



KOLCAFÉ : Tanzania

Empowering coffee farmers by improving agronomic practices

Project description

KOLCAFÉ, initiated in 2009, aims to increase coffee yields 3 to 5 times through improved agronomic practices. It will maximise the added-value at village level through loan-financed infrastructure development. Selling directly to the international market will also improve prices.



Business model

KOLCAFÉ's innovative loan system finances infrastructure and improves agronomic practices. Repayment of the loan is secured by upgrading the skills and increasing the income of the farmers.

KOLCAFÉ improves coffee yields and sell prices for smallholder coffee farmers and maximises value-added at village level through the innovative loan system and the construction of infrastructure.

Coffee is the world's second largest traded commodity after oil. Demand and prices are predicted to grow, primarily due to emerging middle classes in China and India.

Scaling up activities

In the village of Nyamuhunga:

- Implement a training programme to improve agronomic practices
- Purchase manure on large scale to enrich the soil
- Implement the initial phase of the marketing programme
- Raise external funds to construct value-adding infrastructure
- Purchase related equipment (a hulling/grading/sorting building, a Savings and Credit Cooperative Society (SACCOS) and a dedicated coffee warehouse)
- Initiate the project in a 2nd and 3rd village.

Immediate needs

- Financial assistance for loans to farmer groups; these will be repaid within 5 years. Donors can then choose to have their funds returned or allow those funds to be recycled into implementation in another village
- Assistance from Project Agronomist and a project vehicle.





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Partnership

- ❶ **Kolping Society of Tanzania (KST)** aims to improve the quality of life of the rural poor. They promote rural business initiatives and have trained farmers in over 100 villages.
- ❷ **VSO – Tanzania** provides volunteer business and project management expertise to assist the KST in conceptualising and scaling up the project.
- ❸ **Tanzanian Coffee Research Institute (TaCRI)** will provide technical guidance on agronomic practices and application of improved husbandry to produce higher yields and quality of coffee.



Social, environmental and economic impacts

Social impact: The project provides a sustainable income base for 250 farmers in Nyamuhunga and for 50 to 100 seasonal workers. They are trained in production skills to improve the quality of their product and their chances for future employment. Their increased knowledge helps to empower them.

Environmental impact: Organic farming practices will be applied to conserve water and to reduce the

biomass loss. Soil quality improves in the long run as a result of extensive manure-based composting.

Economic impact: Whilst increasing coffee-related income by 4 to 7 times, the project will develop farmers' business skills and provide access to and understanding of international markets. The high quality microfinance facility, established in each project village, will also improve savings and fiscal management for all families.

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SEED Partners

SEED is hosted by the United Nations Environment Programme (UNEP). Other current partners are the United Nations Development Programme (UNDP); IUCN (International Union for Conservation of Nature); and the governments of Germany, India, the Netherlands, Norway, South Africa, Spain, the United Kingdom and the United States of America.



About the SEED Initiative

The SEED Initiative identifies and supports promising small scale social and environmental entrepreneurs around the globe, entrepreneurs that while working towards a greener economy also tackle poverty, marginalisation and social exclusion.

SEED provides these social entrepreneurs with know how and networks, taking the lessons learnt at local level up to decision-makers to promote evidence-based policy making.

More information: www.seedinit.org

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