

Kenya Market Research

Kenya produced a peak of 128,941.00 tons of coffee in the 82/83 growing season. The 2004/05 season is projected to yield 55,000.00 tons.

The peak co-op production was 84,420.00 tons in 1987/88 and was an outstanding 34,026.00 in 2002/03.

Coffee was the number 1 export but it has now dropped to number 4 and tea is now number 1.

There are six regions in which coffee is being grown: Western Province, Nyanza Province, Rift Valley Province, Central Province, Eastern Province, and Coast Province. The best coffee is grown in the Central and Eastern Provinces because of the proximity to Mt. Kenya and its acidic volcanic soils.

Small growers output has dropped by between 20% to 30% from average levels during the 1990s.

There are 26 cooperative according to the European Commission but 29 according to government officials with the average number of active farmers in one ranging from 1,000 to 3,000.

94.1% of Kenya's export coffee is green.

Marketing agent fee was \$USD72 per ton 2001/02, \$50 in 2002/03.

Milling fee based on a ton of parchment was \$70 per ton 2003/04 but KPCU has reduced it by \$5 dollars per ton.

Smallholder grower price was about 60% of the FOB price, 12Ksh per Kg of cherry in 2001/02.

Cooperative can receive 20% of auction proceeds.

The payment system consists of 1) Cherry advance 2) Interim payment, after auction 3) Final payment, after cooperatives accounting period. It can take about 9-12months for farmers to receive their complete payment.