

## WORKSHOP

# Reforming Agricultural Subsidies for Soil Health: An inclusive dialogue

December 4, 2025

Location: Best Western Premier Westlands, Nairobi

Time: 09:00-12:30 (EAT)

## Executive Summary

The workshop discussions highlighted that current agricultural subsidy programs are falling short when it comes to delivering sustainable development outcomes. While initially boosting yields, over time, reliance on subsidized synthetic fertilizers has contributed to soil degradation and stagnating productivity. Effectiveness has been further undermined by political, governance, and technical challenges. Participants identified several opportunities for reform, including integrating high-quality organic inputs, strengthening community-based extension and soil-testing services, improving waste management, and better targeting subsidies to local contexts as part of a systems-based approach to improving soil health. Achieving meaningful reform will also require more inclusive and targeted stakeholder engagement, clearer and more consistent narratives on soil health and input use, and the alignment of subsidy programs with broader market, financial, and policy support to incentivize crop diversification and resilience.

## Key Recommendations

- Reform subsidy programs to integrate soil health, environmental sustainability, and equity measures.
- Strengthen and, where necessary, develop, partnerships between government ministries, research organizations, farmers' organizations, banks, private sector actors, and international organizations to ensure reform efforts are integrated and inclusive.

- Strengthen extension services, ensuring farmers have timely access to accurate information on soil health and associated scientifically based practices, as well as to support tailored to their specific needs.
- Increase the focus on equity to ensure that those in arid and semi-arid areas, as well as those with smaller landholdings, receive the support they need to improve their soil health.
- Create markets for a more diverse range of crops and support storage infrastructure to reduce food loss and waste.

## Introduction

Healthy soils are critical for productive, sustainable, and climate-resilient food systems. Yet in Kenya, and across much of Eastern and Southern Africa, soil degradation threatens agricultural productivity, livelihoods, and food security. Rethinking how agricultural subsidies and incentives can better promote sustainable land management and regenerative farming practices is vital to reversing soil degradation and supporting a just transition to more resilient food systems. This closed-door dialogue brought together farmer representatives, civil society, and philanthropic organizations to share experiences, challenges, and lessons in relation to agricultural subsidies and soil health in—and beyond—Kenya. Through these exchanges, the dialogue explored and identified practical, inclusive pathways and partnerships to ensure that agricultural subsidies contribute to improving soil health in Kenya.

This workshop was organized in the context of ongoing research to help better understand the impacts of public support on agriculture in low- and middle-income countries. It explored where and how such support can be optimized to improve a range of sustainable development outcomes. This work explores

- the extent to which public support for agriculture is an important lever for low- and middle-income countries to transform their agrifood systems in ways that advance their sustainable development objectives;
- how reforming this support can improve outcomes;
- if and where there are examples of good practices in reforming public support to agriculture in low- and middle-income countries;
- what opportunities exist in specific countries to advance the reform of public support to agriculture; and
- what challenges these countries face and what is needed to overcome them.

The findings from this workshop will feed into a research report to be published in early 2026. This report will be disseminated to clarify the opportunities and challenges associated

with agricultural subsidy reform in low- and middle-income countries and to inform efforts by a range of actors seeking to support and advance these reforms in such countries.

## Workshop Overview

### Participants

The workshop was facilitated by Claire McConnell (International Institute for Sustainable Development).

No.	Name	Institution/Organization
1	Florence Kipyas	Kenya Small Scale Farmers Forum
2	Esther Angwenyi	Kenya Small Scale Farmers Forum
3	Bernard Wabuge	Kenya Small Scale Farmers Forum
4	Wycliff Nyamao	Kenya Organic Agriculture Network
5	Antony Kowiti	TMG Research
6	Francescah Munyi	KOFAR Ltd.
7	Nancy Rapando	ClimateWorks Foundation
8	Geoffrey Ongoya	Integrated Biopesticides Manufacturers Association Kenya
9	Lily Jepkorir Tanui	Kenya National Farmers Federation
10	Confrey Alianji	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH

### Objectives

The primary objectives for this workshop were threefold:

1. To inform IISD's ongoing research into public support to agriculture in low- and middle-income countries. The workshop served to build an understanding of how agricultural subsidy programs are currently functioning in Kenya, how they help or hinder the improvement of soil health, and how reforming these programs can improve both soil health and broader sustainable development outcomes.
2. To inform conversations with philanthropic donors interested in supporting the reform of harmful agricultural subsidies.
3. To build on and advance ongoing conversations and momentum on the importance of subsidy reform as a key policy lever for improving soil health in Kenya.

# Key Findings

The findings shared below summarize the insights that emerged from participant discussions during the course of the workshop.

## 1. Current subsidy programs are not delivering sufficiently for sustainable development outcomes.

- Despite initial improvements in yields, the synthetic fertilizers traditionally subsidized by the government have, over time, resulted in soil acidification and degradation and contributed to stagnating yields.
- Issues like inaccessible distribution points for inputs and corruption limit the effectiveness of subsidy programs, particularly for smallholder farmers.

## 2. A mix of political, technical, and governance challenges complicate efforts to reform subsidy programs.

- **Political:** Subsidy programs are often used as political tools to gain or maintain influence in certain regions or with certain groups.
- **Governance:** Governance challenges result in delays in inputs reaching farmers, with knock-on impacts on yields.
- **Technical:** Farmers often do not receive necessary extension services, training, or soil health testing, limiting their ability to effectively use both organic and inorganic inputs.

## 3. A range of reform opportunities exists.

- **Incorporating organic inputs:** The Kenyan government is beginning to integrate organic inputs into subsidy programs but needs to do more to guarantee their quality and make procurement processes more accessible and inclusive.
- **Extension services and farmer training:** There is a strong call for community-based extension services focused on soil health, including standardized training and improved communication around best practices.
- **Affordability and accessibility of soil testing:** Reducing the cost of soil testing and improving access to more conveniently located testing facilities can help farmers improve soil health on their land.
- **Storage and waste management:** Without accompanying support for storage infrastructure, continued emphasis on increased production in subsidy programs risks leading to food loss and waste. There is also potential to improve organic waste management to enhance soil health and generate clean on-farm energy.

- **Improved subsidy program targeting:** Current fertilizer subsidies could be reformed to target specific interventions in specific counties or regions, rather than relying on blanket fertilizer schemes. It must also take a systems-based approach to soil health, including support for practices such as agroforestry, organic inputs, and crop rotation alongside support for inorganic inputs.

#### **4. There is room to improve inclusivity and both broaden and coordinate stakeholder engagement.**

- Reform efforts require engagement from a broad range of stakeholders, including farmers' organizations, civil society, researchers, banks, and private sector actors.
- Better representation of smallholder farmers, farmers in certain regions (e.g., semi-arid areas), and organic producers in the process of agricultural subsidies reform would help ensure that subsidy programs work better for a broader range of stakeholders.
- External providers of financial and technical assistance, including donors and international organizations, should coordinate their efforts, align funding strategies, and increase support for community-level interventions.

#### **5. There is a need for more coherent narratives on subsidy reform and soil health.**

- Consistent, clear narratives on soil health will guide subsidy reform and ensure farmers do not receive conflicting messages on the importance of soil health and the appropriate use of inputs.
- Clear messaging around organic inputs is also needed to counter the narrative that African soils are so degraded that only chemical inputs will work and emphasize the benefits of bio inputs and regenerative practices.

#### **6. We need to look beyond subsidy programs at broader financial and market support for reform.**

- Developing markets for alternative crops (e.g., legumes, sorghum) can incentivize farmers to diversify production away from monocultures, which can, in turn, contribute to improved soil health.
- As part of efforts to reform subsidies, there is a call for policy-makers to consider how subsidies function within the broader financial landscape. This review could involve considering pairing subsidies with different types of support, including microfinancing, grant-based financing, and exploring collaboration with savings and credit cooperative organizations.

## Next Steps

Following the release of this workshop report, a more detailed, broader research report will be drafted, drawing on insights from conversations in both Kenya and Malawi and identifying lessons learned and opportunities from across the two geographies.

This report is expected in the first quarter of 2026. Participants who attended the workshop in Nairobi, as well as those who were unable to attend on the day, will receive a copy of the research report and will be kept informed of planned follow-up activities.

# Appendix

## Agenda

09:00-09:15	Welcome and introductions
09:15-09:30	Background and objectives of the dialogue
09:30-10:30	Discussion round 1: Understanding the current landscape, opportunities, challenges, and barriers to reforming agricultural subsidies for soil health in Kenya <ul style="list-style-type: none"><li>• 45 minutes for group discussion</li><li>• 15 minutes to report back</li></ul>
10:30-10:45	Coffee break
10:45-11:45	Discussion round 2: Rethinking a joint offer to inform an inclusive subsidy reform for soil health in Kenya <ul style="list-style-type: none"><li>• 45 minutes for group discussion</li><li>• 15 minutes to report back</li></ul>
11:45-12:15	Summary and participant reflections
12:15-12:30	Next steps and closing
12:30-13:30	Lunch

## Discussion Questions

### Discussion round 1: Understanding the current landscape, opportunities, challenges, and barriers to reforming agricultural subsidies for soil health in Kenya

- How well are current subsidy programs working to promote a range of sustainable development outcomes (e.g., securing livelihoods, food and nutrition security, etc.)? Can you give an example of how this is or is not working?
- How do subsidies currently impact soil health in Kenya?
- What has been/is being done to address negative impacts? What have been the results so far?
- What do you see as the most promising opportunities for reforming agricultural subsidies to support improved soil health in the future?

### Discussion round 2: Rethinking a joint offer to inform an inclusive subsidy reform for soil health in Kenya

- Who are the key stakeholders to include in the reform of subsidy programs? Are they currently included?

- If not, who is missing? How can they be better included?
- Do you have any recommendations or asks of donors and/or international organizations interested in supporting the reform of agricultural subsidies?

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### **Acknowledgements**

IISD would like to express sincere gratitude to all participants who took part in the workshop. Your time, engagement, and willingness to share your experiences and perspectives are invaluable to this discussion and significantly strengthen and enrich the insights captured in both this report and in broader research work.

We would also like to thank those who supported the planning and facilitation of the session, including those who were unfortunately unable to make it on the day. Our thanks also to partners who assisted with outreach and stakeholder coordination.

Finally, we appreciate your interest in this work and look forward to keeping you updated as it develops.

### **Contact**

Claire McConnell, Policy Advisor, IISD: [cmccconnell@iisd.org](mailto:cmccconnell@iisd.org)



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