COFFEE PRODUCTION AND MARKETING IN KENYA

BY

KOSKEY NORAH CHEPKEMOI

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Abstract

Kenya relies on agriculture for incomes. Coffee plays a major role in the generation of incomes. In the last decade coffee production in the country has declined from 130,000 metric tonnes of clean coffee in 1987/88 to 40,000 metric tonnes in 2008, eroding farm incomes and increasing poverty. The study evaluated the impacts of international, macro-economic, sectoral and coffee industry policies on smallholder coffee production and household incomes. The study used secondary data covering the period 2000-2010. It tried to enumerating the supply response of coffee production in Kenya. The factors which were found to have significant influence include the real producer price of coffee, weather and input prices. It recommends how the above factors can be used to influence coffee production to increase national income.