

Improving livelihoods of East African coffee farmers

Through blended service delivery, diversified farming systems and regenerative agriculture

Diewertje Hendriks, IDH

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IKEA Foundation project | Driving impact in East-Africa's Coffee sector



Coffee



Kenya, Uganda



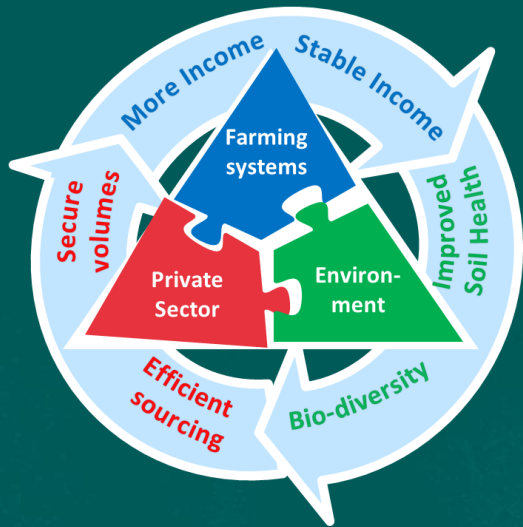
6 offtakers



20.000 farmers



Pilot Regen Ag sourcing

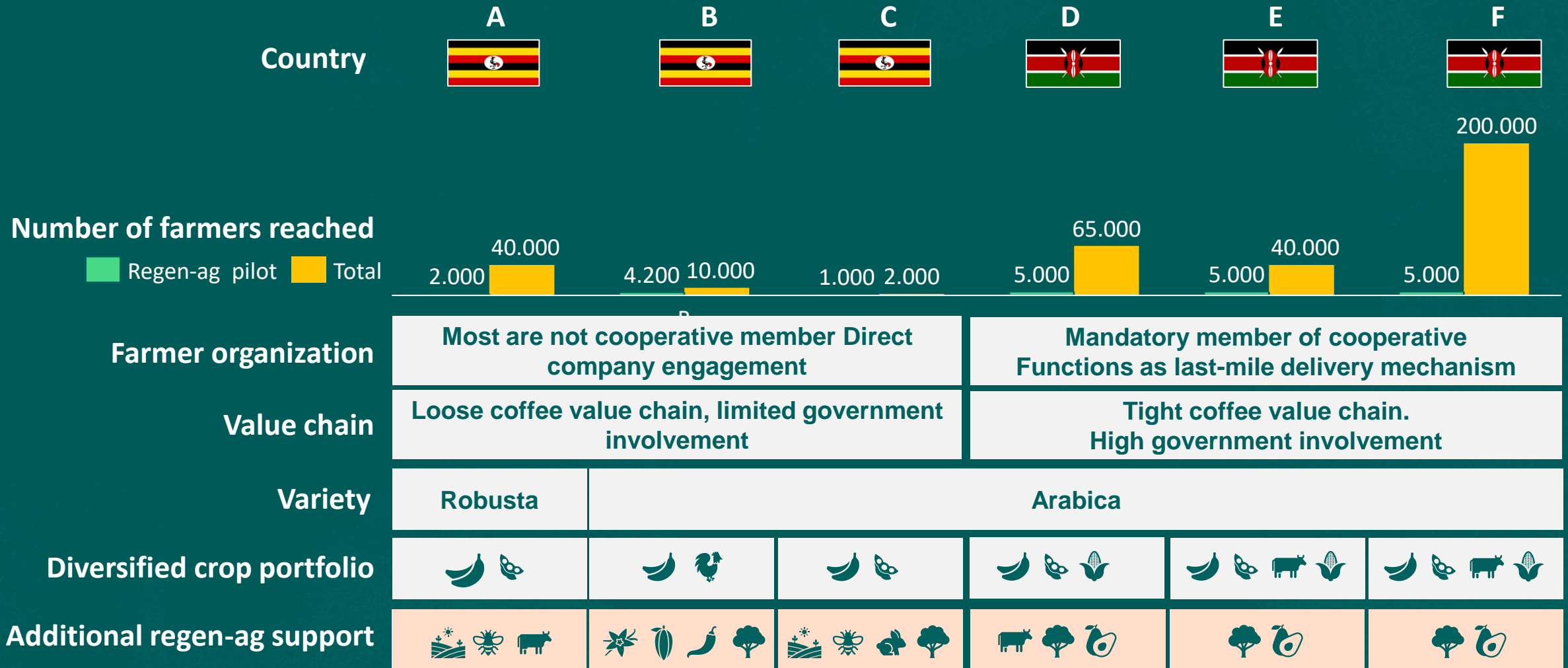


Objective: To develop feasible and viable business cases for blended service delivery models, while improving coffee farming families livelihoods through access to blended services in line with their needs and potentials and regenerative agriculture

Outcome:







- Integrated farming systems approach
- Improved soil health and biodiversity
- Demonstrated business case on regenerative agricultural practices and blended service delivery

6 Companies | Notable differences exist in scale, value chain and regen-ag approach across companies



Farming systems | Some variation in farming systems: country and coffee variety as key driver



	A	B	C	D	E	F
Country						
Variety	Robusta	Arabica				
Certification*	High	Highest	Highest	Average	Low	Low
Farm-gate price*, per kg cherry	Low	Average	Average	Highest	High	Average
Farm-gate price*, % of FOB	Low	Low	Low	Highest	High	High
Farm size, coffee + other crops	6 acre 9 acre	0.8 acre 0.2 acre	0.8 acre 1.4 acre	0.4 acre 1 acre	0.25 acre 0.75 acre	0.5 acre 1.5 acre
Yield, cherry per acre	12 kg	4.2 kg	6.5 kg	3 kg	3 kg	3 kg
Tree density, per acre	360 trees	400 trees	1,240 trees	550 trees	600 trees	600 trees

* Actual values known, yet unable to disclose



Reflections| Not one single success formula and farmer support is essential, but regen ag can lead to positive impact

We need...



Context-specific approach



Knowledge & Data



Financial, in-kind and technical support



Reflections| To scale we need to build a fair and transparent business case for regen-ag and blended service delivery across the value chain

To solve for...



**Company profitability
from regen ag
investments and blended
service delivery**



**New partnerships
with clear business
cases**

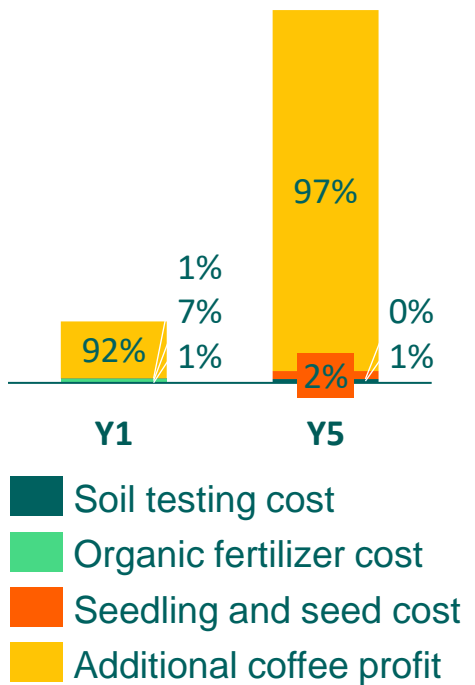


**Clear and fair value,
cost and risk
distribution**

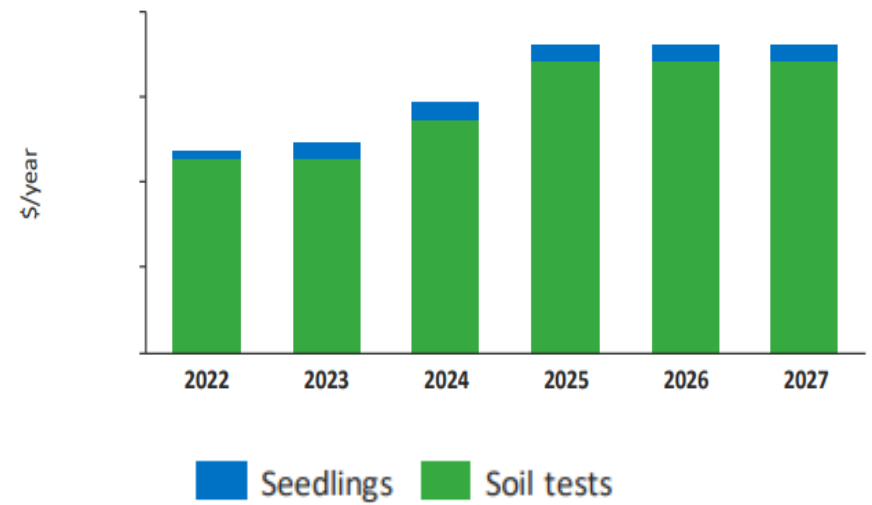
Case study #1 | Blended services and regen ag services can provide new revenue streams and opportunities for the company and other actors in the value chain



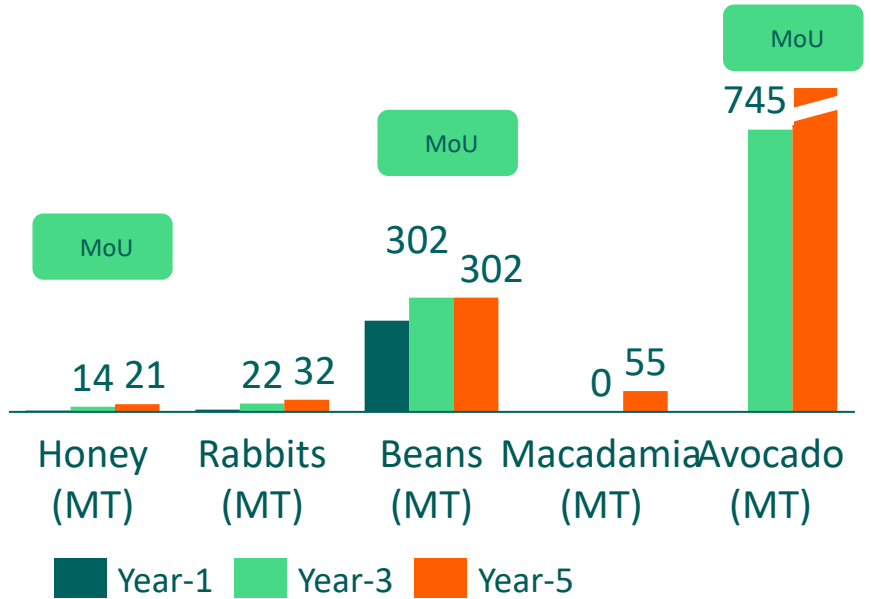
Blended service delivery covered by new coffee income



New income streams from blended service delivery



New partnerships for access to market, training and input provision for new value chains

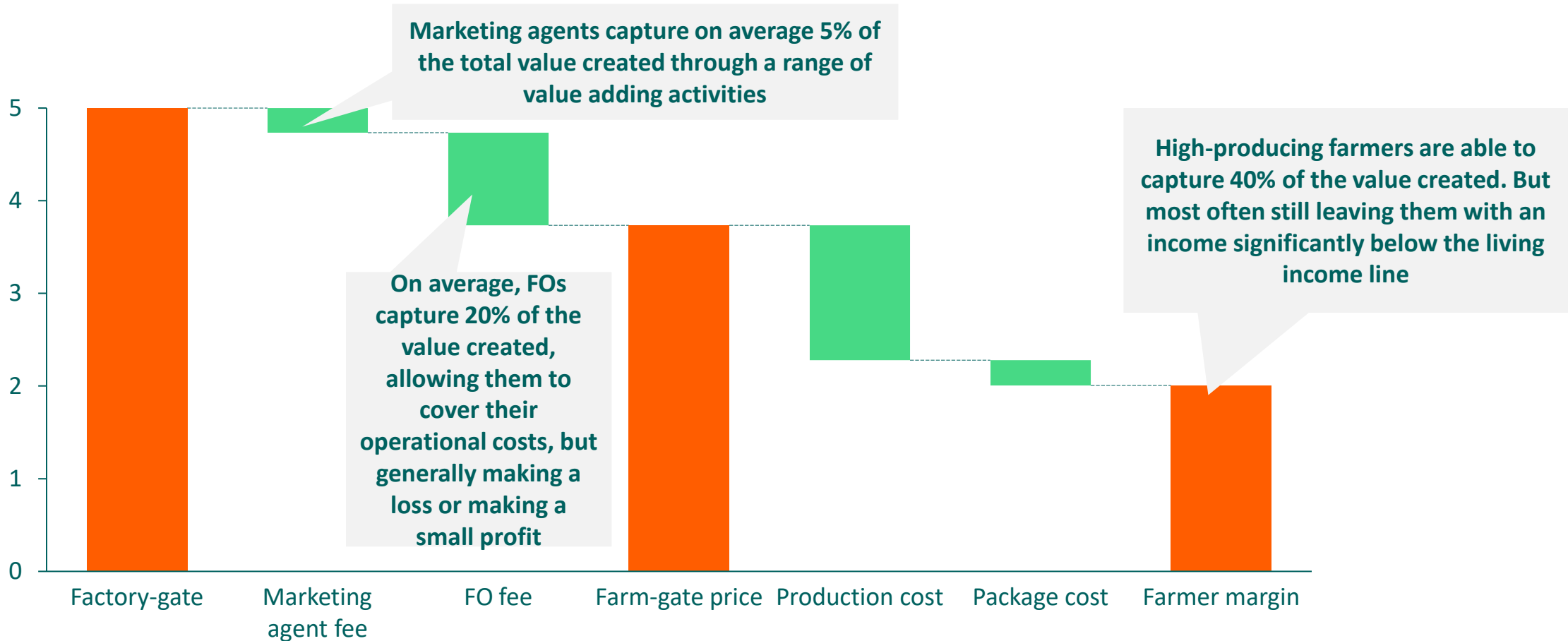


Case study #2 | As FOs play a key role in service delivery, their business case also needs to be sustainable



Value captured by actor, USD per kg/green bean

Revenues Expenses Net income



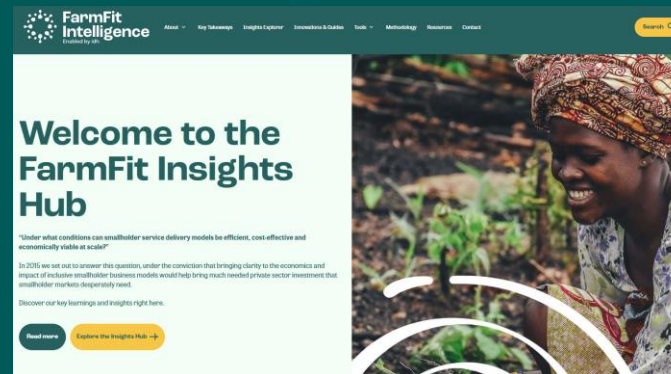


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Case Studies



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Questions?

- **What are the remaining barriers for companies and FOs to invest in regenerative agriculture?**
- **How and to what extent does blended service delivery support companies and FOs to invest in regenerative agriculture practices in a commercially viable way? And to reach scale?**
- **How and to what extent can a systemic/landscape approach help the companies and FOs on their journey?**