

Navigating Origins

KENYA

CONSIDERING that Kenya borders Ethiopia, the birthplace of coffee, it's surprising that Kenya's first coffee plants took root in the country's volcanic soil less than 120 years ago. Although Kenyan merchants traded with nearby countries in Africa and the Middle East, until the mid-19th century Kenya remained largely unexplored by Westerners. But after German missionaries traveled there and returned home with stories of majestic peaks and huge lakes, Europeans rushed to explore and settle in Kenya—and they brought coffee with them.

Scottish missionaries transported coffee seeds from Aden in Yemen and tucked them into

the soil at Kibwezi, near coastal Mombasa, in 1893. Cultivation expanded to Nairobi in 1900, and by 1912, several plantations were growing hundreds of acres of the crop. Kenya—which became a British colony in 1920—set up an innovative system of researching, producing, marketing and selling coffee. Kenya achieved independence in 1963 and continued to improve its coffee industry infrastructure. Today its coffees are considered some of the best in the world.

THE COFFEE

Kenyas are well known for their full aroma, balanced cup and a complex profile that offers high acidity and flavors of sweet, wine-like fruit and spice. Much of Kenya's coffee grows 1,500–2,100 meters above sea level in nutrient-rich, volcanic soil. The country's main growing areas—Nyeri, Murang'a, Kirinyaga, Embu and Meru—are situated north and northeast of Nairobi, in the highlands surrounding Mt. Kenya, the second-highest peak in Africa. In the west, coffee grows in Kisii, Nyanza, Bugoma and Kakamega. In the Great Rift Valley, the crop grows in Nakaru, Trans Nzoia, Kericho and Kajiado.

Nearly all of Kenya's coffee is arabica, mostly bourbon-variety hybrids SL 28 and SL34 developed in the 1950s by Scott Laboratories. Disease-resistant ruiru 11, a hybrid introduced in the 1990s, also occupies a small percentage of acreage in Kenya. Though bourbon is typically shade-grown, in Kenya the plants are often cultivated in full sun. Due to the high elevations of the farms, coffee plants are exposed

to year-round rain, humid air and cooler temperatures, allowing them to thrive in the sun. Some small holders practice agroforestry, where trees and food crops are planted around the coffee plot.

Much of the country's premium coffee is produced on small farms ranging from one-quarter-acre to three acres in size. To generate enough volume to sell their crop, these small holders have organized into cooperatives. The Eastern African Fine Coffees Association

(EAFCA) estimates that more than 700,000 small holders are organized into about 500 co-ops; there are also 320 large estates and more than 3,500 midsize estates of 50–100 acres, with onsite pulping

stations. Small holders account for 58 percent of total coffee production and 75 percent of total acreage.

In harvest year 2008–2009, approximately 55,000 metric tons of coffee was available for export, and 50,000–60,000 metric tons is expected in coffee year 2009–2010, according to the EAFCA. More than 95 percent of total production is exported; in this country with Muslim heritage and British influence, tea remains more popular than coffee.

THE AUCTION AND "SECOND WINDOW"

Kenya coffee is typically wet-processed, sun-dried, and sent to mills for grading based on quality and bean size. Graded coffees may be released for sale at the government-run coffee auction in Nairobi, which has been held weekly since 1935. Prior to each auction, exporters send samples

of lots to international buyers, who instruct the exporters to bid on select lots. The auction system has been heralded for its transparency and for its fairness—the highest bidder gets the lot, and the farmer is rewarded for producing exceptional coffee. In recent years, however, some producers have complained about nonpayment or late payments of auction premiums.

In 2006, Kenya legalized the direct sale of coffee to buyers, which permits farmers to opt out of the auction process. This development—known as “the second window”—allows for closer relationships between farmers and the markets, and motivates large trading firms to invest in extension services and assistance to farmers. Still, the auction continues to draw 90–95 percent of the coffee sold in Kenya.

For farmers, determining which outlet will yield the best price is not easy.

“Right now, some farmers are playing both of those systems and waiting to see what is going to shake out the best,” says Phyllis Johnson, who works with coffee exporters in Kenya as part of her role as president at BD Imports. “I think there is this idea that if the auction is high that week, and they did not sell through the auction, that they missed an opportunity.”

THE FUTURE

As the country's coffee industry looks toward the future, Kenya faces the challenge of keeping coffee farming profitable in the long term. About 70 percent of Kenya's agriculture is rain-dependent, and erratic rainfall can limit harvests and profits. At the same time, the cost of fertilizers and other inputs, as well as labor costs, have increased.

Additionally, in a country where the average life expectancy is 58 years old, the average small grower is over 55 years old. Inheritance laws split small farms into even smaller parts for future generations of producers, making it more difficult for small farmers to remain profitable.

Another challenge is traceability. Because small

farms grow so much of the country's coffee and pool their coffee to sell at auction, it can be difficult for consumers to track the coffee beans back to specific areas. The largest, highest-quality beans sold at auction are labeled with the generic “AA” designation.

In 1999, when BD Imports first began purchasing Kenyas, most U.S. coffee buyers were unfamiliar with producers. “Importers were putting their own brand names on the coffees,” Johnson remembers. However, now that producers can choose to bypass the auction, the names of Kenya's growing regions and co-ops are becoming more familiar to consumers.

Though the market for sustainably grown coffee has expanded, Kenya trails behind other African countries in offering certified organic coffees. Sun-grown coffee is more susceptible to disease, so most large estates treat their plants. Small farmers usually cannot afford chemical inputs, but their pesticide-free beans may mix with treated beans when the coffees are pooled for sale. Plus, the cost of certification is a luxury most small farmers cannot afford.

However, progress is being made in producing coffees with an eye toward the environmental impacts of cultivation. Through development partners, the EAFCA and large trading groups, farmers are being trained in Good Agricultural Practices (GAP). On the processing side, some estates have built new wet factories with environmentally friendly machines and equipment, such as eco-pulpers and -processors. And in recent years, sustainability-minded organizations have worked to help Kenyan farmers implement new farming standards. Utz Kapeh certified the first mill in Africa, Socfinaf Mills in Kenya, and certifies 13 percent of the country's coffee production.

Kenya's coffee industry may have challenges to overcome, but its future looks bright.

“In the specialty coffee industry, we are looking for something exceptional, something that will stand out,” Johnson says. “It's hard to replace a Kenya [coffee]. I think [Kenya is] in a good position because their product has great brand recognition throughout the world.

“The market continues to develop there,” Johnson adds. “I see younger Kenyans coming into the market wanting to import coffee; I see a new generation of folks bringing the new ideas that are spread throughout the industry to Kenya.”



photo courtesy of Kevin Kuyers, Theta Ridge Coffee



KENYA FACTS

OFFICIAL NAME Republic of Kenya

AREA Approximately 582,647 square kilometers (of this total, 13,396 square kilometers is water surface).

LOCATION Eastern Africa, bordering the Indian Ocean, with Ethiopia to the north, Sudan to the northwest, Uganda to the west, Tanzania to the south, and Somalia to the east.

CAPITAL Nairobi

POPULATION 36 million

MONETARY UNIT Kenya shilling

LANGUAGES Swahili, English

TERRAIN At the east near the Indian Ocean, the land slopes down to a flat, coastal plain. Mountains and plateaus comprise the center. West of Nairobi, the Great Rift Valley cuts through the country from north to south.

CLIMATE Equatorial, with rainy seasons from March to May/June, and October to December, and a dry season from January to March.

AGRICULTURAL EXPORTS Coffee, tea, horticulture

