

Mzuzu Coffee Planters Cooperative Union Ltd

Experiences and Lessons from Smallholder Coffee Farming:
Case of Mzuzu Coffee Planters Cooperative Union Ltd

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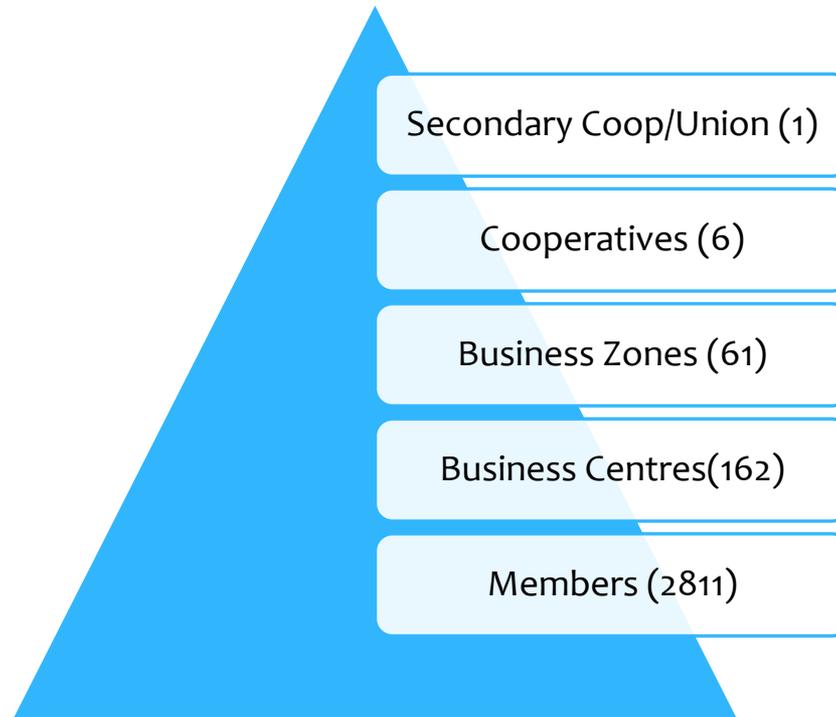
Background

- * Coffee came to Malawi in the 1871 by Settlers
- * Coffee growing started in the early 1930's in Northern Malawi.
- * The Authority worked from 1971 to 1974
- * The Authority got reestablished 1979 and worked upto 1999, then transformed into Smallholder Coffee Farmers Trust between 1999 to 2007.

Evolution of the Coffee Institution

- * Prior to 1948, Members were operating as Individuals in coffee farming
- * After 1948, Coffee Cooperatives were formed.
- * In 1967, the last Coffee Cooperative closed its doors.
- * From 1967, Farmers Marketing Board took over Marketing Activities
- * 1971, Smallholder Coffee Authority was established.
- * 1974, Smallholder Coffee Authority was disbanded
- * In 1974, All Marketing activities went back to ADMARC
- * In 1979, Smallholder Coffee Authority got re-established
- * In 1999, Smallholder Coffee Authority got disbanded again.
- * Through Privatization Commission a transitional organization called Smallholder Coffee Farmers Trust was established. It operated up to 2006.
- * In December , 2006, Primary Cooperatives were registered and in January, 2007 the Secondary Cooperative/ Union was Registered.

Structure: Suited to the Value chain



Roles: Suited to the Value Chain



Union

- Secondary Processing, Domestic and International Exports, Business Advisory,
- Tertiary Processing,



Cooperative

- Extension and Training Services, Administration
- Logistics



Business Zone

Primary Processing, Input aggregation,



Business Centre

- Execution of Extension and Training programmes, Demonstrations
- Planning



Member

- Coffee production

Nursery Management is very crucial for Field plantation sustainability



Working with Women farmers changed the rules of the game and is key to sustainability of the Smallholder Coffee Industry



Joint Primary Processing and Quality Control are key to Coffee Quality (Chanya Factory in Misuku)



Exporting finished product earns more revenues than exporting raw products

Raw Products



Finished products



Attend Trade Fairs. This exposes your product to a large clientele and likelihood of getting orders are high



Working with Politicians to drum up your support. (Scottish Parliament)



Partnership and Networking are key for Smallholder Farmer Organisations (Fair Trade Forum in Scotland)



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Partnership and Networking are key for Smallholder Farmer Organisations

- * **We network with**
- * Sustainable Harvest (US) which took over from TWIN(UK)
- * African Fine Coffees Association
- * Great Lakes Cooperatives of Bokonzo, Bokonzo Joint in Uganda, Sopadci in DRC, Gumutindo , Zombo Coffee in Uganda, Misozi in Rwanda.
- * Scottish Fairtrade

Visit to Institution and Companies that buy and process your Products is Key to successful business management (Matthew Algie in Scotland)



Auditing of Primary Cooperatives

- * This is a very important function. Smallholder farmer organizations should carry out both internal and external Audits. Members want to know that the funds are not only safe but used for the planned activities.

Organic production systems is economical and Sustainable. It suits both the Farmers and Consumers health



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Product development and Brand creation is vital for increased value for smallholder products



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Enterprise Diversification is your foot Soldier and will not only save you but will make you resilient during adverse business conditions

- * Coffee sold as Green Beans, Roast, and Roast and Ground.
- * Bee Products. Forest Honey, Gourmet, Macadamia and Beeswax
- * Tea
- * Coffee Suites
- * Coffee Den
- * Usingini Estate

Support the newly created smallholder organizations locally and internationally. (DRC Coop etc)



Be prepared for eventualities. China sneezed, the whole World went under lockdown. Economies collapsing, Companies shutting down, Caring for the sick and burying corpses became **THE BUSINESS**



Standards and Certifications are silent salesmen/women of your Products

- * ISO 9000-2015
- * Organic; EOS and NOP
- * Common Code of Conduct in Coffee (4C)
- * MBS

Logistics is key to the movement of products and meeting delivery targets

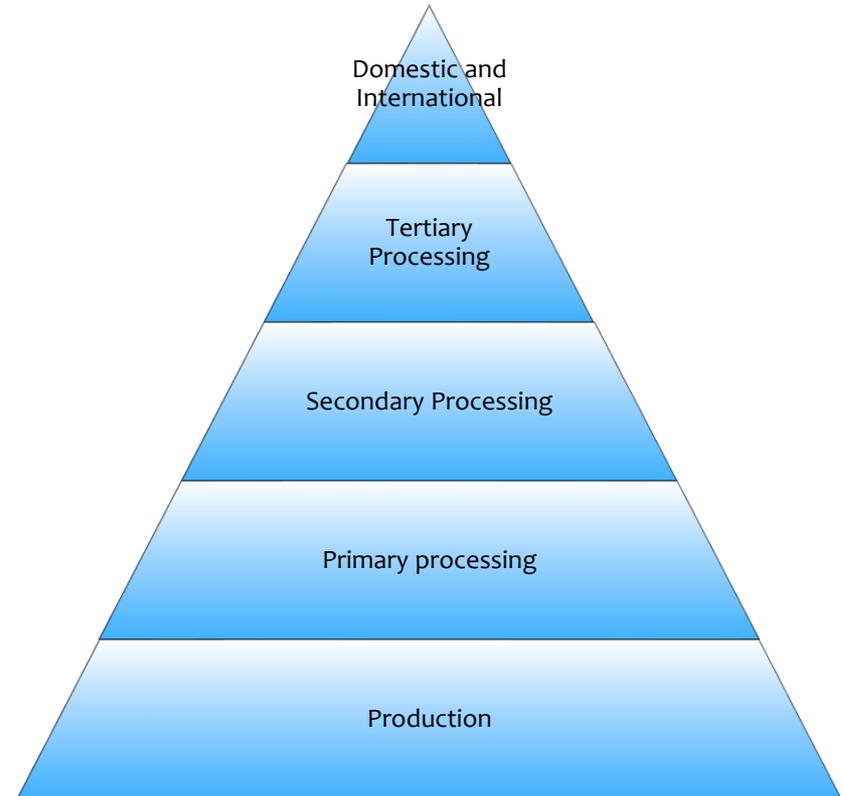


Inputs acquisition and distribution is key to improved productivity

- Source inputs before farmers are paid.
- Distribute them to credit worthy members.
- Deduct the amount from each grower and only pay net.



Embracing the whole Value Chain is key to unlocking the real value of your product. Don't export jobs. Support your local Industries, Create Jobs.



The business should create economic gains and Social Impact in the Rural areas (Chanya in Misuku Hills)



Thank you