KENYA IS THE WORLD’S 20TH LARGEST COFFEE PRODUCER, BUT PRODUCTION IS RAPIDLY DECLINING—60 PERCENT SINCE 1995. DECREASED PRODUCTIVITY HAS BEEN IN PART THE RESULT OF REDUCTIONS IN GOVERNMENT PROGRAMS THAT PROVIDE TECHNICAL ADVICE TO FARMERS.

Small farmers—responsible for about three-quarters of Kenya’s coffee production—have been most affected by the reduction in government support. Falling productivity and difficulty in meeting international quality standards have pushed down incomes for farmers, which has been devastating for people living at the edge of poverty. Engaging small coffee farmers in activities to improve their growing practices and help them comply with international coffee standards can have a direct impact on their economic well-being.

IFC investment client ECOM has noted the issues facing small coffee growers in their supply chain in Kenya and has requested IFC’s support to help confront those challenges. IFC is now supporting capacity building of farmers by offering training on practices to improve productivity, aligning practices to meet international coffee standards, and supporting farmer cooperatives to become more attractive to banks. The goal is to increase access to finance and increase incomes for thousands of coffee farmers.

EXPECTED RESULTS:

The project is expected to reach 9,000 farmers and raise their yield per bush to between four and five kilograms of cherry, resulting in an additional 120 kilograms of beans. This productivity gain should help more than double the gross annual income of a typical grower from less than $200 to $475. The project also supports growers’ compliance with recognized industry standards as a means to increase income by another five to 25 percent, while strengthening the coffee cooperatives’ capacity to get credit from financial institutions.

RESULTS TO DATE:

As of June 30, 2013, the project has helped certify nine co-operatives and has trained 350 promoter farmers, who in turn have trained 17,240 other farmers. The project supported sustainable management of almost 3,300 hectares of land. Farmers have experienced revenue increases of about 16 percent to just under $5 million. Average yield per tree has increased by 70 percent to 2.7 kilograms in the 2010/2011 season.