



Coffee Innovation Fund – Ethiopia

Supporting innovative and scalable solutions to increase profitability and market access of small-holder coffee farmers

Creating capacity building and value addition service centers for smallholder farmers, entrepreneurs, and MSMEs

Ethiopia’s regulatory framework dictates industry-scale investments in value addition with minimal regard of the global business dynamics for coffee in consuming countries, including logistics and marketing costs. Access to trainings and certification are also costly and limited in both proximity and capacity – making it difficult for smallholder farmers, entrepreneurs, and smaller enterprises to invest in capacity building and value addition activities.

Lowering the cost and mitigating the risk of entry to coffee value addition

YA COFFEE started as a roast-at-origin operation for export and has evolved into a company providing business solutions for sustainable development and biodiversity conservation. The primary objective of the project is to develop Farmers Support Centers (FSCs) through contract farming and partnerships with smallholder farmers. The project will also create a membership-based institution established as a Roasting Service Center (RSC) with the infrastructure and technical expertise to lower the cost and mitigate the risk for smallholders and entrepreneurs who wish to manage their own coffee roasting.

Providing integrated services including trainings and value addition to smallholder farmers & MSMEs

FSCs will provide trainings and extension support such as drying, hulling, cleaning, and warehousing solutions that support individual smallholder farmers and entrepreneurs. FSC is a platform to engage and support smallholder farmers and their communities for quality improvement, market development, and transformation of their operations into sustainable family businesses that improve income and support livelihoods. The FSC will also be linked with the RSC to support the development of smallholder farmers and their communities to enter value addition by managing the roasting process. In the long-term, YA COFFEE intends to provide further integrated services primarily to smallholder farmers, entrepreneurs, and MSMEs to develop new revenue streams.



Project overview

Term: 2021-2022
Region: Addis Ababa, Ethiopia
Partner: YA Coffee
Volume: EUR 50,000 (supported by the fund)
EUR 108,256 (total volume)

Goals

- ❖ Lower the costs and mitigate the risk of conducting value addition business at origin.
- ❖ Provide technical and business support to unserved populations, especially women entrepreneurs.
- ❖ Facilitate ethical and sustainable coffee sourcing through Farmer Support Centers (FSCs)