



MACHAKOS UNIVERSITY

University Examinations for 2016/2017

SCHOOL OF AGRICULTURE AND NATURAL RESOURCES MANAGEMENT

DEPARTMENT OF AGRIBUSINESS MANAGEMENT AND TRADE

**FIRST YEAR FIRST SEMESTER EXAMINATION FOR BACHELOR OF SCIENCE IN
AGRIBUSINESS MANAGEMENT**

KBT 107: INTRODUCTION TO AGRIBUSINESS

Date: 5/12/2016

Time: 11:00 – 1:00 PM

INSTRUCTIONS

Answer question ONE and ANY TWO questions

QUESTION ONE (COMPULSORY) (30 MARKS)

- a) Explain any three forms of agribusiness (3 marks)
- b) Describe FIVE reasons why agri-food systems are increasingly demanding greater coordination between players at every level of agricultural supply chain (5 marks)
- c) Describe three-part system of the agribusiness sector (6 marks)
- d) There are untapped opportunities in agro-entrepreneurship in Kenya. As an agribusiness graduate advice your county government on four prospects in agribusiness sector that need to be exploited in the county. (8 marks)
- e) Inclusive access to market is a major constraint facing smallholder's farmers in Africa. As an agribusiness expert explain four approaches you could apply to foster inclusive agribusiness models that aim to integrate small holders farmers in the market. (8 marks)

QUESTION TWO (20 MARKS)

- a) Describe three main theories that explain institutional structures of vertical coordination in agribusiness industry. (6 marks)
- b) Explain four distinct functions of contract farming in agriculture. (4 marks)
- c) Starting an agribusiness is rewarding, however, it might result to failure and loss of resources. As an agribusiness expert advice an entrepreneur who wishes to invest in agribusiness on any five requisites of starting a successful agribusiness venture. (10 marks)

QUESTION THREE (20 MARKS)

- a) Explain four distinct phases of entrepreneurship process. (4 marks)
- b) Describe the dualistic model of agricultural value chains, citing relevant examples from Kenyan Agribusiness sector. (6 marks)
- c) The majority of the world poor lives in rural areas and relies on agriculture for their livelihoods. As an agribusiness advisor, explain five ways of enhancing agro-enterprise development in rural areas. (10 marks)

QUESTION FOUR (20 MARKS)

- a) Describe five functions of management of agribusiness enterprise. (5 marks)
- b) Explain five ways agribusiness and agricultural policy influences agribusiness sector in Kenya (5 marks)
- c) Farmer's cooperation is increasingly becoming a crucial strategy for integrating farmers into modern agribusiness value chains. As an agribusiness advisor, explain five reasons why you would advise farmers to form cooperatives in Kenya. (10 marks)

QUESTION FIVE (20 MARKS)

- a) Explain five strategic priorities for enhancing inclusive growth and competitiveness of agribusiness in Kenya. (5 marks)
- b) Explain five challenges facing agribusiness sector in Africa. (5 marks)

- c) As an agribusiness advisor explain five policy interventions that you could recommend to address the challenges mentioned in (b) above. (10 marks)