sector still operates with low productivity, weak infrastructure and fragmented markets. If Africa is serious about long-term economic growth, agriculture will need to move beyond survival-driven production.

The real challenge is not tractor ownership, but access to affordable machinery when it is needed. Sub-Saharan Africa remains the least mechanised farming region in the world, with estimates showing about 28 tractors per 1,000 hectares compared with roughly 241 in other regions. Around 65% of farm power in the region still comes from human labour, which means mechanisation often depends





less on ownership than on whether machinery is available and affordable during land preparation, planting, harvesting and transport.

Young entrepreneurs across Africa are already responding to that gap. Some are building digital platforms that connect farmers to machinery, irrigation systems, weather information and markets. Others are developing cold chain systems, post-harvest technologies, soil health services and precision agriculture tools designed for African conditions rather than imported assumptions.

These businesses are helping farmers reduce post-harvest losses, improve productivity and adapt more effectively to climate and market pressures. Scaling remains difficult, however, because many agribusinesses still struggle to access long-term financing. The African Development Bank estimates that Africa's agri-food SMEs face an annual financing gap of about \$180 billion, showing how difficult it remains for growing agribusinesses to access the capital they need.

Too often, agricultural innovation still runs into financing systems that remain cautious about agriculture, particularly early-stage enterprises. Promising businesses often struggle not because the ideas are weak, but because the ecosystem around them remains underdeveloped. Access to patient capital, market linkages and long-term partnerships remains limited.

The Nairobi Declaration also highlights youth and technology as important to Africa's future. The next step will be ensuring investment reaches the innovators already solving practical problems across agricultural value chains.

Financing agriculture remains difficult for many financial institutions, particularly where climate risks and smallholder lending models are involved. Many farmers and cooperatives cannot meet collateral requirements needed to access formal



**Wairimu Munyinyi-Wahome, Country Director, Heifer International Kenya**

credit, while loan repayment schedules often fail to align with planting and harvest cycles. Droughts, floods and price volatility further increase uncertainty for lenders, making agricultural financing harder to sustain.

Some financing models are already addressing these gaps. Farmers are accessing machinery through leasing arrangements rather than outright ownership, while cooperatives are helping connect members to value-chain financing, digital credit, and insurance products linked to climate risks. In some markets, these approaches are helping farmers and growing agri-enterprises access financing more affordably and reliably. Scaling those models will require closer collaboration between financial institutions, agribusinesses and development organisations. Platforms such as the Financing Agri-food Systems Sustainably (FINAS) 2026 Summit present an important opportunity to build on the momentum from the Kenya-France Summit by aligning investment partnerships, financing models and policy discussions around practical

systems that work for smallholder farmers and agri-enterprises.

Farmer cooperatives also need to be treated as market institutions, not simply beneficiaries of development programmes. In many rural economies, they remain the main link connecting farmers to financing, inputs, technical advice and markets. Where management and governance are strong, cooperatives help reduce transaction costs, improve bargaining power and strengthen market participation for smallholder farmers.

The Declaration's targets around fertiliser production, soil restoration and extension services will depend less on policy announcements and more on whether governments can support implementation at scale. Increasing fertiliser production alone will not improve productivity if farmers still struggle to access financing, reliable distribution networks and practical advisory support at the farm level.

Recent Kenya-France agreements also reflect growing interest in investment partnerships tied to industrial growth, logistics and market expansion rather than aid alone. Agriculture will still require long-term capital, processing infrastructure, reliable transport networks, functioning regional markets and financing systems that work for rural producers if the sector is to generate sustained economic growth.

The long-term impact of the Nairobi Declaration will depend on whether those commitments translate into better conditions for the farmers, cooperatives and rural enterprises already driving agricultural production across the continent. It is equally important that the partnerships and investments emerging from these agreements are grounded in mutual respect and dignity, recognising smallholder farmers not as passive beneficiaries, but as the people sustaining Africa's food systems and rural economies.

*The author is the Country Director, Heifer International Kenya*