OVERVIEW

- What is status of coffee sub-sector?
  - Problem statement
  - Findings
  - Recommendations
- What are Key interventions
- Take aways
Paradox: High prices and low production

- Why: Market failure and Policy ineffectiveness
- Justification:
  - anchor of sustainable development
  - enabler of the “big four”
- Solution: Supply & demand response

FINDINGS

- Complex coffee industry structure
- Weak enforcement
- High production and processing costs
- Coffee farmers’ cash flow problems
- Farmers are in darkness
- principal/agent problem
- Weak Institutional framework
- Kenyan coffee is like Mercedes marketed as tuk tuk
- Odious Debts
- Weak intergenerational link
RECOMMENDATIONS

- Farmer-centric Reforms
  - Pillar 1: Legal Reforms
    - Objective: To protect farmers’ property rights
  - Pillar 2: Coffee Subsidy Programs
    - Objective: Reduce production costs
  - Pillar 3: Cherry Advance
    - Objective: address cash flow problems
  - Pillar 4: Modernization of NCE
    - Objective: Enhance transparency

- Pillar 5: Promote Youth Participation
  - Objective: Strengthen Intergenerational link
- Pillar 6: Institutional support
  - Objective: strengthen regulatory enforcement
- Pillar 7: Market Kenyan Coffee
  - Objective: Increase market share
- Pillar 8: Audit Debts and Debt Waivers
  - Objective: Free the farmers from odious debt
TAKE AWAYS

- Priorities
  - Coffee (general) regulations 2019
  - Forensic Audit for Cooperatives
  - Increase coffee production
  - National Development & Marketing Coffee Strategy
  - Youth & women agenda
  - Enhanced visibility - “Kenya is Back”

THANK-YOU

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