

Abstract

The supply of subsidized fertilizer in Kenya has raised public concerns due to chronic lateness and inadequate supply to vulnerable farmers even after sufficient quantities have been tendered for and procured into the country by the Government of Kenya through the National Cereal and Produce Board. Further, reports of smuggling, diversion for commercial trade, and irregular tender awards have been rife. This ultimately affects fertiliser application leading to some farmers foregoing or applying inadequate fertiliser. The ultimate effect is reduced food production. This prompted the study of factors affecting the effectiveness of the supply chain of subsidized fertilizer in Kenya with the following key variables of study: Procurement process, distribution system, Information technology and ethical issues. The study adopted a case study approach informed by the fact that the subsidy program, which has a national outlook, is implemented by only one organisation, the NCPB. The main objective of the study will be to examine the factors affecting the supply of subsidized fertilizer. A descriptive research design using questionnaires collected data from 59 respondents, from the six regional offices which oversee operations of all depots. The collected data was edited, coded and entered for analysis using the computer statistical package (SPSS). The research established that the research model predicts 52.6% of the effectiveness of the supply chain of subsidized fertilizer. The report also recommends improvements in the management of procurement process, the distribution system as well as Ethics and IT since these have been found to have a great and moderate effect, respectively, on the effectiveness of the supply chain of subsidized fertilizer. Further, the report recommends study on other factors that affect the effectiveness of the supply chain of subsidized fertilizer.