



Kenyan Roses in a Global Market: Building Quality and Trust

Léa Benoit

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The author: Léa Benoit is a PhD student in Geography at Bordeaux Montaigne University and in the research unit “Les Afriques dans le monde.”. She works on the construction of quality in a globalized world. Supervised by Bernard Calas, her thesis deals with the trade of African, French and Dutch cut flowers.

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Introduction

Although it is a “futile” product by excellence, almost edible and perishable, rose is the most commercialized cut flower in the world, indispensable for life events (weddings, burials) and calendar festivals (Valentine's Day, Mother's Day). It is at the heart of sustainable development challenges for many countries, especially Kenya. Kenya is one of the world's leading producers of cut flowers with 4,700 ha cultivated (i.e. 6th place behind Ecuador), including 2,900 ha of roses (3rd place behind China and India and ahead of Ecuador). By comparison, Ethiopia produces roses on 1,200 ha (7th place in front of the Netherlands at 238 ha) (Rabobank, 2016).

In Kenya, roses are grown in greenhouses on large monoculture farms. Essentially targeting foreign supermarkets, rose varieties are most often chosen for their small size, lightness, transport resistance and vase life. The packaging is made on the farm and sometimes bouquets are prepared for export. In 2017, 160,000 tonnes of flowers, most of which are roses, were produced and exported to European Union countries, accounting for 1/3 of the volumes imported, placing Kenya at the top of the list of suppliers from Europe (Kenya Flower Council, 2018). Some roses are however reserved for Dutch auctions or even direct sales to high-end customers. They are better quality flowers, branched or with big buds (Benoit and al., 2017).



Photo2: Packing and preparation room for bouquets of roses ready for export, Magana Flowers, Kikuyu. Photography: Léa Benoit, June 2018.

In recent years, Kenyan production has been increasingly criticized in the media because of the—relative—distance to consumers and conditions of production. Faced with this media pressure as well as market pressure, producers are increasingly focusing on defining and demonstrating quality of their product, of their production conditions, etc. This results in the multiplication of the certifications and labels that formalize and even contract the quality, but also in the framework of regulations and laws, and finally, more informally, through quasi-certifications (tacit agreements on a quality between producers and buyers) based on interpersonal connivance or reputation.

During this research mission,¹ I sought to understand how Kenyan producers guarantee the quality of their roses in a globalized economy. Indeed, quality does not exist in itself. It is a social construct, defined by an agreement between two actors on the characteristics of a product, a service and evaluated thanks to criteria, here of production and marketing. Thanks to this agreement, the different actors build a relationship of trust. Quality is therefore a subjective construction that involves a relationship of trust, which can be transcribed by contracts, rules or standards, explicit or tacit. It is systematically or routinely controlled by a set of actors and devices that I have also sought to analyze from a geographical point of view, by looking at the value chain of exported cut roses.

¹ This article summarizes the data collected in Kenya (Nairobi and Naivasha regions) in June 2018 as part of my first year of PhD in Geography. I conducted surveys in the form of observations and semi-open interviews with actors along the rose value chain: employees of state agencies, breeders, producers of cut roses, certifiers, agro-suppliers, consultants.

Signs of Quality: a Lever for Development?

The signs of quality (certifications, labels) represent the most visible aspect of quality assurance in a global market. It is manifested by logos that allow the buyer to know what practices are behind the product without having to visit the farm themselves. Producers and buyers thus agree on production and marketing criteria through a certifying body that monitors compliance with specifications through regular audits. The specifications formalize quality criteria which are suitable both for producers who choose to apply them and for buyers, who thus have the assurance of production and/or controlled marketing at their convenience. In Kenya, there are a multitude of signs of quality. The three majors are *Milieu Programme Sierteelt* (MPS)—*Environmental Project with Floriculture* in English, *Fairtrade* and the *Kenya Flower Council* (KFC). Like most certifications and labels, MPS and *Fairtrade* come from the private sector and are foreign. Only KFC certifications are issued by Kenyan experts from the producer group.



Photo 3: Example of logos of certifications used in Kenya collected by the author.

These systems deal mainly with environmental and social issues, governing production methods (e.g. restrictions on the use of plant protection products) or working conditions (e.g. wearing specific clothing by workers to protect them from the treatments they provide the plants). MPS is the oldest (1993) and seems the most represented. It is divided into three main certifications: MPS-ABC (environmental base), MPS-GAP (related to *Global G.A.P* certification²) and MPS-SQ (social component). Initiated by Dutch producers, it is considered by some actors (e.g. international consultants, Kenyan producers, etc.) as an attempt to block access to European markets for African production, while for others (e.g. consultants, certifiers), it would have allowed tropical producers to remain in the markets through a standardization of production.

Only *Fairtrade* is aimed at consumers (especially Europeans). Unlike other systems, this implies that 10% of the FOB price³ is paid by the buyer to a development committee (e.g. for the construction of a school or clinic). According to a consultant, this certification is “unfair to the producers, just for the workers,” because it is binding and would not increase the selling price. As for the KFC, it exists thanks to the will of the Kenyan actors to impose a

² Global G.A.P (Good Agricultural Practices), formerly *EurepGAP*, is a certification launched in 1997 by a platform of European distributors. It aims to promote and encourage good agricultural practices by responding to consumer demand. It concerns impacts on the health of consumers, workers and animals as well as on the environment. Global G.A.P. is present in more than 135 countries and is the leader in its field.

³ FOB price means *Free on board*, which is the price of a commodity without transportation costs, export taxes and insurance.

national certification. It issues certifications of its own (*Silver, Gold*) and has the authority to award *Global G.A.P.*



Photo 4: Worker preparing to treat Karen Roses, Nairobi.
Photography: Léa Benoit, June 2018.

To qualify for certification, a producer must be a member of KFC and pay the membership (30,000 KES or about 260 €). Then, each year, depending on the tonnage produced, each farm must pay a contribution (minimum 300,000 KES / 2,590 €, maximum 2,000,000 KES / 17,270 €). The certification process is done in four steps. A pre-audit is first performed to present the required standards and visit the farm. The producer then has six months to declare himself ready to be audited. Then, the audit as such is done. It consists of interviewing employees, inspecting the operation and making a report. If it is conclusive, the certification is delivered quickly. Otherwise, farms have a deadline to correct their practices (three months for new farms against 28 days for older ones). Then, an additional audit takes place each year, as well as an unannounced audit (a call is made the night before). If the criteria are not respected during the latter, the certification is withdrawn automatically, because it means that the producer only respects them when the audit is announced. At other certifiers, self-checks are even requested during the year (e.g. MPS).

Even though many operators work with KFC, not all of them adhere to it. Several prefer the *Fresh Produce Exporters Association of Kenya* (FPEAK⁴), with whom KFC works to try to

⁴ FPEAK regulates all horticultural products (fruits, vegetables, aromatic herbs and flowers). Producers who grow avocados, for example, may prefer to join FPEAK rather than adhere to the KFC which only concerns flowers.

create a common label. Added to this are other certifications for the UK market such as the *Ethical Trading Initiative* (ETI) or *Linking Environment and Farming* (LEAF) and supermarket chain certifications (e.g. Tesco, Sainsbury's). All these systems impact the entire value chain. Since producers certify their products, upstream breeders must do the same, just like agro-suppliers whose range expands into "organic" products. Certifications and labels create a relationship of trust between producers and buyers, but they go even further, since they have made it possible to improve production methods and products and to open up new markets for producers (which the increase in exports reflect), improve the quality of work (protection against pesticides) and the life of workers and their families (permanent housing, construction of school for children), and reduce negative impacts on the environment (limitation of pesticides used, rainwater recovery and recycling). They are therefore thought and/or presented as real levers of development by producers and certifiers in particular.

However, according to the LANDac report published in January 2018, there is still room for improvement, particularly for wages, which would not allow workers to live properly. Then, although based on a voluntary approach, these devices are increasingly binding because necessary for Kenyan producers to ensure their credibility: *"It must at least have one or two certifications, otherwise we cannot sell,"* according to a responsible marketing. Customers (importers, supermarkets) demand signs of quality, which differ according to the destination (England, Germany, Russia, etc.) and the type of customer (e.g. Fairtrade certification is more widespread in England than in France).



Photo 5: A suitable packaging according to the customers, Shalimar, Naivasha. Photography: Léa Benoit, June 2018.

Some supermarkets secure their customers and supplies by creating their own certification to demand guarantees from producers, without increasing their purchase price.

Thus, a producer who does not have the certification of a supermarket chain will have difficulties in obtaining a contract, but not all the supermarket chains share the same certifications; many have their own signs of quality. This is why producers diversify their certifications and labels in order to open up their marketing prospects. Producers are therefore increasingly dependent on transnational private actors operating in networks (certifiers) or not (supermarkets). Paradoxically, the least “quality” roses—those intended for supermarkets—are the most certified / labelled because they combine international (MPS) and supermarkets signs (Tesco).



Photo 6: Certificates and awards at the offices of Shalimar Flowers, Naivasha, dominated by a portrait of President Uhuru Kenyatta. Photography: Léa Benoit, June 2018.

These signs of quality are costly for producers: each application for certification and each audit have their own costs and it is increasingly essential for an operation to have an employee in charge of requests and audits.⁵ Each certifier tends to align with their competitors. The specifications of the various certifications are therefore very similar and the producers are audited several times a year for different certifications, but for criteria that are ultimately very similar (e.g. ban on entering the greenhouses just after the treatment of the flowers). According to the employee in charge of certifications on a farm: *“It would be nice to have a certification that groups them all because they [the certifiers] all check the same thing.”* This bidding leads to certain opacity. Instead of differentiating between producers and their products, these signs provide near-mandatory production and marketing standards for accessing the market which are placed almost at the same level of importance as the regulations and laws that govern the market.

⁵ In the six farms I visited, one employee is in charge of certifications, or even of one certification in particular.

Kenyan Regulatory Requirements: How Dependent on International Law?

The parastatal *Kenya Plant Health Inspectorate Service* (KEPHIS) has been enforcing plant health and quality control laws for inputs and agricultural products produced and imported by Kenya since 1996. Its regulatory role covers three areas: seed certification, Kenyan plant variety protection, and phytosanitary services. More specifically, KEPHIS certifies the quality of seeds and fertilizers; tests and monitors the presence of chemical residues on agricultural products, soil and water; coordinate cultivation of cultivars⁶ with farmers; protects plant breeders' rights (registers new varieties); limits the introduction of pests and diseases by including quarantine; controls the quality of imported and exported products; and implement the national policy for the introduction and use of genetically modified organisms.

The area that concerns us here is the quality control for export. Phytosanitary measures are based on international standards (e.g. agreements of the International Plant Protection Convention and the World Trade Organization-WTO) transcribed in national laws: law on the protection of plants, or law on agricultural products. Then each national market has its own specificities. A producer wishing to export must therefore refer to the laws of the country where he intends to export its flowers, as well as to the requirements of the Dutch auction market for those who pass through this system.⁷ After the *Horticultural Crop Development Authority* has granted permission to export, KEPHIS inspects plants on farms and at Jomo Kenyatta International Airport, through the *Plant Inspection Units*. It verifies visually and/or using a microscope the absence of parasites and disease, compliance with the maximum allowed maximum residue limits (MRLs)—although the European Union does not require it—, possible physiological damage, respect for categorization (size, shape, color), moisture content and packaging (label, cleanliness, ventilation). If all criteria are met, the unit issues a Phytosanitary Certificate of Conformity.⁸

Farms must be able not only to comply with strict rules (concerning hygiene, packaging, etc.), but also to provide documentation concerning their actions (from production to sale) as well as a precise list of phytosanitary products used—which must have been pre-approved by the *Pest Control Products Board*—and their quantity. All these procedures have allowed Kenyan producers to benefit from some recognition of quality and to remain competitive in the international market. Regulations and laws therefore contribute to structuring and segmenting the market by quality as the production criteria will be more or less strict according to the places of export. For example, Japan requires that flowers be fumigated, while in Dubai the requirements would be less stringent than in Europe. Controls also have a different cost depending on whether you need one for a major customer or several for a wide variety of customers.

⁶ Plant type resulting from selection, mutation or hybridization (natural or induced) and cultivated for its agricultural qualities (as defined by the Larousse dictionary).

⁷ Dial market standards are available on the website of the Dutch Auction Association (VBN).

⁸ KEPHIS reserves the right to quarantine and/or destroy non-conforming goods.

The international reputation of the Kenyan horticultural industry largely depends on this compulsory certification stage. On arrival in the country of destination, random checks are carried out and their costs billed to the producers or their agents on the spot. Failure to comply with the laws can lead to the destruction of a commodity (at the expense of its producer or agent), the increase in the frequency of checks (and therefore an increase in the cost of crossing the border), or even if this is repeated, the blacklisting of a product for a specific origin. If the production of one or more Kenyan rose producers is repeatedly rejected, Kenya could be banned from exporting for a limited period of time. Buyers would then turn to neighboring countries including Ethiopia,⁹ causing the collapse of an industry and thus the loss of their jobs for thousands of Kenyans. A certain dependence can therefore be noted. Yet, unlike in the case of the signs of quality, Kenyan producers are forced to depend upon states and no longer upon private actors.

A Small World for Global Relationships: An Informal Quality

Throughout the value chain, the actors also agree on the quality of the products they exchange—without it being formalized, though—through “quasi-certifications” that rely on informal routine procedures or even interpersonal connivances. This quality is informal in character as it can be based on a relationship of trust, but framed by tacit codes and routine—e.g. reputation, attendance, physical or relational proximity—rather than by specifications or any explicit law. In Kenya, non-spatial (therefore non-physical) relationships do matter. Reputation or repeated purchase from a Kenyan producer are signs, for an importer, of the good quality of the product. “*A good producer with beautiful roses who has*” a name “*will always sell at a very good price, label or not,*” says a former employee of a certifying body. Regular phone calls between the actors are also important. For example, in May there was a rumor in the flower market of Aalsmeer¹⁰ in the Netherlands that Kenyan roses were suffering from Botrytis (gray mold) following months of heavy rains and that it was worth better turn to the flowers of neighboring countries.

Secondly, a direct sale, though distant, avoids the necessary certifications to mitigate the loss of information along the value chain. Companies involved in events organization (e.g. floral decoration for a wedding) can buy directly from a producer and therefore know in what conditions the flowers are grown even without having to go and see by themselves. Finally, a physical proximity allows to create and strengthen the bonds of trust between sellers and buyers. International events such as exhibitions are the scene of this proximity, be it in Kenya (the *International Flower Trade Expo of Nairobi* or at the *Naivasha Horticultural Fair*), or abroad (the *International Floriculture Trade Fair*, Amsterdam). Buyers’ movements on farms play the same role. The construction of this informal quality is based on “small

⁹ Ethiopia occupies a growing place in the global cut flower market. While the country was absent from the top 10 global exporters in 2005, it is fifth in 2015 behind the Netherlands, Colombia, Kenya and Ecuador (Rabobank, 2016). Rose production is less expensive than in Kenya, yields per hectare are lower but the gap is narrowing between the two countries (Oqubay, 2015).

¹⁰ The Aalsmeer market, near Amsterdam, is the world’s largest market for auctioned flower sales. Dutch auctions operate through a cooperative system. A producer—whether Dutch or Kenyan—must be a member of the cooperative in order to sell its flowers at auction.

worlds,” that is, networks associating global relations with an important local network (Zimmerman, 2002). Not only are Kenyan actors in the rose industry locally anchored, but they are also close to the stakeholders of this industry, most notably their customers.



Photo 7: Netherlands booth at the International Flower Trade Expo (IFTEX) in Nairobi representing agribusiness links with Kenya. Photography: Léa Benoit, June 2018.

Conclusion

Building quality—and trust—in a global market is complex. It is carried out within three different but intertwined frameworks: the signs of quality, regulations and laws, and quasi-certifications. These systems raise questions about model transfers and dependency. Western countries seem to have a lot of weight with Kenyan actors of the rose. Certifiers are mainly from Europe, supermarkets require certifications of their own, the regulations on which the production is based are also foreign, etc. Even if these systems have been beneficial to Kenyan actors on several points, the workers seem to have little say in the drafting of specifications and recent studies show that there is still much to be done in terms of working conditions and environmental impacts.

As for consumers, far from being aware of the different aspects of the rose industry, they are more and more lost in the face of this escalation of rules and certifications and their opacity. Not only do they have no guarantee of any quality, since few certifications and labels are intended for them, but they are no more advanced on the origin of the roses they buy, the origin of which is not indicated neither at florists nor in supermarkets. This is exactly what many producers are asking for: *“We would like the name of our farm to appear on the products, because the quality varies according to the farms,”* said a farmer from a farm near Nairobi. Flowers imported from Kenya are even likely sold under the mention “made

in France” by supermarkets, proof that it is easy to deceive the consumer by simply exchanging the packaging of a product for which the mention of the origin is not obligatory and thus poorly controlled.

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