An Assessment of Human Rights Risks and Sustainability Practices in Kenya's Coffee Value Chain

Report Prepared by

Kenya National Chamber of Commerce and Industry (KNCCI)

In partnership with Danish Institute for Human Rights (DIHR)

and

Kenya National Commission on Human Rights.

Funded by the Swedish International Development Cooperation Agency (SIDA)

December, 2025

Kenya National Commission on Human Rights

KNCCI Kenya National Chamber of Commerce & Industry — Growing your Business together

Danish Institute for Human Rights

Sweden Sverige

Acknowledgment

The Kenya National Chamber of Commerce and Industry (KNCCI) expresses its sincere appreciation to all partners and stakeholders who contributed to the successful completion of this study, *An Assessment of Human Rights Risks and Sustainability Practices in Kenya's Coffee Value Chain*.

Special thanks are extended to the development partners — the Swedish International Development Cooperation Agency (SIDA), Kenya, and the Danish Institute for Human Rights (DIHR) — for their technical and financial support in advancing business and human rights in Kenya, and in particular for their support to this assessment.

The study also gratefully acknowledges the guidance and support of the KNCCI Chamber President and County leadership throughout the assessment process.

Appreciation is further extended to the Kenya National Commission on Human Rights (KNCHR), for their engagement and valuable contributions, to coffee cooperatives, the Nairobi Coffee Exchange, and key government institutions, including the Kenya Agricultural and Livestock Research Organisation (KALRO), the Agriculture and Food Authority (AFA), and the State Department for Cooperatives.

In addition, the participation of large and small coffee estates, as well as the coffee farmers and communities who generously shared their time, experiences, and insights, is warmly acknowledged. Their input was essential in grounding this assessment in the lived realities, challenges, and opportunities across Kenya's coffee value chain.

Table of Contents

Executive Summary

Kenyan businesses are increasingly integrated into global value chains, where buyers and international markets demand greater transparency and accountability regarding human rights impacts in their supply chains. Companies operating in Kenya are therefore facing rising expectations to identify, assess, and address potential human rights risks as part of responsible business conduct and compliance with international standards. The coffee sector, one of Kenya's most significant agricultural industries, illustrates these challenges. Over 800,000 smallholder farmers—accounting for approximately 99.6% of all coffee producers—and 3,000 estates (~0.4%) across 33 counties contribute to production, with central and western Kenya as the core growing regions. While Kenya produces high-quality Arabica coffee that commands a premium in international markets, national production has stagnated below one million 60kg bags annually, constrained by ageing trees, disease outbreaks, limited adoption of modern agronomic practices, and climate variability. This makes the coffee value chain an interesting case study for examining human rights risks and sustainability practices in the Kenyan agribusiness sector.

This assessment was commissioned to understand the current human rights challenges across Kenya's coffee production chain and examine how global buyers of coffee currently conduct their own human rights due diligence and interact with coffee producers to manage these risks. The assessment aimed to trigger learning and dialogue among coffee producers, buyers and regulators on ensuring a responsible coffee value chain supported by fair marketing, compensation and pricing. The study employed a mixed-methods approach, combining desktop research, qualitative interviews, focus group discussions, and field observations across six representative coffee-producing counties, namely Kirinyaga, Nyeri, Kiambu, Embu, Kericho, and Nandi. The assessment gathered perspectives from smallholder farmers, workers, cooperatives, coffee estates, millers, marketing agents, government regulators, and international coffee buyers.

The assessment confirmed the existence of multiple human rights impacts across all levels of coffee production. At the smallholder level, casual labour settings exposed workers – mainly women – to working conditions that were not always safe, lacking protective equipment for spraying pesticides, and offering low pay, sometimes below the legal minimum wage for day labourers. At the same time, smallholder farmers struggled to find and afford help and consistently raised rising input costs, a lack of access to disease-resistant seedlings and a lack of available extension services on good agricultural practices as issues threatening the profitability of coffee farming. Women played a central role in coffee farming, contributing most of the labour on family-owned farms, but also engaging in casual labour on other farms to supplement household income. At the same time, women had limited control over the proceeds of their labour, with their earnings typically controlled by male relatives such as husbands, fathers, or brothers.

Cooperative societies played a key role in organizing and supporting smallholder farmers, but faced persistent challenges related to governance, financial management, and technical capacity. Several cooperatives highlighted the ineffectiveness of current certification regimes, which were expensive, overlapping, and did not reach the farm level. Across regions, this assessment found that cooperatives are male-dominated, with management and decision-making roles largely held by men. Several farmers raised concerns about corruption, lack of transparency, unaccountable leadership and exclusion of farmers from decision-making processes. Labour conditions were generally better on estates, depending on the size of the estate, but smaller estates that relied mostly on casual labour still had issues with providing workers with adequate protective equipment. Since certification audits visited estates directly, those audits were more effective in catching labour issues at the farm level, compared to the smallholder level.

Interviews with buyers and traders of coffee revealed that global buyers mainly relied on certification schemes like Rainforest Alliance, Fairtrade International, C.A.F.E. and 4C to manage their human rights risks related to coffee. A key finding was that smallholder farmers acquired certification status by belonging to a cooperative society that was certified. Audits, however, rarely penetrated to the smallholder level, meaning that the aforementioned challenges at the smallholder level continued mostly without consequence. Since certification benefits in the form of premiums were paid to cooperatives, there was a disconnect between certification schemes and the smallholder farming level.

Several stakeholders highlighted the need for inclusive multi-stakeholder platforms to discuss sustainability and governance challenges in the coffee sector. While not the focus of this assessment, several stakeholders, including buyers and traders, highlighted governance challenges of the sector, including corruption and a lack of transparency at the cooperative level, and access to affordable and high-quality fertiliser and extension services providing advice on good agricultural practices. Farmers across counties complained of irregular payments, limited price transparency, and constrained access to inputs, finance, and technical support. Direct linkages to buyers were reported to be weak, with smallholders depending on intermediaries and cooperatives to access both domestic and international buyers. At the same time, the 2024 coffee reforms, which separated the function of millers and marketing agents, seemed to have cut some of the traditional ways that buyers and traders of coffee engaged smallholder farmers and cooperatives on sustainability issues. Establishing platforms for dialogue between coffee buyers and producers will be an important step in the context of ongoing coffee sector reforms to ensure that sustainability and human rights challenges remain a key priority.

Chapter 1: Background and Introduction

Coffee is a globally significant agricultural commodity, supporting up to 25 million farming households and accounting for approximately 80% of global production (FAO, 2023). In Kenya, coffee is a key export crop and the fifth-largest foreign exchange earner, contributing about 8% of total agricultural output (Ministry of Agriculture, 2024). Production is dominated by approximately 800,000 smallholder farmers—representing nearly 99.6% of producers—and around 3,000 commercial estates across 33 counties. Kenya is internationally recognised for its high-quality Arabica coffee exported to over 50 countries; however, national output has stagnated below one million 60-kg bags annually over the past decade due to ageing trees, disease pressure, limited adoption of improved agronomic practices, and climate variability. Against this backdrop, this report assesses human rights risks and sustainability practices in Kenya's coffee value chain to inform responsible business conduct and policy dialogue.

Kenya's coffee sector operates through two main production systems: smallholder farmers organised into over 500 cooperative societies, which are responsible for primary processing, bulking, and marketing, and commercial estates operating private plantations. Smallholders account for approximately 85% of national production. In the 2021/22 season, clean coffee output reached 51,853 metric tonnes, a 50.2% increase from the previous year, largely attributed to favourable weather and improved husbandry practices (AFA, 2023). The sector is regulated by the Coffee Directorate within the Agriculture and Food Authority under the Coffee Act (2021), with policy guidance provided by the Agricultural Sector Transformation and Growth Strategy (ASTGS 2019–2029) and the Draft National Coffee Policy (2024). These frameworks define roles and responsibilities across production, processing, marketing, and institutional coordination at both national and county levels.

The assessment employed a mixed-methods approach combining desk-based research, analysis of government and industry data, qualitative interviews, focus group discussions, and field observations in selected coffee-producing counties. Data were collected from smallholder farmers, casual and permanent workers, cooperative societies, coffee estates, millers, marketing agents, regulators, and international coffee buyers. Key limitations include gaps in disaggregated data at the smallholder and casual labour levels, reliance on estimates for informal employment, and seasonal variability in production and labour demand, which may affect the generalisability of some findings.

This report presents the findings of a human rights risk assessment of Kenya's coffee value chain. It identifies actual and potential human rights impacts affecting workers, smallholder farmers, and other value chain actors, and examines how sustainability initiatives and buyer due diligence practices currently address these risks. The findings highlight key issues related to labour conditions, occupational health and safety, gender inequality, cooperative governance, pricing and income stability, and the effectiveness of certification and buyer engagement mechanisms. The assessment also identifies opportunities to strengthen human rights protection and sustainability through improved governance, more inclusive value chain relationships, and enhanced engagement among producers, cooperatives, buyers, and regulators.

1.1 Structure of The Coffee Value Chain in Kenya

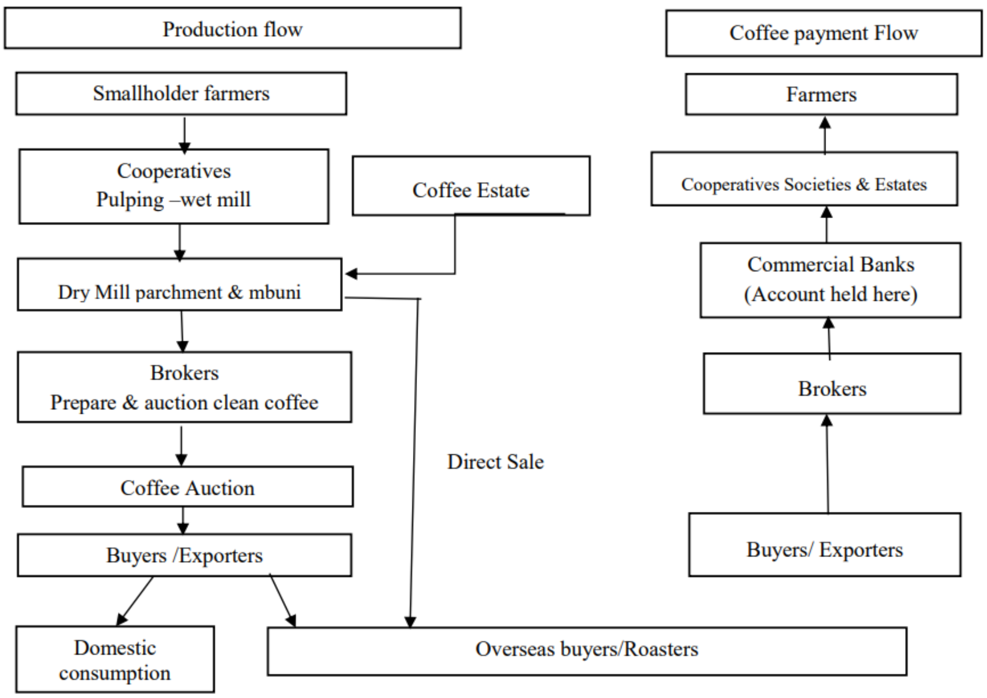
The coffee subsector in Kenya involves multiple actors operating across distinct stages, including production, processing, marketing, and export. The main categories of producers are smallholder farmers and estates (AFA, 2023). Smallholder farmers constitute a significant portion of national production and are typically organised into cooperative societies, often referred to as Farmer Cooperative Societies (FCSs). These cooperatives manage the collection of coffee cherries and conduct the first stage of processing through wet milling. They also provide access to inputs, shared processing facilities, and collective marketing and sales channels. Cooperative societies help aggregate production from many small farms, enabling small-scale growers to participate in larger-scale domestic and international markets. Through these structures, smallholders benefit from coordinated management, technical support, and access to coffee value-chain services.[1]

In parallel, estate growers, which include large, medium, and small estates, operate under a separate production system. Estates manage plantations and may own and operate their own processing facilities, including wet mills and, in some cases, dry mills, allowing them to process harvested cherries on-site (). Estates supply both domestic and export markets and sometimes sell directly rather than through cooperative systems, depending on their production scale and market linkages. This dual production system—smallholder cooperatives and estates—forms the backbone of Kenya's coffee output, with each system following distinct management and processing practices that contribute to the overall flow of coffee through the value chain.[2] Once coffee cherries are harvested, processing and milling become critical stages in the value chain. For smallholder coffee, cooperative-managed wet mills convert cherries into parchment coffee through pulping, fermenting, washing, and drying. The parchment coffee is then delivered to dry mills, which may be cooperative-owned or private, where it is hulled, graded, sorted, and prepared for domestic sales or export. Estate coffee, having undergone initial processing on-site, may bypass some collective processing steps depending on the facilities and infrastructure available at the estate. Licensed millers, brokers, traders, and exporters then handle aggregation, marketing, and the distribution of coffee, ensuring its movement into domestic and international markets[3].

Beyond producers, processors, and marketers, the coffee value chain includes supporting institutions and public agencies that provide regulatory, research, and enabling functions. The Coffee Directorate within the Agriculture and Food Authority (AFA) oversees licensing and quality standards. Research institutions such as the Kenya Agricultural and Livestock Research Organisation (KALRO) provide technical and agronomic support, while financial institutions, certification agencies, and government ministries deliver services such as credit access, certification guidance, and policy coordination. These supporting actors interact with both smallholders and estates, ensuring access to technical assistance, inputs, and advisory services throughout the value chain. Collectively, the subsector operates as an interconnected system in which production, processing, marketing, and supporting functions are linked, allowing coffee to move from farms—whether smallholder or estate—to domestic and export markets.[4]

Figure 1.1: Structure of The Coffee Sector in Kenya

The smallholders are clustered into co-operative societies for primary processing and marketing coffee. The subsector has different value chain players, which play important roles in coffee production and marketing of Kenyan coffee, as illustrated below.



Source: Ministry of Agriculture, Kenya[5]

Table 1.1: Overview of Production, Farm Structure and Policy Developments in Kenya's Coffee Sector (2021–2024)

Indicator	Estimate / Value	Finding
Total area under coffee (2023/24)	113,501 ha (84,950 ha smallholders; 28,552 ha estates)	Represents an active coffee area across 31 counties
Clean coffee production[6] (2023/24)	49,501 MT	4.4 % decrease from 2021/22 production
Estate sector production (2023/24)	14,626 MT	Reflects 29.5 % of national production
Smallholder sector yield (2023/24)	414.69 kg/ha	Yield remains below estimates (578.11 kg/ha)
Number of smallholder farmers	~800,000	Account for ≈ 75 % of the total output
Number of estates	~3,000 registered; 2,749 active (2022/23)	Estates concentrated in Kiambu, Murang'a, and Nyeri Counties
Number of cooperative societies	605 (2022/23)	Active cooperatives handling primary processing
Key policy reform	Introduction of Direct Settlement System (DSS)	Improves payment flow transparency
Projected production (2025/26)	~51,000 MT (≈ 850,000 bags)	Projected moderate growth following reforms

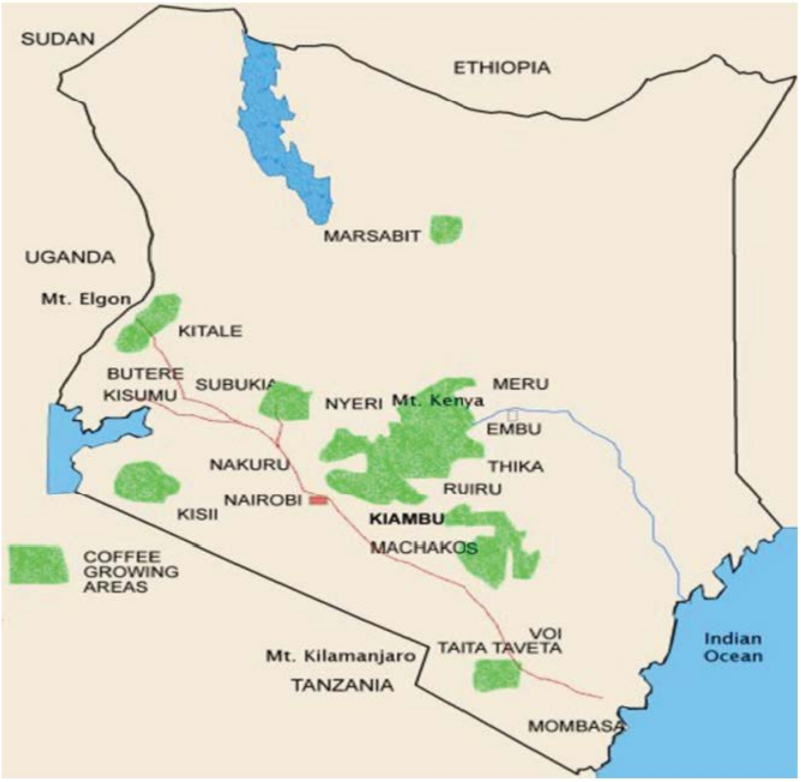
Source: Agriculture and Food Authority. (2024). Coffee Directorate Annual Report 2023/24

1.2 Coffee Growing Regions in Kenya

Coffee in Kenya is grown across several regions, which can be broadly categorised into Central, Rift Valley, Eastern, Coast, Western, and Nyanza regions. These regions differ in altitude, climate, and soil type, factors that influence coffee quality and production volumes. The Central region, encompassing counties such as Nyeri, Kiambu, Murang'a, and Kirinyaga, is traditionally considered the heart of Kenyan coffee production. The high-altitude areas (1,400–2,100 meters above sea level) and fertile volcanic soils in this region provide ideal conditions for Arabica coffee, which is prized for its high acidity, complex flavours, and international market demand (Sauer, 2021). The Rift Valley region, which includes Nakuru, Kericho, Nandi, Uasin Gishu, Elgeyo Marakwet, Baringo, Trans Nzoia, and West Pokot, is another important coffee-producing zone. This region benefits from cooler temperatures, adequate rainfall, and high-altitude terrain suitable for Arabica varieties. Coffee production here is mainly carried out by estates as well as smallholder farmers organised in cooperatives.

In the Eastern region, counties such as Machakos, Makueni, Tharaka Nithi, and Meru Central cultivate coffee under semi-arid conditions at moderate altitudes. Farmers in these areas often face more variability in rainfall and temperature, which influences yields and production cycles. In the Coast region, including Kilifi, Kwale, Mombasa, and Taita Taveta, coffee is grown at lower altitudes and warmer temperatures. Production is generally smaller in scale, and farmers often cultivate coffee alongside other crops such as coconut, cashew, and macadamia, reflecting a mixed-agriculture system. The Western region, covering Bungoma, Vihiga, and Kakamega, and the Nyanza region, including Nyamira, Kisii, and Homabay, also contribute to national coffee production. Although these regions produce smaller volumes compared to Central and Rift Valley, they are important for maintaining the diversity of Kenya's coffee portfolio. Differences in rainfall, altitude, and soil types across these regions result in coffee with varying characteristics, which can influence cup quality and marketability.[7]

Figure 1.2: Coffee Growing Region in Kenya



Source: Agriculture and Food Authority. (2023). Coffee yearbook 2022/2023: Coffee growing areas by county and region. Agriculture and Food Authority (AFA).

1.3 Coffee Marketing System, Pricing and Trade

There are two coffee marketing systems in Kenya, namely, the auction at Nairobi Coffee Exchange and direct sale. Under the auction system, coffee is bought by licensed coffee buyers through competitive bidding. Coffee brokers contracted by coffee growers offer coffee for sale to coffee buyers (exporters) competitively to the highest bidders. The central auction is administered by the Nairobi Coffee Exchange Management Committee, which is drawn from industry stakeholders.[8] Capital Markets Authority annually licenses the brokers who participate on the auction floor. On the other hand, direct sale involves coffee growers negotiating directly with overseas buyers and entering into a direct purchase agreement. [9] Both Kenya and the international coffee markets depend heavily on coffee traders/exporters to supply green coffee for roasting and packing. Almost 95% of Kenya’s coffee is exported in green form every year, and only 5% is exported in roast and ground form, mainly within Africa. This is because the consuming countries prefer freshly ground and brewed coffee.

Kenya's export market is segmented into traditional, speciality and emerging markets. Around 60% of the coffee is exported to the traditional market, which is made up mainly of countries in Europe (Germany, Belgium, Sweden, Finland, Norway, Netherlands, etc). An amount of 20% is exported to the speciality market that is led by the USA and includes Japan, Canada and some countries from the European Union.[10] The emerging market imports 15% of Kenya’s coffee and includes the Gulf region, China, Korea, and Malaysia, among others.[11] According to AFA, in the coffee year 2023/2024, a total of 59 destinations imported coffee from Kenya. The top 3 export destinations for Kenyan coffee in the 2023/2024 coffee year were Belgium (17%), the USA (16%) and Germany (11%). The table below shows the top 10 export destinations for 2022/2023 and 2023/2024.[12]

Table 1.2. Value of Kenyan coffee exports 2022-2024

No.	Export Destination	2022/2023 Weight (MT)	2022/2023 Value (Million $)	2022/2023 Value (Billion KES)	2022/2023 % Share	2023/2024 Weight (MT)	2023/2024 Value (Million $)	2023/2024 Value (Billion KES)	2023/2024 % Share
1	Belgium	5,026.00	29.12	3.91	10.50%	8,275.79	53.51	7.42	16.82%
2	USA	11,228.00	59.2	7.93	23.46%	7,917.13	48.96	6.68	16.09%
3	Germany	8,320.00	39.34	5.44	17.38%	5,622.67	32.33	4.40	11.43%
4	Korea, Republic of	3,119.00	16.88	2.25	6.52%	4,019.75	23.86	3.22	8.17%
5	Sweden	4,128.00	21.79	2.93	8.62%	3,830.34	20.91	2.83	7.79%
6	Canada	709.46	3.6	0.5	1.48%	2,295.39	6.56	0.90	4.67%
7	United Kingdom	814.25	5.01	0.85	1.70%	1,834.32	10.22	1.37	3.73%
8	Finland	1,045.00	6.02	0.77	2.18%	1,611.15	10.57	1.47	3.27%
9	Australia	1,823.00	9.24	1.23	3.81%	1,551.52	9.14	1.25	3.15%
10	Netherlands	1,303.00	6.22	0.85	2.72%	1,473.43	7.81	1.08	2.99%
11	Others (49)	10,345.29	55.44	7.41	21.62%	10,767.60	69.01	9.32	21.89%

Source: Agriculture and Food Authority. (2025). AFA Yearbook of Statistics 2024.

1.4 Government Involvement and Policy

The coffee sub-sector in Kenya is regulated under several key statutes, including the Crops Act (2013), the Agriculture and Food Authority Act (2013), and the KALRO Act (2013). Other relevant legislation includes the Seed and Plant Varieties Act, the Cooperative Societies Act (2012), the Biosafety Act (2009), the Plant Protection Act, the Pesticide Control Products Board (PCPB) Act, and the Warehousing Receipt System Act (2019). Subsidiary regulations operationalising these laws include the Crops (Coffee) General Regulations (2019) and the Capital Markets (Coffee Exchange) Regulations (2020). Under the regulatory framework, the National Government is responsible for developing policies, regulations, guidelines, standards, and capacity-building initiatives for County Governments, as well as managing international trade relations. County Governments, in turn, implement these national policies and regulations at the local level. Their functions include crop husbandry, coffee extension services, pest and disease control, primary processing, and trade development and regulation.

Several public institutions support the development, regulation, and promotion of the coffee subsector. Key national institutions include the Ministry of Agriculture and Livestock Development, the Ministry of Cooperatives and Micro, Small & Medium Enterprises (MSME) Development, and the Ministry of Trade, Investment, and Industry. The Agriculture and Food Authority (AFA), through its Coffee Directorate (CD), serves as the primary regulator. Supporting agencies include the Kenya Agricultural and Livestock Research Organisation (KALRO) – Coffee Research Institute (CRI), Kenya Plant Health Inspectorate Service (KEPHIS), Capital Markets Authority (CMA), Nairobi Coffee Exchange (NCE), and the New Kenya Planters Cooperative Union (NKPCU).

Recent policy and institutional reforms aim to improve transparency, competitiveness, and sustainability across the coffee value chain. The Direct Settlement System (DSS), introduced in 2023, channels coffee sales proceeds directly from buyers to farmers through regulated financial systems, improving payment timelines and transparency. Licensing of cooperative unions and farmer-owned companies for direct coffee exports has been implemented to reduce dependency on intermediaries. Further reforms proposed in the Draft National Coffee Policy (2024) and the Coffee Bill (2023) focus on institutional streamlining, quality assurance, and sustainability monitoring.

1.5 Coffee Sector Reforms

The Kenyan government implemented major reforms in the coffee industry aimed at revitalizing the coffee sector, primarily through legislative and institutional restructuring.[13] A key initiative is the Coffee Development and Marketing Strategy 2024–2029, which outlines eight pillars, including production, value addition, marketing, and governance, to enhance productivity and farmer incomes. Additionally, the Coffee Bill 2024, which has passed both Houses of Parliament and awaits presidential assent, proposes transferring regulatory and commercial functions from the Agriculture and Food Authority (AFA) to a re-established Coffee Board of Kenya. It also seeks to establish an independent Coffee Research Institute and empower county governments to provide extension services, manage permits, and support cooperatives.

Another major reform was the abolition of marketing agents in 2023, which aimed to eliminate conflicts of interest by separating trading, roasting, and payment functions. This led to the implementation of the Direct Settlement System (DSS) to streamline payments, although delays persist. The government also launched the Coffee Cherry Advance Revolving Fund (CCARF) under the Public Finance Management Act, allocating KES 3 billion to support farmers through advance payments. Furthermore, reforms in cooperative governance are underway through the Kenya Cooperatives Bill 2024, which introduces stricter leadership qualifications, transparent financial reporting, and enhanced oversight mechanisms.

Despite these reforms, the coffee farmers and stakeholders engaged in this assessment highlighted several structural and operational challenges in the coffee sector. One major issue was poor infrastructure, particularly in coffee-growing regions like Nandi and Kericho, where impassable roads and unreliable access to clean water severely affected coffee transportation and processing. County governments, although strategically positioned to support agriculture, were reported by some respondents to not have fully utilised their roles in providing extension services, inputs, and oversight. Farmers also expressed dissatisfaction with the government's perceived prioritisation of buyers and investors over producers, citing inadequate support services and limited involvement in policy development.

Chapter 2: Methodology

2.1 Assessment Design

The assessment was structured around three key components to ensure a comprehensive understanding of the Kenyan coffee sector. The first component involved desk-based research, aimed at compiling detailed information on the sector's structure and operations. This included profiling smallholder farmers, estates, processing factories, and trading entities, as well as analysing pricing mechanisms and sustainability requirements across different markets. The review also focused on critical sustainability considerations, such as labour conditions, environmental impacts, and community well-being, at various stages of the coffee value chain.

The second component consisted of field research and primary data collection. This entailed on-the-ground engagement in six coffee-producing counties in Kenya, including consultations with coffee farmers, factory operators, workers, and local community representatives. In addition, interactions with local and European coffee buyers were conducted to gain insights into the relationships between producers and buyers, the sustainability requirements being communicated to producers, and the challenges faced in meeting these standards. This stage allowed for triangulation of information from multiple actors within the value chain, ensuring a robust and evidence-based understanding of sector dynamics.

The final component involved a multi-stakeholder validation forum convened by KNCCI in April 2025. This session brought together representatives from across the coffee value chain, including farmers, local and EU buyers, certification bodies, and government officials. The forum provided a platform to present preliminary findings, solicit feedback, and validate key insights. It also facilitated discussion on areas requiring further research, clarification, or targeted intervention, supporting the development of actionable recommendations for improving sustainability and competitiveness within the Kenyan coffee sector.

2.2 Aims and Objectives of the Study

The primary aim of this assessment was to document the key human rights challenges and sustainability practices within Kenya's coffee value chain, and to examine how European coffee buyers and traders engage with producers in alignment with their human rights due diligence obligations. The assessment sought to provide evidence-based insights to inform multi-stakeholder dialogue on the challenges and opportunities for promoting responsible business conduct.

Specific objectives of the assessment included:

1. To identify and analyse human rights risks, labour conditions, and sustainability practices at different stages of the coffee value chain, from production to export.

2. To assess the engagement practices of European coffee buyers and traders with Kenyan producers, particularly regarding the communication and enforcement of sustainability and human rights requirements.

3. To facilitate knowledge sharing and dialogue among key stakeholders, including farmers, cooperatives, buyers, certification bodies, and government institutions.

4. To generate actionable recommendations for the Government of Kenya, international buyers, and other value chain actors to strengthen responsible business conduct, enhance sustainability, and mitigate human rights risks within the sector.

2.3 Scope

The assessment was conducted between September 2024 and April 2025, focusing on six key coffee-producing counties across central and western Kenya, selected to reflect the diversity of production systems and value chain structures. In central Kenya, the counties of Kirinyaga, Nyeri, Kiambu, and Embu were included. These areas are predominantly characterized by smallholder farmers, who account for the majority of coffee production and are typically organized into cooperative societies that manage cherry collection, wet milling, and marketing. Alongside these smallholders, central Kenya also hosts estate farms, particularly in Kiambu, Nyeri, and Kirinyaga, which operate medium- to large-scale plantations, often with integrated on-site processing facilities. In western Kenya, Kericho and Nandi counties were selected due to their distinctive coffee sector structure, which includes a combination of large estates, smallholder farms, and well-established cooperative societies. Estates in this region are typically larger than those in central Kenya, with mechanized wet and dry processing facilities. Smallholder farmers in western Kenya also participate in cooperative societies, which provide shared processing infrastructure and collective marketing services. The assessment team engaged with a wide range of stakeholders across both regions, including workers at all levels of production, smallholder farmers, small- and medium-sized farms, cooperative societies, coffee mills, traders, government regulators, and international coffee buyers and traders.

2.4 Process

The assessment utilized the Danish Institute for Human Rights' Sector-wide Impact Assessment (SWIA) methodology.[14] and followed the steps outlined in DIHR's Human Rights Impact Assessment Guidance and Toolbox[15], adjusted as necessary to the context of the assessment.

Impact Assessment steps	
Assessment Phase	**Activities**
I. Planning & Scoping	• Decided on the issue and geographic scope and selected suppliers to be assessed • Conduct a stakeholder mapping of the coffee sector • Develop assessment questionnaires for each stakeholder group • Train the two assessment teams on human rights impact assessment methodology
II. Data collection	• Conduct desktop background research on key human rights impacts in the coffee sector • Conduct a two one-week field assessment in six coffee growing regions (Q4 2024 – Q1 2025)
III. Analysing impacts	• Analyse the data collected during the interviews and the field assessment against international human rights standards and relevant national laws • Produce a draft report of the findings
IV. Consultation/Validation	• Conduct a multi-stakeholder consultation to present and validate the assessment findings, and gather input on recommendations
V. Reporting	• Publish the assessment report and recommendations in Q4 2025.

2.5 Team Composition

The assessment was implemented by two multidisciplinary teams consisting of representatives from the Kenya National Chamber of Commerce and Industry, supported by the Kenya National Commission on Human Rights, and the Danish Institute for Human Rights with expertise in human rights, labour standards, trade economics, environmental sustainability, gender analysis, and project management. All members received training in ethical engagement, participatory data collection, and observation techniques to ensure accuracy and sensitivity in interactions with rightsholders.

2.6 Approach

The assessment was conducted using semi-structured interviews, implemented through both one-on-one interviews and focus group discussions. Interview topics covered labour conditions, occupational health and safety, environmental management practices, community impacts, and governance arrangements within the coffee value chain. Participation was entirely voluntary, and informed consent was obtained from all participants following a clear explanation of the study's objectives, methodology, and intended use of data. Confidentiality and anonymity were guaranteed, and all sensitive information was de-identified. Particular attention was given to the safe and meaningful participation of vulnerable groups, including women, youth, and casual workers.

In total, 398 individuals were consulted across different segments of the coffee value chain, including smallholder farmers and workers, cooperative management and staff, dry mill and estate management and workers, community members, government representatives, and external stakeholders. Overall, 63.6% of respondents were male (253) and 36.4% were female (145). While women were well represented among workers and community members, management positions across cooperatives, mills, and estates remained predominantly male, reflecting broader gender dynamics in sector governance and decision-making.

Table: Breakdown of Interview Respondents by Category and Gender

Respondent Category	Male	Female	Total	Male (%)	Female (%)
Smallholder farmers	67	53	120	55.8	44.2
Smallholder workers	12	13	25	48.0	52.0
Cooperative management	97	13	110	88.2	11.8
Cooperative workers	14	11	25	56.0	44.0
Dry mill management	12	3	15	80.0	20.0
Dry mill workers	19	25	44	43.2	56.8
Coffee estate management	6	4	10	60.0	40.0
Coffee estate workers	14	11	25	56.0	44.0
Community members	4	3	7	57.1	42.9

Government representatives	6	7	13	46.2	53.8
External stakeholders	2	2	4	50.0	50.0
Total	**253**	**145**	**398**	**63.6**	**36.4**

2.7 Limitations

As with any assessment that aims to look at an entire sector, several limitations to the approach were identified:

Stakeholder selection: The regions for the field visits were chosen based on importance to coffee production in the country, as well as on the consideration of complementary insights into different regional challenges that may exist. Some remote farms and estates were difficult to access due to poor infrastructure. As a result, the assessment teams made the most use of their time in the field by engaging as many stakeholders as possible.

Human Rights issues: The limited fieldwork period restricted prolonged engagement with all stakeholders. Self-reported data carried potential biases, mitigated through triangulation and confidential interviews. Findings reflect conditions observed between September 2024 and April 2025 and may not fully capture seasonal variations or future changes in the coffee sector. A large focus was placed on labour rights issues; environmental challenges were mainly captured through interviews with workers, community members, farmers and cooperatives.

Estate worker interviews: The assessment team prioritized interviews with workers on smallholder farms, and to a lesser degree workers on medium-size to large estates.

Structural sector challenges: Throughout the assessment, interviewed stakeholders raised structural challenges the coffee sector faced in their opinion, and expressed views on the effectiveness or ineffectiveness of government reforms of the sector. While these views provide important context, the assessment explicitly focused on human rights challenges that materialized on the ground, and the degree to which buyers and traders engaged with their supply chain to address these challenges. Stakeholder opinions on these challenges are featured as broader context to the issues the coffee sector faces but were not assessed in depth. These broader challenges to the long-term profitability of the coffee sector will need to be addressed in conjunction with the human rights challenges, and further analysis is needed to explore how structural and governance challenges of the coffee sector contribute to human rights issues on the ground.

Chapter 3: Results of the Assessment

3.1 Overview

This section presents the findings and analysis of Kenya's coffee sector, with a focus on the human rights and sustainability challenges encountered by key actors across the value chain, namely smallholder farmers, cooperatives, mills, and estates. Smallholder farmers, who play a pivotal role in coffee production, face numerous constraints, including limited access to quality inputs, inadequate extension services, high production costs, and market volatility. Moreover, unfavourable labour conditions, persistent gender disparities and low youth engagement were highlighted as major threats to the long-term sustainability of smallholder farming.

Cooperative societies that play a key role in organizing and supporting smallholder farmers, faced persistent challenges related to governance, financial management, and technical capacity. Despite their role in coffee processing and marketing, many cooperatives struggled with labour and gender equity challenges, certification burden, transparency, outdated infrastructure, and inadequate grievance mechanisms for both workers and external stakeholders. Moreover, the benefits of certification and value addition hardly reach the farmers and workers at the base of the supply chain. On the other hand, Coffee Mills, whether cooperative or commercial, seem underutilized and face regulatory hurdles, concerns over grading transparency, and high milling costs.

Estates present a more varied picture. Larger estates benefit from relatively stable markets and favourable pricing, yet they continue to grapple with rising input costs and labour challenges. In contrast, smaller estates grapple with many challenges, including limited market access and restrictive policy environments. Across the board, the report emphasizes the need for sustained stakeholder engagement to address enduring issues, which include human rights, sustainability issues and governance gaps. Market inefficiencies and the lack of tailored support across the coffee value chain are also highlighted. Strengthening these areas is essential to building a more equitable and sustainable coffee sector in Kenya.

3.2 Smallholder Production

3.2.1 General Information and Regulatory Context

In Kenya, most of the coffee is produced by smallholder farmers who market their crops collectively through Cooperative Societies. According to the Agriculture and Food Authority (AFA), as of 2023, smallholders accounted for 74% of the total land under coffee cultivation—occupying 83,779 hectares out of the national total of 111,902 hectares.[16] In all the regions surveyed, smallholder farm size typically ranged from 0.3 to 3 acres, though in some cases it extended up to 5 acres. According to Crops (Coffee) Regulations, a smallholder means a grower cultivating coffee in a small parcel of land or in small parcels of land and does not possess their own pulping station where primary coffee processing is undertaken.[17] Alongside coffee, many smallholder farmers cultivated other crops such as tea, sugarcane, macadamia nuts, bananas, avocados, and lemon grass. The specific crops grown often varied depending on the region.

Many smallholder farmers interviewed recalled that Kenya's coffee, once hailed as "black gold," was a pillar of rural prosperity, enabling them to earn stable incomes. They explained how coffee farming helped their parents afford school fees and support their families. Over time, however, the coffee farming landscape continued shifting, particularly following the liberalization of the industry and a series of reforms that yielded mixed results. While these changes brought some progress, they also introduced some production and market challenges, including concerns of rising cost of inputs, volatility in prices, and delayed payments, among other concerns voiced by farmers.

Recognising the challenges in coffee production, the Agriculture and Food Authority (AFA) reported a total output of 48,649 metric tonnes (MT) of clean coffee in the 2022/2023 season, a 6% decline from the 51,853 MT recorded in 2021/2022.[18] However, in 2024, production saw a modest recovery, increasing by 1.7% to 49,501 MT, attributed to expanded cultivation areas and improved yields.[19] During a coffee stakeholders' engagement held in April 2025 to share findings from this assessment, the Coffee Research Institute (CRI) highlighted the government's ambitious plan to boost productivity from the current average of 2 kg per tree to 10 kg to raise annual production to at least 100,000 MT.

Production challenges were also linked to Coffee Seed Varieties, access and grafting practices. From interviews with smallholder farmers, the commonly preferred coffee varieties were Ruiru 11, Batian, and SL types (SL28 and SL34). Ruiru 11 was widely adopted due to its strong resistance to Coffee Berry Disease (CBD) and Coffee Leaf Rust and was recognized for producing quality berries. Farmers often grafted Ruiru 11 onto older SL varieties to enhance disease resistance while maintaining desirable traits. Batian was also described as a disease-resistant variety that offers good yield and quality, although some farmers noted that its relatively high initial cost can be a barrier to adoption. SL varieties, known for their deep roots and high-quality beans, were reported to be highly vulnerable to climate change and disease. As a result, many farmers had uprooted SL trees and replaced them with grafted Ruiru 11 to better cope with drought and disease pressures. According to AFA, SL28, SL38, and K7 varieties attract a high production cost compared to Ruiru 11 and Batian.[20]

By law, the Coffee Research Institute (CRI), under the Kenya Agricultural and Livestock Research Organization (KALRO), holds the exclusive mandate for coffee seed production and certification. It was the sole agency authorized to issue certified coffee seeds or seedlings for multiplication in coffee nurseries, whether for distribution to other growers or export.[21] CRI has developed improved coffee varieties, Ruiru 11 and Batian, which it describes as high-yielding and more disease-resistant. According to the government, these varieties can help farmers reduce production costs by approximately 30%.[22]

Smallholder farmers reported that they face challenges in accessing certified coffee seedlings, particularly Ruiru 11 and Batian. They raised concerns about the high cost of seedlings ranging between KES 75 - 85, difficulty in accessing the improved varieties, and the circulation of substandard seedlings. According to the Ministry, the supply gaps are due to the underfunding of the Coffee Research Institute (CRI) and the limited capacity of licensed private nurseries to meet demand. Consequently, the price per kilogram of seeds for Ruiru 11 and Batian had risen from KES 5,000 to KES 7,500, while the cost of seedlings increased from KES 20 to KES 55. With one acre requiring approximately 1,000 seedlings, the total cost of seedlings alone amounts to KES 55,000 per acre.[23] During a validation forum with coffee stakeholders, it was noted that CRI's limited decentralisation hindered accessibility to research services and increased the cost of seedlings, particularly affecting counties such as Nandi and Kericho. In response, some cooperatives and private farms established nurseries to produce and sell seedlings at subsidised rates to their smallholder members and surrounding communities. KALRO reported during the assessment that measures are already underway to increase annual seedling supply to approximately 13–20 million, and there is ongoing collaboration with County Governments to establish coffee nurseries in every county.

Finally, smallholder farmers and other stakeholders expressed concern about the future of the coffee sector, citing the lack of interest among youth. Many young people interviewed showed little enthusiasm for engaging in coffee farming, often reluctant to inherit farms from their ageing parents. Instead, they preferred to pursue alternative ventures perceived as more profitable and capable of generating higher incomes. The sector was widely viewed by youth as unattractive, largely due to its association with older generations and limited economic returns. Additionally, the youth were concerned that smallholder coffee farming is predominantly practiced on family-inherited land, which continues to shrink due to subdivision among multiple heirs, particularly in families with several male children. This fragmentation of land further undermines the viability and profitability of coffee farming. In response to these challenges, the Coffee Development and Marketing Strategy 2024–2029 prioritises the promotion of sustainable youth participation in the coffee subsector.[24]

3.2.2 Labour and Working Conditions

From the interviews with smallholder farmers, labour and working conditions were an area of significant concern. They described the coffee sector as demanding a high workforce, which makes it expensive for them. In general, concerns of low wages, informality and limited access to social protection were some of the challenges raised. Many smallholder farmers said that they relied on limited resources and lacked the financial capacity to hire permanent labour. As a result, they primarily depended on family members for day-to-day farm activities and occasionally engaged casual labourers during peak seasons such as harvesting or pruning. This reliance on unpaid or low-cost labour underscored broader challenges related to worker conditions, as outlined below.

3.2.3 Casualization of Work at Smallholder Coffee Farms

Smallholder farmers primarily took care of their coffee trees without employing full-time workers. As a result, labour in smallholder coffee farming was predominantly casual, seasonal, with minimal job security or formal contracts. The workers interviewed reported that most labour was typically hired during peak periods such as harvesting and pruning. Many farms also relied on family labour, especially women and youth, who often worked without pay or recognition. The informal arrangement exposed the workers to potential occupational hazards, such as direct contact with farm chemicals, and contributed to broader concerns, including delayed payments and economic insecurity.

3.2.4 Wage Challenges

Minimum wage in Kenya is governed by the Regulation of Wages (General) (Amendment) Order, 2018[25] And the Regulation of Wages (Agricultural Industry) (Amendment) Order, 2018, both issued under the Labour Institutions Act.[26] These regulations stipulate that the daily minimum wage for general workers ranges from KES 367 to KES 653, depending on the location, whether in major cities like Nairobi, Mombasa, and Kisumu, municipalities such as Ruiru and Limuru, or other rural areas. For agricultural workers, the daily minimum wage ranges from KES 282.90 for unskilled employees to KES 418.40 for drivers.[27]

Despite these legal provisions, interviews with workers showed some disparities in actual wages paid to casual labourers across regions. In the Western Region (Nandi and Kericho), casual workers reported earning between KES 200 and 250 per day, while in the Central Region (Nyeri, Embu, Kirinyaga, and Kiambu), wages were notably higher, ranging from KES 300 to 475 per day. The most common rates reported by workers were KES 300–400 per day, although some farms offered KES 250 per day with lunch or KES 300–350 per day without lunch. Some workers reported that wage payments were sometimes irregular, with some receiving their earnings weekly while others waited several weeks. Where permanent employment existed, monthly wages were modest, typically ranging between KES 10,000 and 15,000, reflecting the broader financial constraints within the smallholder coffee sector.

During peak or harvest seasons, many farms shifted from daily wage payments to piece-rate systems, where workers were compensated based on output. In several farms, workers reported being paid KES 100 per 20 kilograms of coffee picked. Under this system, a worker harvesting up to 100 kilograms per day could earn a daily wage of approximately KES 500.

3.2.5 Working Hours

According to the Regulation of Wages (Agricultural Industry) Order and the Employment Act (Cap 226), the normal hours of work in respect of all workers in the context of this assessment shall be forty-six hours of work spread over six days of the week and an entitlement of at least one rest day in every period of seven days.[28] The assessment found that, on average, most small-scale farms engaged up to 15 casual workers, with working hours and days varying across farms including weekend shifts in some cases. Typically, workers reported working from 8:00 a.m. to 5:00 p.m., and in some cases up to 7.00pm from Monday through Saturday, with additional hours often required during peak seasons. Some farms indicated that they compensated overtime at a rate of KES 40 per hour or 1.5 times the base hourly wage which was in accordance with Clause 6 of the Regulation of Wages (Agricultural Industry) Order. The absence of structured work schedules and adequate labour protections largely due to the informality of employment arrangements as was reported by interviewees, emerged as a significant risk, potentially contributing to economic insecurity and deteriorating working conditions for coffee farm workers.

3.2.6 Child work and child labour

While the assessment noted efforts to prevent child labour on coffee farms, the risk was still present, particularly during peak seasons. Many farmers reported that children were not allowed to work in coffee farms but were often permitted to perform light work, particularly during school holidays, as family help. Some respondents reported that labour shortages and poverty further drove child labour on coffee farms, especially during peak seasons. The assessment identified the presence of children on some farms, primarily assisting as part of family labour. Notably, during harvest periods when workers were paid based on output quotas, the number of children on farms increased as they help their parents meet higher targets. This practice posed significant risks to the children's well-being and development.

3.2.7 Health and Safety

Workers on smallholder farms lacked personal protective equipment (PPE), despite the use of chemicals, typically sprayed on coffee by men. Concerns were raised about potential health and safety risks, including claims of severe impacts on male sexual health, although no evidence was shared that supported these assertions. A recent study by Heinrich Böll Stiftung on "Highly Hazardous Pesticides in Kenya" found that coffee production uses high volumes of hazardous insecticides (chlorpyrifos, diazinon, omethoate, and thiophanate), fungicides (chlorothalonil), and herbicides (glyphosate, atrazine). The study further indicated that many insecticides used in Kenya's coffee sector, such as chlorpyrifos, diazinon, omethoate, and thiophanate, are classified as toxic to human health and were therefore banned in the EU.[29]

3.2.8 Gender Issues in Smallholder Coffee Farming

The assessment underscored the critical yet frequently overlooked role that women play in coffee farming communities, while also shedding light on the unique challenges they faced within the coffee sector, ranging from limited access to resources and decision-making to systemic gender inequalities that hindered their full participation and advancement. Women played a central role in coffee farming, contributing most of the labour on family-owned farms, while men typically pursued higher-paying jobs. According to the farmers mostly (comprising of both land owners and caretakers of family land interviewed, women were perceived as reliable with fewer cases of absenteeism. Their responsibilities in coffee farms spanned a wide range of tasks, including planting, weeding, harvesting, and pruning. In addition to managing coffee trees—typically overseeing between 50 to 100 bushes—they also engaged in casual labour on other farms to supplement household income. These contributions are essential to the productivity and sustainability of coffee farming communities.

Interviews revealed that limited access to income and land was a significant barrier for women engaging in coffee farming across many rural areas. Women managing and or working on family farms often received no direct compensation for their labour, with their earnings typically controlled by male relatives such as husbands, fathers, or brothers. Land ownership was reported to be overwhelmingly male-dominated, and women rarely inherit land, which severely restricted their ability to access credit or participate in key decision-making processes. According to some of the respondents, this lack of economic autonomy had, in some cases, driven women to harvest and sell coffee from family farms without permission, either independently or through women's groups, underscoring both the desperation and the resilience of women striving for financial agency in a system that marginalised their contributions.

Many women interviewed highlighted the difficulties they faced in receiving compensation for their labour on family farms. Some shared that women risked facing domestic violence if they were pushing the topic of compensation. One female smallholder farmer, who had started a group to support female farmers, shared that some women steal coffee beans from their own farms to get access to income. Cases where women pursued financial independence sometimes led to divorce or separation. Additionally, several male and female interviewees shared that the misuse of coffee income by men was an open secret. Several people confirmed that once coffee proceeds were paid out, it was not uncommon that men disappeared for weeks at a time, spending the coffee proceeds on alcohol or extramarital affairs, and leaving women with the sole responsibility of caring for children and managing household needs.

Additionally, women involved in coffee farming reported that daily wages for casual labour typically ranged between KES 300 and 400. In some cases, payment was made based on output, with some women earning approximately KES 15 to 20 for each 20-kilogram bucket filled. Notably, they worked without personal protective equipment (PPE) in most farms. Regarding childcare, some farms both estates and smallholders offered childcare services for KES 50 per day, which was deducted from the women's wages. Many women either brought their children to the farm or left them at home unattended due to the lack of affordable childcare options.

3.2.9 Additional Human Rights and Environmental Issues

Respondents identified deforestation as a growing concern, particularly in newly emerging coffee-growing areas. While there was notable awareness of the EU Deforestation Regulation (EUDR), the framework was largely perceived as a compliance challenge for smallholder farmers due to limited technical capacity and insufficient support for implementation. On the other hand, smallholder farmers reported increasing vulnerability to climate change, marked by erratic rainfall and shifting harvest cycles negatively impacted both yield and coffee quality. While there was strong interest in adopting organic and climate-resilient farming practices, progress was hindered by high costs, limited technical support, and difficulties in accessing certified seedlings. The farmers emphasised the need for adaptive and sustainable farming practices, highlighting the adoption of disease-resistant coffee varieties and techniques such as grafting as key strategies to mitigate the impacts of climate change and ensure the long-term viability of coffee production.

3.3 Coffee Production, Pricing, and Farmer Well-being

3.3.1 High Cost of Production

According to farmers, key factors contributing to the rising production costs across the regions included limited access to fertilisers and seedlings, cost of labour, as well as the high expenses associated with disease control measures for coffee, such as spraying. Some of the farmers and cooperatives argued that the high input costs were exacerbated by cash-flow problems, as coffee payments only arrived once a year, once all the coffee from a batch was fully sold. Additionally, the emphasis on organic farming was hindered by the prohibitively high prices of appropriate manure, making it unaffordable for most farmers. Mills and cooperatives sometimes acted as guarantors so farmers could acquire fertiliser on credit. Some cooperatives provided members with low-interest advance payments for school fees, which farmers struggled to pay. While these practices offered short-term relief, many farmers reported being unable to improve their living standards due to deductions from coffee proceeds, which reduced their income and trapped them in cycles of debt.

It was notable that during the assessment, neither interviewed farmers nor cooperatives were able to estimate the total cost of producing an acre or a kilogram of coffee. The Agriculture and Food Authority (AFA) estimated that the cost of production per kilogram ranged between KES 31 – 48, depending on the variety and level of management. On the contrary, most farmers indicated that input costs ranged between KES 60-150 per kilogram, though they could not specify what these figures included, highlighting the lack of a clear basis. Some stakeholders engaged in this assessment explained that the lack of a clear basis for the costs of production by smallholders was because the key cost components for inputs were determined at the cooperative level, rather than by individual farmers. Farmers noted that the lack of transparency in how these costs are set and reported created difficulties in assessing true farm profitability and undermined efforts to establish fair pricing mechanisms that reflect the actual costs incurred by producers.

3.3.2 Coffee Prices/Income

Production levels and earnings vary widely across individual farms, cooperatives, and regions. Many farmers who participated in this assessment expressed concern over the high number of intermediaries in the coffee value chain, which they believe significantly reduces their earnings. Additionally, they highlighted the unpredictability of coffee prices, noting that frequent fluctuations made it difficult to predict coffee prices. According to the Kenya National Bureau of Statistics (2024), the highest recorded payout for cherry beans in 2023 was KES 102.05 per kilogram, while the average payout for the year was KES 71.97 per kilogram.[30] The table below summarises, by region, the highest prices recently received by smallholder farmers as reported by AFA.

Table 1.3: Coffee Prices by Region

Region	Highest payout rate 2023/24 as reported by AFA (KES)
Kirinyaga	128.00
Embu	113.00
Nyeri	130.00
Kericho	106.00
Nandi	98.00
Kiambu	98.50

Farmers voiced their dissatisfaction with the current prices, which they considered low and below their expectations. Notwithstanding the prices above as reported by AFA, many smallholder farmers and cooperative representatives interviewed reported receiving between KES 60 and 80 per kilogram of coffee. For many, these earnings were insufficient to meet rising input costs or sustain livelihoods, often pushing them into debt, as elaborated in box A below. To enhance the attractiveness of coffee farming, the Government of Kenya has been implementing a raft of reform measures following recommendations from the National Task Force on Coffee Subsector Reforms, which submitted its report to the President in 2016.[31] At the time of this assessment, one of the notable reforms was the announcement of a Guaranteed Minimum Price of KES 100 per kilogram, aimed at providing farmers with more predictable and improved returns. [32] According to Coffee Development and Marketing Strategy 2024-2029, the government was focused on increasing the farmers' earnings from the national average of KES 86 in 2020/2021 to a national average of KES 130/kg of clean coffee cherry by the end of 2028/29.[33]

Box A: Price fluctuations and rising debt

Coffee farmers in Kericho County acknowledged government efforts to address historical debt challenges in the coffee sector but raised concerns about emerging debt risks linked to recent financing arrangements. Farmers reported that they had borrowed from the Cherry Advance Fund, a government-backed revolving credit facility that provides short-term financing to coffee farmers through cooperative societies, administered via the New Kenya Planters Cooperative Union (New KPCU), a national farmer-owned cooperative involved in coffee milling, marketing, and financial services. These loans were taken based on government assurances of a minimum cherry price of KES 80 per kilogram. However, at the time of the interviews, coffee sale prices were reported to be significantly below this level, resulting in repayment challenges and the accumulation of new debts at the cooperative level.

Moreover, farmers interviewed during the assessment raised concerns about the current market structure for smallholders, noting that they had limited influence over, or understanding of, coffee pricing mechanisms. Several farmers highlighted that the presence of intermediaries and weaknesses in certification systems were significant barriers to accessing premium markets. They observed that while the costs and losses incurred during coffee processing were quickly passed on to them, any potential gains, such as those from favourable exchange rates, were not reflected in their earnings. These dynamics contributed to a sense of exclusion and inequity within the coffee value chain.

Additionally, farmers reported substantial delays in payments, sometimes up to six months, causing severe cash flow issues. The Coffee Regulations 2019 establishes a Direct Settlement System to mitigate this problem, but according to farmers and cooperatives, the issue seems to persist. The Direct Settlement System is a receipt and disbursement facility provided by a commercial bank for the direct settlement of all proceeds from coffee sales.[34] Regulation 7 states that the Direct Settlement System provider shall remit coffee sales proceeds to the growers and settle service provider fees and other liabilities within five working days from the receipt of the proceeds. Regulation 8 further stipulates that all payments to growers for coffee sold and for services rendered, whether by miller-marketers, warehousemen, auction organisers, coffee societies, or factories, shall be paid into their individual accounts from the Direct Settlement System. Farmers argued that the payment delays have continuously made coffee farming less attractive compared to other crops, such as macadamia and avocado, which are normally paid for at the farm level.

3.4 Cooperatives Societies

3.4.1 General Information and Regulatory Context

Coffee cooperatives (also known as a Farmers' Cooperative Society – FCS) in Kenya are established under the Cooperative Societies Act, CAP 490, to promote the welfare and economic interests of their members.[35] Smallholder coffee farmers are organised into cooperatives, which, while being member-based private entities, also serve the public interest and are guided by public entity principles. Their role included supporting farmers in the primary processing of coffee, such as cherry sorting, pulping, fermentation, drying, and storage. The cooperatives primarily unite smallholder farmers, market their coffee, and provide access to training, resources, and occasionally farm inputs.[36] The table below highlights the current number of active Cooperative Societies in the regions visited.

Table 1.4: Active Cooperatives by Region

	Cooperatives	FCS Factories
Kirinyaga	15	76
Embu	24	57
Nyeri	25	107
Kericho	95	117
Nandi	44	44
Kiambu	21	68

Source: AFA 2022/2023[37]

As part of Kenya's ongoing coffee sector reforms, the Kenya Cooperatives Bill 2024 was introduced to repeal and replace the current 27-year-old Cooperatives Act (Cap 490). The framework seeks to modernise and revitalise the cooperative sector by aligning it with the current economic and governance realities. The Bill proposes a comprehensive overhaul of cooperative governance through the establishment of the Office of the Commissioner for Cooperative Development, tasked with nationwide oversight, auditing, and enforcement. It introduces stricter leadership qualifications, mandates transparent financial reporting, and enforces ethical conduct to curb mismanagement and corruption. The Bill also seeks to strengthen the role of county governments and promote intergovernmental coordination. As of this assessment in November 2025, the bill had already been passed by the National Assembly and was at the second reading stage in the Senate.

3.4.2 Labour Challenges in Coffee Cooperatives

Interviews with cooperative stakeholders revealed that labour conditions within coffee cooperatives were characterised by systemic vulnerabilities that posed risks to workers, particularly women and youth. Most workers were engaged on seasonal or casual terms, earning daily wages between KES 300–400, below the legal minimum wage as per the Regulation of Wages (General) (Amendment) Order, 2018[38] And the Regulation of Wages (Agricultural Industry) (Amendment) Order, 2018. These workers typically lacked formal contracts, job security, and access to essential benefits such as paid leave or health insurance. Observations and testimonies from cooperative workers indicated that personal protective equipment (PPE) was rarely provided, exposing those handling factory processes and agrochemicals to potential health risks.

Cooperatives employed both permanent and contractual workers, for whom a degree of job security through written contracts, clearly defined roles, and formal leave policies was reported. Typically, the number of permanent and contractual workers was small averagely averaging 1 to 10 persons. According to most respondents in this assessment, cooperatives were often poorly governed, with limited transparency and accountability mechanisms. Many cooperatives were reported to be dominated by male leadership, with women and youth having minimal representation in decision-making roles. In some cases, workers mostly those on long term contracts were discouraged or even forbidden from joining the union movement, further eroding their ability to advocate for better conditions. Casual labours are worse off as the nature of their engagements is not formalized

Some cooperative management representatives acknowledged the presence of certification schemes such as Rainforest Alliance and Fairtrade but noted that these schemes failed to demonstrate sufficient compliance with labour standards at the farm level. The assessment further found that certification premiums were typically paid to cooperatives and rarely reached workers or individual farmers. Limited transparency in premium allocation and weak internal governance arrangements undermined the intended benefits of certification schemes and raised concerns about equity and accountability within cooperative structures.

3.4.3 Gender Issues in Cooperative Societies

Across regions, this assessment found that cooperatives are male-dominated, with management and decision-making roles largely held by men, even though women contribute most of the labour on coffee farms and in primary processing. Despite ongoing calls for affirmative action to enhance their representation by NGOs and advocacy groups, women held only a small proportion of leadership positions within cooperative governance structures. Some cooperatives reported that elections were largely male-dominated, limiting opportunities for women to participate in leadership, and many women emphasised the need for affirmative action measures to enhance their representation and influence within governance structures. In response, women have formed self-help groups to collectively market coffee and access savings and credit services, and in some cases, NGOs have offered gender-focused training and support. However, systemic barriers continue to marginalise women in the coffee value chain, underscoring the need for more inclusive policies, gender reforms, and targeted empowerment initiatives. One cooperative in Kericho reported an initiative to empower women by supporting the formation of a SACCO, through which female coffee farmers can access affordable loans

3.4.4 Additional Human Rights and Environmental Risks

The assessment identified cases of potential water contamination associated with wet mills and pulping stations, consistent with documented environmental impacts in Kenyan coffee processing. Studies in Nyeri County found that untreated coffee processing effluent — including wastewater from wet processing — contained high acidity, organic matter, nutrients, and suspended solids, which degraded downstream water quality and did not meet World Health Organization standards for discharge. These contaminants pose risks to aquatic ecosystems and to the health and livelihoods of downstream communities that rely on these water sources. Some cooperative factories were also observed to have inadequate waste management practices, with coffee husks and other byproducts improperly disposed of, increasing pollution risk. These findings were based on direct field observations at processing facilities and interviews with local community members and cooperative staff designed to understand coffee processing and waste management practices

3.4.5 Grievance Handling Mechanisms

There were deficiencies reported in the way cooperatives handled grievances, as they lacked accessible and effective grievance-handling mechanisms for workers, farmers, and external stakeholders. According to those interviewed, grievance mechanisms within cooperatives were either absent or ineffective, and union representation was discouraged or manipulated. Workers who raise concerns risked retaliation, including demotion or dismissal. Clause 40 of the Coffee Regulations 2019 outlines the need for an operational-level grievance mechanism, emphasizing that disputes among contracted, licensed, or registered individuals under these regulations should initially be resolved through alternative dispute resolution, with judicial proceedings as a last resort.

While some cooperatives reported having grievance mechanisms in place, there appeared to be no standardized approach. For example, a cooperative in Embu reported having a grievance mechanism where complaints or concerns are directed to the factory manager via a Grievance Committee comprising worker representatives; if needed, the issue is escalated to the Chief Executive Officer. Similarly, a cooperative in Kirinyaga explained that their grievance mechanism assigns grievance-handling responsibilities to the management and the promoter farmer. Some stakeholders interviewed noted that grievance handling mechanisms within cooperatives were often inactive or merely symbolic, offering little to no practical recourse for farmers and workers.

3.4.6 Key Challenges in Governance, Management, and Accountability

Many stakeholders interviewed for the assessment, including non-governmental organizations, government agencies, and coffee buyers, observed that cooperative societies in coffee farming face significant structural challenges. These included limited capacity in corporate governance, insufficient technical expertise in management, and weak accountability and feedback mechanisms, all of which contributed to operational inefficiencies. Concerns about corruption, lack of transparency, unaccountable leadership, and the exclusion of farmers from decision-making processes were reported across various regions and confirmed by multiple cooperatives. For instance, some farmers questioned why cooperatives failed to pass on foreign exchange gains to members while promptly transferring losses. Many farmers also expressed concern about the 20% administrative fee, arguing that it is often poorly accounted for by the cooperatives. Moreover, political interference was reported to significantly weaken the leadership and management of these cooperatives, as illustrated by a respondent from Nyeri who stated:

The cooperative management structures are so weak, granting the executives unchecked and sweeping powers. Leadership elections are often susceptible to interference by non-members, undermining their integrity. Additionally, there is a lack of proactive oversight by government supervisory organs. Even when these organs intervene, their actions are sometimes compromised, as they may align with the cooperatives' interests rather than uphold impartial accountability.

Operational and financial constraints were the other key challenges frequently highlighted by cooperatives and other stakeholders interviewed. The Cooperatives revealed that they were burdened by high operational costs, which in some cases made them resort to borrowing from mills to supplement farmer payments, a practice that contributed to recurring debt cycles. Additionally, ageing equipment and poor infrastructure, such as inadequate drying beds and storage facilities, a lack of investment in digital tools, were identified as major obstacles to operational efficiency. During the validation of this assessment with coffee stakeholders in April 2025, the Ministry of Cooperatives and MSME Development acknowledged these challenges and noted that efforts to modernise cooperatives infrastructure were underway, though they were largely supported by development partners rather than direct government funding.

Concerns about market dynamics and coffee pricing were prominent in interviews with cooperatives. They reported that the coffee market was opaque and offered them limited control over pricing mechanisms. A major issue expressed was the frustration caused by delayed payments from millers and brokers, which negatively impacted cash flow and eroded farmers' trust. Many cooperatives indicated a strong desire to access buyers directly, aiming to bypass intermediaries and secure better prices for their produce. According to the Ministry of Cooperatives, direct sales is a viable option; however, there was a need for AFA to educate cooperatives and farmers on the available direct marketing opportunities.

Additionally, some cooperatives reported that there was discrimination against coffee from western Kenya at the Nairobi Coffee Exchange, where coffee from central Kenya was reportedly favoured. At the time of this assessment, Cooperatives from the Western region stated that the payment for coffee was KES 68 per kilogram compared to KES 80 or more in other regions. Although cooperatives and farmers did not provide specific reasons for the price disparity, the market actors interviewed attributed it to factors such as coffee quality, farm management practices, the presence or absence of strong government support, and the legacy of coffee farming in certain regions that had cultivated coffee for many years and had built strong brands that continue to attract buyer interest. The assessment examined the price disparity claim by comparing the average national payout rates for cherries as documented by AFA in the 2022/2023 season across selected counties in Western and Central Kenya. See table 3 below, which confirms this perception by cooperatives.

Table 1.5: Coffee Payment Comparison by Region

Western Kenya			Central Kenya		
County	**Cooperative**	**KES/KG**	**County**	**Cooperative**	**KES/KG**
Nandi	Kapsoro	71.00	Kiambu	Thirikwa	78.50
Kericho	Kachawir	73.01	Kirinyaga	Thirikwa	102.05
Kisii	Nyambunde	70.40	Nyeri	Gikanda	100.00
Homabay	Ayoro	60.00	Embu	Kibugu	99.65
Bungoma	Kutere	66.00	Tharaka Nithi	Mutindwa	80.00

Finally, the assessment identified gaps in capacity building and support for farmers affiliated with cooperatives. Many farmers interviewed expressed expectations for ongoing engagement with their cooperatives to enhance their knowledge and skills in sustainable agricultural practices. Cooperatives, however, expressed need for internal capacity building and support to effectively provide technical and extension services to farmers. The lack of agronomists and extension officers was a key concern reported by both cooperatives and farmers. Farmers particularly emphasised that providing fertilisers without technical support, such as guidance on soil quality assessment, could sometimes reduce their effectiveness. Agronomists play a crucial role in soil testing to ensure proper fertiliser use.

3.5 Coffee Estates

3.5.1 General Information and Regulatory Context

While the legal definition of estates categorizes them uniformly, they can be subdivided into small, medium, and large estates. Due to the unique characteristics of each category, this section examines small and medium estates together, while addressing large estates separately. According to The Crops (Coffee) (General) Regulations 2019, ‘estate’ means an area of land or group of parcels of land under coffee not being less than five acres in size in aggregate or land under coffee which has an average annual production of not less than twenty thousand kilograms of cherry over a period of three years. According to AFA, a farm with 5 acres or more without a wet factory still counts as a smallholder. Small and medium-sized coffee estates, typically ranging from 5 to 16 acres and equipped with wet mills, supply their coffee through various channels. While some deliver to the New Kenya Planters Cooperative Union (KPCU), others have established direct relationships with buyers.

The larger estates are expansive coffee estates, formally managed by local and multinational companies owned by shareholders and generating significant annual revenues. They oversee large coffee plantations spanning 100 to 2,000 or more acres, with some historically acquired from Europeans. Some had diversified into other crops, such as tea on a large scale, as well as into business ventures like livestock and real estate. According to AFA, Kenya had 2,749 active estates spread across 33 coffee-growing counties. The top six counties with the highest number of estates were Kiambu (853), Trans Nzoia (408), Uasin Gishu (209), Machakos (190), and Kirinyaga (100). In this assessment, the distribution of estates across other counties was as follows: Embu (57), Kericho (83), Nandi (144), and Nyeri (98).[39] This section highlights some of the primary findings at the estate level.

3.5.2 Workers and Working Conditions

Small estates typically employed a modest number of permanent workers, usually between 10-25, based on the estate owner's preference and capacity. In some of the estates assessed, permanent workers were provided accommodation within the estate and earned a monthly salary ranging from KES 10,000 and 15,000,000 (USD 92). According to the Regulation of Wages (General) (Amendment) Order, 2024, the minimum wage for skilled and semi-skilled employment, including general clerk, storekeeper, receptionist, machine or tool operator, driver, and night watchman, ranges between KES 10,253 – 22,415.82.[40]

However, due to the seasonal nature of coffee farming, small estates predominantly relied on casual workers who, at the time of this assessment, were paid daily wages between KES 300-400 or based on a quota during peak seasons. While the casual workers expressed concern regarding the lack of guarantee for long-term employment and low wages, the Regulation of Wages (General) (Amendment) Order, 2017[41], and the Regulation of Wages (Agricultural Industry) (Amendment) Order, 2017[42], stipulate that the daily minimum wage should be between KES 411-731, depending on the location (City, Municipality, or other areas).

Contrary to small and medium estates, the larger estates employed a significant workforce, consisting of permanent, casual and seasonal workers, ranging from 200 to 800 individuals, with numbers increasing during peak seasons. The assessment found that in certain regions, collective bargaining agreements (CBAs) governed the labour conditions for both permanent and casual workers across all estates. For instance, in Kiambu, a CBA stipulated a monthly wage of KES 14,974 for permanent employees and set a rate of KES 100 for every 17 kilograms picked by casual labourers. Some estates provided housing for workers on the farm and had established social amenities, such as kindergartens for their children. Some of the workers interviewed expressed concerns about substantial statutory deductions from their earnings, which they felt encouraged a preference for non-permanent labour arrangements. Casual workers were predominantly women, while permanent positions were primarily held by men on most farms. Like small estates, casual workers earned between KES 300–500 per day, but during the harvest season, coffee pickers were paid based on a quota system, receiving KES 6 for every kilogram of coffee picked.

During a focus group discussion held near a large estate in Nyeri, community members observed that the farm employed a significant number of workers from neighbouring counties as well as from countries such as Burundi and Uganda. They further alleged that the estate prohibited workers from joining trade unions, thereby limiting their access to collective bargaining opportunities.

3.5.3 Healthcare and Safety Concerns

While the assessment team was not able to speak to estate workers in all visited regions on occupational health and safety (OHS), in instances where they were able to do so, interviews revealed that workers on some smaller estates and processing facilities sometimes operated without adequate protective gear when handling chemicals and machinery. The risk to worker health and safety is compounded by limited access to OHS training and resources. Infrastructure challenges in many coffee growing areas — including poor rural access roads that become difficult to navigate during rainy seasons and underdeveloped transport links — also contribute to delays in responding to workplace incidents and in accessing necessary supplies or services.

3.5.4 Governance and Market Participation in the Coffee Industry

The small and medium-sized estates acknowledged the government's 2023 legal reforms aimed at streamlining the coffee sector and boosting production but noted that the anticipated benefits had yet to materialise. Some held that the growing dominance of the cooperative system continued to suppress the growth ambitions of smallholder coffee farmers by confining them to a cooperative structure. Additionally, high taxation on direct coffee sales was reported to be driving some medium-sized estate farmers to reconsider cooperative systems.

The medium-sized estates further argued that before the reforms, commercial millers provided farmers with loan support, a practice now limited to government mills, specifically the New KPCU. Dissatisfaction was expressed regarding the management of the Cherry Fund by the New KPCU, noting that the miller compels farmers to sell their cherries exclusively through them to access the Cherry Fund, which functions as a loan. Moreover, according to large estates consulted during this assessment, the marketing and sales system through the Nairobi Coffee Exchange (NCE) may be facilitating price collusion among buyers, given that only around 16 active buyers participate in the exchange. Additionally, concerns were raised about the Direct Settlement System (DSS), which was reported to introduce extra deductions that are unclear to producers.

3.5.5 The Coffee Market Structure

During the assessment, most managers from small and medium-sized estates expressed concerns about the current coffee market structure, highlighting several key weaknesses. They noted that selling through the Nairobi Coffee Exchange (NCE) is a complex process, while accessing direct markets presents its own challenges requiring large production volumes, stringent quality standards, and strong international connections to secure buyers. These barriers effectively exclude many farmers from participating in direct sales, which could help them secure better prices for their product. They also voiced frustration over their limited influence in price-setting mechanisms, a role partially played by the New Kenya Planters Cooperative Union (New KPCU), which acts as marketing agents at the NCE. Additionally, delayed payments were cited as a major issue, disrupting farmers' cash flow and hindering timely reinvestment in their farms.

Larger estates did not consider market access and pricing to be major challenges due to the high volumes of coffee they produced and sold. Although some of the larger estates lacked direct relationships with buyers and relied solely on the Nairobi Coffee Exchange (NCE) for sales, economies of scale gave them the capacity to explore and benefit from direct market opportunities. They reported in this assessment that their recent prices ranged between USD 5 and 6 per kilogram, a figure nearly seven times higher than the prices reported by smallholders and smaller estates during this assessment.

3.5.6 Cost of Input

Large coffee estates reported a sharp rise in production costs. Key cost drivers identified included fertilisers, fungicides, labour, and government-imposed taxes and levies. Farmers interviewed estimated input costs between KES 60 and 150 per kilogram of green beans, significantly higher than the Agriculture and Food Authority (AFA) estimation of KES 31.01 to 47.80 per kilogram during the 2022/23 coffee year.[43] Many small and medium-sized estates emphasised that labour costs were their most significant input expense. They reported difficulties in retaining workers and offering competitive wages while still maintaining profitability. As a result, their farms were predominantly staffed by casual labourers, reflecting the financial constraints they face in sustaining a stable and skilled workforce.

3.6 Coffee Mills

3.6.1 General Information and Regulatory Context

Mills play a central role in Kenya's coffee value chain, handling the secondary processing of parchment coffee into clean beans, grading, bulking, and preparing for auction or direct sale. They are operated by cooperatives, private companies, or state-owned entities like New KPCU. The Crops (Coffee) (General) Regulations 2019 define a 'Miller' as a person licensed by the respective county government to conduct the business of coffee milling. A 'Miller-marketer' is a person whose mill is approved by the respective county governments, licensed by the Authority, and appointed by the grower to undertake the milling and marketing of the grower's coffee.

Currently, there are 22 licensed coffee mills in the country, half of which are grower cooperative mills, while the rest are commercial mills. Growers are required to enter into milling agreements with the respective millers before any milling activity, and millers are obligated to provide milling reports to the growers. According to the Coffee Development and Marketing Strategy 2024–2029, the existing wet mills' processing capacity is only at 30% utilisation. The licensed dry milling capacity operates at 13% utilisation. About 95% of Kenya's coffee is exported in green bean form. There is therefore a huge potential for increasing the country's value addition in the subsector.[44]

3.6.2 Workers and Working Conditions

In some mills, assessing workers' rights and conditions was challenging due to limited access and reluctance by workers. In one mill, management was hesitant to allow the assessment team to speak directly with workers, preventing verification of whether documented commitments were being upheld in practice. In other instances, mill workers appeared visibly hesitant to discuss their working conditions, suggesting underlying concerns or fear of reprisal.

Depending on the size and scope of the facility, the mills that were interviewed had workforces ranging from approximately 50 to 160 employees, including both permanent and casual workers across various cadres. According to management, permanent workers were formally engaged under contracts with provisions for freedom of association, collective bargaining, and paid leave in accordance with Kenyan labour laws. Some mills reported policies to support expectant female workers and new mothers, including lighter duties, flexible hours, and provision of personal protective equipment (PPE). One mill indicated that it engages a diverse workforce—including permanent staff, seasonal workers, casual labourers, interns, and individuals on renewable fixed-term contracts. At the time of the assessment, this mill reported employing 16 permanent staff and expanding to approximately 150 during peak seasons, with contracts ranging from three months to one year. Workers reportedly operated in shifts—either from 6 a.m. to 2 p.m. or 2 p.m. to 10 p.m.—and received daily wages between KES 300 and KES 415, with seasonal workers also provided lunch. Management noted that female workers were entitled to three months of maternity leave; however, engagement with workers revealed limited awareness of paternity leave provisions.

Workers interviewed across several mills raised concerns about inadequate occupational health and safety measures, particularly regarding PPE. While PPE was reportedly issued in many mills, its use was inconsistent, with numerous workers observed not wearing the gear. This inconsistency highlighted gaps in enforcement and raised broader concerns about compliance with safety protocols and the prevailing safety culture within the mills.

3.6.3 Gender Concerns/Dynamics

The mills interviewed reported efforts to promote gender inclusion. One mill emphasised that gender empowerment is central to its operations, maintaining a workforce gender ratio of 60:40 in favour of women and requiring that 75% of its management positions be held by women. Another mill highlighted the implementation of gender protection policies, some of which were visibly displayed on notice boards. These policies included special provisions for pregnant and breastfeeding mothers, such as lighter duties and flexible working hours. Additionally, the company had established a gender grievance mechanism that resolves issues within three days and provides housing for many female workers to enhance their safety and protection. Despite these measures, workers across various mills reported persistent gender-related challenges. Common concerns included extended working hours, unclear paternity leave policies, and male-dominated workforces in most mills.

3.6.4 Grievance Handling

Coffee millers had implemented various grievance handling mechanisms, typically overseen by the administration and, in certain mills, by dedicated grievance committees. In a few mills, workers reported the absence of a formal mechanism to voice their grievances. Where grievance mechanisms existed, they faced notable challenges. Several workers interviewed reported limited awareness of the procedures and long delays in resolving grievances, undermining the effectiveness of mechanisms reported to be in place. Other stakeholders noted that grievance mechanisms were inconsistently implemented and often existed primarily to satisfy certification audits rather than genuinely address the concerns of workers and external stakeholders. One mill reported having an internal grievance mechanism in place but acknowledged the absence of a formal process for external stakeholders. However, the mill noted that it regularly organises community engagement days, which serve as platforms for sharing information and fostering relationships with local communities.

Box B below highlights an example of a grievance handling mechanism reported by one of the mills in Kericho.

Box B: Grievance Handling Illustration

A cooperative mill in Kericho had implemented a suggestion box system and established a Gender Grievance Handling Committee. This committee consists of one board member, one casual worker, and one permanent worker. Additionally, the Mill had been actively advocating for the creation of a women-only SACCO to improve access to credit for women involved in coffee production.

3.6.5 Other Sustainability and Human Rights Issues

Sustainability efforts among coffee mills were evident, with many subscribing to certification schemes such as Rainforest Alliance, Fairtrade, and C.A.F.E. Practices to promote environmental and social standards. While mills viewed certification as a gateway to premium markets, they noted that the process was costly and complex. Many joined to maintain certification continuity with cooperatives, yet smallholder farmers reported that the financial and operational benefits of these certifications rarely reached them. Concerns were also raised about the lack of transparency in premium distribution and the burden of managing multiple certifications.

Moreover, the need to process certified and non-certified coffee separately added operational complexity, increasing logistical challenges and resource demands, which mills found particularly burdensome. According to the Ministry of Cooperatives and MSME Development, the burden of certification requirements was under review at the time of assessment. The Ministry acknowledged the absence of regulatory mechanisms to govern the number of certifications a cooperative can enter and highlighted the need for policy reforms to address this gap.

Mill workers and smallholder farmers reported that certification schemes had minimal to no impact on improving working conditions. Smallholder farmers also highlighted challenges in accessing information and expressed low levels of trust in cooperative management and decision-makers higher up the value chain. Coffee grading, which occurs at the mill, is a crucial part of secondary processing as it determines bean quality and market value through size, defect inspection, and cupping. While grading enables farmers to access premium prices, several smallholders and cooperative representatives raised concerns that millers sometimes altered grading information, undermining trust. The Senate Agriculture Committee report on coffee reforms called for greater accountability, including allowing farmer representation during milling to address issues such as grading transparency and milling losses.

3.6.6. Governance and Other Technical Challenges

Besides human rights and sustainability concerns, mill managers and other stakeholders interviewed highlighted a range of structural and technical challenges linked primarily to cooperative governance and management, as well as market access and pricing dynamics within Kenya's coffee sector. Governance weaknesses at the cooperative level were reported to undermine effective operations and marketing outcomes. These weaknesses included limited influence of ordinary members in decision-making, male-dominated leadership structures, political interference in management appointments, and reliance on marketing agents or brokers to access buyers and export markets. Collectively, these factors restricted cooperatives' ability to independently make strategic decisions regarding pricing, sales channels, and allocation of benefits, contributing to operational inefficiencies and member dissatisfaction.

With regard to pricing, millers and marketing agents emphasised that they were unable to guarantee coffee prices, despite widespread expectations among farmers that higher prices could be secured through changes in marketing arrangements. Prices were largely determined by coffee quality, international market conditions, and buyer demand, rather than by millers or cooperatives themselves. This mismatch between farmer expectations and the realities of price formation was a recurring source of tension across the value chain.

While direct sales are often promoted as a means for cooperatives to improve returns, in practice these transactions are largely broker-mediated. Licensed marketing agents act on behalf of cooperatives, negotiating prices and contracts with buyers, managing compliance requirements, and facilitating exports. This structure limits the degree to which cooperatives can exercise direct control over pricing and market relationships and contributes to persistent perceptions among farmers that promised benefits of direct sales are not fully realised.

In addition, regulatory and institutional requirements governing coffee marketing and exports were reported to further restrict cooperatives' ability to engage markets independently. Licensing requirements, compliance costs, quality assurance obligations, and reliance on approved marketing channels were cited as significant barriers, particularly for smaller or less well-resourced cooperatives. As a result, stakeholders observed that while direct sales remain an important aspiration among farmers, the combination of governance, capacity, and regulatory constraints limits their feasibility for the majority of cooperatives under current conditions.

additionally, farmers reported that the overall cost of coffee milling and associated services was excessively high, with multiple fee components increasing the total cost of processing. Data from the millers interviewed indicated that farmers were charged USD 45 (approximately KES 5,800) per ton for milling alone, with additional expenses for transport, storage, and other ancillary services. This contrasts sharply with the Crops (Coffee) (General) Regulations 2019, which stipulate that the cost of coffee milling and related activities—including handling, sorting, grading, packaging, and warehousing—shall not exceed KES 4,000 per ton of coffee delivered (approximately USD 30–35). The statutory cap is intended to cover all processing services collectively, rather than just the mechanical milling process, meaning that any separate or segmented fees should fall within this ceiling.

Empirical evidence from sector reports highlights substantial variability in mill charges across Kenya. According to the Kenya Coffee Year Book 2022/23, milling tariffs set by licensed mills ranged widely: Meru County Coffee Millers Cooperative Union Ltd charged USD 40 per ton of parchment, Baringo CHA Coffee Mill, Central Kenya Coffee Mills, and CMS Mills Ltd charged USD 45 per ton, Embu County Coffee Mill Cooperative Society and Gusii Coffee Farmers' Cooperative Mills charged USD 55 per ton, Great Rift Coffee Mill charged USD 65 per ton, and Kipkelion District Cooperative Union Coffee Mills charged up to USD 66 per ton. In addition, handling fees ranged from USD 1–2 per 60 kg bag, export bag costs from USD 2.71–3.50 plus VAT, drying charges such as USD 20 per ton at Gusii, and transport costs of up to USD 1.40 per bag, demonstrating substantial heterogeneity in total processing charges across operators.[45]

Historical value chain analyses further indicate that these processing charges often constitute a large share of post-harvest costs. Total combined costs for milling, handling, export bags, transport, and warehousing produced effective per-bag costs ranging from USD 7.68 to USD 13.42 per clean coffee bag in the 2017/18 period. Milling and grading costs alone have been observed to average USD 63 per metric ton, with overall export processing costs reaching USD 85 per metric ton, illustrating the high cost intensity relative to farmer earnings.

In the coffee marketing chain, brokerage services are governed jointly by the Crops (Coffee) (General) Regulations and the Capital Markets (Coffee Exchange) Regulations under the Capital Markets Act. The regulations define a broker as a person cleared by the Nairobi Coffee Exchange and licensed by the Capital Markets Authority, who may be appointed by a grower or growers' association to sell coffee on their behalf at the exchange. The Capital Markets (Coffee Exchange) (Fees) Regulations 2024 establish maximum transaction fees on coffee sold through the exchange, with broker fees capped at 1 per cent of the gross value of sales proceeds, and additional caps on exchange, settlement system, and regulatory charges totaling 1.8 per cent of sale proceeds. Prior to these regulations, brokerage commissions were commonly around 2 per cent, typically paid in U.S. dollars; the newer caps have been subject to litigation and temporary suspension to allow for stakeholder consultation[46].

Crucially, brokerage fees and transport costs are not included within the statutory KES 4,000 ceiling for milling and related activities, as they are separate services regulated under auction fee structures and contractual arrangements between growers and brokers. The divergence between the legally prescribed cost ceilings and actual charges levied by mills and intermediaries highlights challenges in compliance and transparency, with implications for farmers' profitability and reinvestment capacity. Integrating insights from empirical value chain literature underscores that elevated processing and transactional costs constrain the proportion of final value captured by farmers, exacerbating economic pressures on smallholders and reinforcing the importance of regulatory enforcement to protect grower returns and enhance value chain efficiency[47].

Finally, the assessment found that many mills continue to operate with ageing or inefficient equipment, which significantly hampers their performance. These outdated systems result in higher maintenance costs, inconsistent coffee quality, and increased milling losses. Some mills reported that due to these operational inefficiencies, cooperative mills were sometimes compelled to sell coffee to private mills, an arrangement that ultimately threatens their long-term sustainability. Nevertheless, there was optimism among stakeholders that the ongoing coffee sector reforms, particularly the enactment of the Coffee Bill 2024, would help address these challenges. The bill emphasizes the modernization of equipment and provides greater clarity on the role of County Governments in the coffee sector.

3.7 Human Rights due diligence in the coffee value chain in Kenya

The most common way that buyers of Kenyan coffee were trying to ensure that their coffee was sustainably and ethically produced continued to be certification schemes. The most frequently cited certifications present in Kenya were Rainforest Alliance, Fairtrade International, Starbucks C.A.F.E. Practices, and 4C. In addition to speaking to representatives from two of the certification schemes, the assessment team invested significant time in field interviews trying to assess how deeply these schemes permeated the coffee sector, and whether they contributed to more sustainable production of coffee in practice. The assessment team also spoke to European buyers who made use of those schemes to understand their motivations and assessment of the effectiveness of certification schemes for exercising supply chain due diligence.

3.7.1 Certification at Smallholder and Cooperative Level

In order for coffee to be sold as certified, an unbroken chain of certification needs to exist from the farm level to cooperatives and the mill level. A key realisation in this regard was that smallholder farmers acquired certification status by belonging to a cooperative that was certified. Cooperatives interviewed could have anywhere between 4,000 to 20,000 smallholder farmers as members, calling into question how information on certification requirements is shared with farmers, and how compliance is checked. Field interviews revealed that the audit process attached to certifications commonly stopped at the cooperative level and did not consistently reach the smallholder level. While some cooperatives claimed that efforts were being made to raise awareness of farmers on the principles under a certificate, and that spot checks were carried out, further inquiry often revealed that those efforts were either limited to so-called “lead farms” or did not reach the farm level at all.

One cooperative explained how they used lead farmers to raise awareness and check on other farmers in their zone; however, further probing revealed that those lead farmers are not compensated for this, and generally did not carry out this task, as they were busy with their own farms. While audits at the cooperative level were carried out, workers and even factory managers shared that these audits were often designed to pass the cooperatives by “not asking uncomfortable questions”. A motivation for this can be that certification schemes rely on cooperatives signing up to them, as they rely on the membership fees for their own sustainability.

Premiums associated with certified coffee benefited only the cooperatives and did not trickle down directly to the farmer. Several farmers interviewed were not knowledgeable about certifications; some did not know whether their cooperative is certified, and most could not see the financial benefit to them directly. Cooperatives reportedly used premiums to reinvest in the Cooperative (e.g. the wet mill or drying beds), but several stakeholders interviewed shared that transparency of how these funds are used is lacking, and that they, in practice, benefit only cooperative management or influential farmers associated with the cooperative.

Cooperatives themselves complained about the high costs of certification, while also mentioning that there was no guarantee that coffee would sell as certified coffee at the market, as this depended on buyer demand. Nevertheless, several cooperatives the assessment team spoke to were certified under more than one certification scheme, hoping that it would open access to new coffee markets, while also recognising the large overlap in what each certification covered.

Some cooperatives acknowledged additional benefits of certification, such as occasional technical training and farmer support, but also expressed concerns about the quality of audits. They highlighted issues like insufficiently detailed questions and limited management engagement. According to these cooperatives, labour-related matters were often overlooked, with audits prioritising machinery and processes instead. In regions such as Kericho, Nandi, and Nyeri, certification organisations were reported to be advocating for women's inclusion in coffee farming, deforestation reduction, and providing farmers with capacity-building support for sustainable practices. Nevertheless, according to several cooperatives interviewed, certification was pursued primarily as a strategy to access markets rather than as a genuine commitment to sustainability or improved farmer welfare.

3.7.2 Certification at the Estate level

Larger estates demonstrated strong familiarity with certification schemes, with all those consulted during the assessment holding at least one certification. Rainforest Alliance (RA), Fairtrade International, Organic, and C.A.F.E. were frequently mentioned. The assessment found that certification was often pursued by estates as a means of accessing premium export markets, particularly in regions such as the European Union and the United States. Some buyers, including major brands like Starbucks and Nespresso, were reported to require certification as a prerequisite for sourcing coffee. Additionally, certification was seen as a tool for enhancing sustainability branding and supporting corporate social responsibility (CSR) efforts, helping estates align with global market expectations and reputational goals. Contrary to audits at the cooperative level, at the estate level, audits seem to adequately reach the farm level, and workers' interviews were carried out as part of the assessments. The duplication of certification schemes also became apparent here: in one example, auditors from two different certification schemes were conducting their audits at the same time while the assessment team was present.

Estates managers interviewed highlighted several key concerns regarding the certification schemes, including cost, lack of guaranteed premiums (because certified coffee might be sold to a buyer not interested in the certification), transparency, and relevance of certification among coffee estates. The high cost of certification was frequently mentioned, with estates questioning the factors driving these expenses. At the same time, there seemed to be a degree of secrecy around the actual cost of certifications, with one estate manager mentioning that certain certification schemes included non-disclosure agreements regarding the costs of the certification. Nevertheless, one respondent stated that initial certification costs up to KES 1.6 million, with annual audit ranging between KES 400,000 and 500,000 per year, figures that many estates found to be extremely burdensome. Auditors were often perceived as lenient, with a greater focus on machinery and infrastructure rather than on labour conditions.

Finally, concerns were raised by some estates and other stakeholders regarding the limited relevance of certification schemes. Some felt that certifications did not meaningfully address critical issues such as labour rights or sustainability, which are central to ethical and responsible coffee production. As a result, certification was sometimes viewed as mere "window dressing" or a checkbox exercise undertaken more to satisfy external expectations than to drive genuine improvements in social or environmental practices.

3.7.3 Certifications at Coffee Mill level

The Mills who participated in the assessment reported that they maintained their certifications primarily to ensure continuity for certified member cooperatives and to achieve market access goals. In Kirinyaga, for example, Rainforest Alliance, Fairtrade, and C.A.F.E. certifications were particularly popular among coffee mills. In Kericho, RA and Fairtrade were widely reported. However, the Mills noted that obtaining certification was extremely complex, demanding significant time, heavy financial resources, and requiring strict adherence to rigorous environmental and social standards. Some respondents acknowledged and emphasised that certification did not necessarily lead to higher coffee prices, contrary to the understanding and expectations of many stakeholders.

3.7.4 Impact of the European Deforestation Regulation (EUDR)

The European Union Deforestation Regulation (EUDR), which requires companies importing commodities into the EU to ensure they are deforestation-free and fully traceable, has emerged as a key area of interest within Kenya's coffee sector, particularly among cooperatives, estates, and mills aiming to maintain access to EU markets. According to the assessment, awareness of the EUDR was uneven: some stakeholders, especially in Nandi and Kericho counties, expressed interest but lacked clarity on the regulation's implications, while certain estates and mills had already begun preliminary compliance efforts, including geolocation mapping of farms.

The EUDR's requirements for traceability and proof of deforestation-free production were generally seen as technically feasible, but stakeholders highlighted the financial and logistical burdens, particularly for smallholder farmers. To support compliance, the government has developed the Kenya Integrated Agriculture Management Information System (KIAMIS), a national database designed to facilitate geolocation traceability and serve as a key tool for implementing the regulation. Large estates regarded the EUDR as a significant due diligence initiative, although they noted that deforestation is not a major concern for the coffee sector, except potentially in the Western Region, where new coffee plantations are emerging.

Certification bodies and cooperatives are expected to play a central role in ensuring compliance. However, concerns persist that the costs and complexity of meeting EUDR standards may further marginalize uncertified or resource-constrained producers. Stakeholders emphasized the need for early sensitization, government support, and harmonized certification efforts to prevent exclusion from premium EU markets and ensure that compliance mechanisms are farmer-friendly and equitable. A positive observation was that some estates had proactively extended their knowledge to smallholders, including support for geolocation mapping of their farms, helping to bridge the capacity gap and enhance sector-wide compliance readiness.

3.8 International Coffee Buyer Perspectives

International buyers of Kenyan coffee, particularly those based in Europe, are increasingly required to show how they conduct human rights due diligence within their supply chains. This is being driven notably by the introduction of new European Union (EU) policies and regulations such as the Corporate Sustainability Due Diligence Directive (CSDDD), the Corporate Sustainability Reporting Directive (CSRD), the EU Forced Labour Regulation, and the EU Deforestation Regulation (EUDR). These laws are placing new obligations on companies including coffee buyers to ensure that their sourcing practices are sustainable, transparent, and compliant with international human rights and environmental standards. To better understand how these legislative changes are shaping engagement with Kenya's coffee sector, the assessment team conducted interviews with European coffee buyers to establish how they currently manage sustainability and human rights within their Kenyan supply chains, the extent to which new EU legislation has influenced their operations, the challenges they face in conducting due diligence, and where they see opportunities for collaboration and technical support.

3.8.1 Engagement Summary

The assessment team reached out to 15 companies identified through trade data and desk research as sourcing coffee from Kenya. These companies included supermarket chains with in-house coffee brands, large multinational coffee companies, and regional traders active in the East African market. Out of the 15 companies contacted, only four agreed to participate in interviews. Of the remaining companies, six declined to be interviewed and referred the assessment team to general information on their websites, while five did not respond despite follow-up communication. The limited participation was attributed in part to the timing of the outreach. In February 2025, the European Commission introduced an Omnibus proposal—a legislative package aimed at revising and simplifying recently adopted sustainability laws.

Because of the ongoing adjustments to the CSDDD and CSRD, many multinational companies appeared cautious about discussing how the pending regulations might affect their due diligence systems until the final rules are confirmed. Despite the low response rate, the companies that did engage provided candid insights into the opportunities and constraints facing international buyers who source coffee from Kenya. Their feedback helped to clarify the current level of preparedness, existing gaps, and the practical realities of implementing human rights and sustainability due diligence across the coffee value chain.

3.8.2 Key Takeaways

Traceability and Supply Chain Visibility

Most participating buyers reported being able to trace their coffee up to the last mill or port of export. However, only those with direct relationships with cooperatives could trace coffee to the farm level. The majority of coffee traded through the Nairobi Coffee Exchange (NCE) lacked farm-level data, limiting visibility into the early stages of the supply chain. This poses a significant challenge to meeting EU due diligence and deforestation-free sourcing requirements, which demand that companies identify the precise origin of their products.

Certification and Company Practices

Buyers and traders interviewed explained that certification was largely customer-driven rather than a mandatory internal policy. While certification schemes such as Fairtrade and Rainforest Alliance provide a signal of responsible sourcing, buyers acknowledged their limitations, particularly in capturing the full scope of social and environmental risks at the smallholder level. Interviewed buyers emphasized that certification alone cannot replace company-led, risk-based due diligence.

To address these gaps, some buyers have reduced reliance on certification and engaged directly with farmers and cooperatives. Partnerships with sustainability organizations such as Enveritas — which conducts field-level monitoring, verification, and risk assessments to ensure social and environmental compliance — as well as independent consultancy firms, enable buyers to assess practices on the ground and provide targeted support. These field-level assessments go beyond formal audits by combining farm visits, verification of practices, and monitoring of social and environmental risks.

However, this approach is primarily feasible for buyers sourcing small to medium volumes, as it requires intensive engagement, logistical coordination, and continuous monitoring. For large-scale buyers sourcing across multiple regions, the complexity and scale of direct engagement make such an approach challenging, even if they have greater financial resources, so they often rely on certification schemes or third-party audits to manage risk at scale.

Impact of Coffee Reforms on Buyer Engagement

Buyers noted that Kenya's ongoing coffee sector reforms under the Coffee (Amendment) Act 2022 and related subsidiary regulations have disrupted existing sourcing relationships and altered the roles of key market intermediaries. Prior to the reforms, many buyers relied on trader-millers—firms that simultaneously purchased coffee from farmers or cooperatives, processed it in their own mills, and provided farm-level support. These trader-millers were registered buyers under the Coffee Directorate, legally owning the coffee they purchased, and often employed agronomists to deliver extension services, technical training, and certification support for schemes such as Fairtrade or Rainforest Alliance. In addition to milling and quality assurance, trader-millers aggregated volumes from multiple cooperatives, organized transport and logistics, provided advance payments or financing, and connected farmers to domestic and international buyers. Coffee was typically sold through the Nairobi Coffee Exchange auction, but traders often pre-purchased or had agreements with cooperatives, using the auction primarily as a procedural mechanism to formalize transactions. One interviewed trader reported that it employed 67 agronomists to work directly with farmers, positions that were eliminated when regulatory changes restricted the operational role of trader-millers.

By contrast, brokers played a purely intermediary role, facilitating sales between buyers and sellers without taking ownership of coffee. Brokers were licensed by the Nairobi Coffee Exchange and the Capital Markets Authority, earning a commission based on the transaction value, but they did not provide aggregation, milling, logistics, or agronomic support.The 2022 reforms fundamentally restructured these roles. Companies can no longer operate simultaneously as traders and millers, effectively ending the trader-miller model. Traders are now limited to buying and selling coffee; they may aggregate volumes or conduct basic quality checks, but they cannot operate mills or provide farm-level services such as extension or certification support. Mills, in turn, focus exclusively on processing coffee, including estates that own their own mills, which may now process only their own coffee or legally acquired volumes under cooperative agreements.

Direct-Sale Framework: Under the current regulations, licensed growers, cooperatives, or estates can sell coffee directly to buyers—bypassing traders or the auction system—but these direct sales must be formally registered with the Coffee Directorate. All direct-sale transactions must comply with quality standards, proper registration, traceability requirements, and timely payment to farmers or cooperatives. Direct sales are therefore a regulated mechanism designed to increase transparency, ensure fair pricing, and allow buyers (including large estates or exporters) to legally purchase coffee directly from producers without violating the law.

As a result, many smallholders have lost access to technical support and pre-sale financing previously provided by trader-millers, while county-level, state-employed agronomist services remain insufficient, particularly where government extension staff have retired without replacement. Reform of milling operations has also caused delays in processing and disrupted previously established certification workflows, as mills must now choose between operating as either traders or millers.

This regulatory separation of roles has created both opportunities and challenges. While the reforms enable more direct market access, greater transparency, and clearer delineation of functions, they also reduce the intermediary support that previously helped farmers meet quality standards, comply with certification requirements, and aggregate volumes for export. Understanding the post-reform structure of traders, mills, buyers, and brokers—and the requirements of the direct-sale framework—is therefore critical for interpreting value chain dynamics, ensuring farmer support mechanisms, and complying with both domestic and international standards, including sustainability and traceability initiatives such as the EUDR.

Table 1.6: Roles of Traders, Millers, Buyers, and Brokers in Kenya's Coffee Sector Before and After the 2022 Reforms

Role	Before 2022 (Trader-Miller Model)	After 2022 Reforms	Key Notes / Direct-Sale Framework
Trader-Miller	Bought coffee from farmers/cooperatives, processed it in own mill, aggregated volumes, provided financing, technical support, agronomists, certification support. Participated in auction (sometimes procedurally).	Role eliminated. Cannot operate as both trader and mill. Traders now only buy and sell; mills only process.	Reforms ended the multi-role intermediary.
Trader	Often the same as trader-miller or separate: bought coffee, aggregated, provided logistics, sometimes pre-financed farmers. Could participate in auctions.	Buys and sells coffee only. May aggregate volumes and conduct basic quality checks. Cannot mill or provide farm-level services. Must be registered with Coffee Directorate.	Traders continue to facilitate transactions but no longer provide extension or milling services.
Miller	Could be standalone or part of trader-miller. Processed own or purchased coffee.	Processes coffee only. Cannot buy coffee from other farmers or cooperatives unless legally owned. Estates can process own	Focused purely on processing.

		coffee or cooperative volumes under agreements.	
Buyer (Licensed / Estate / Cooperative)	Large buyers or exporters often bought coffee through traders at auction.	Can buy coffee directly from licensed growers, cooperatives, or estates under direct-sale framework. Must comply with registration, quality standards, traceability, and payment requirements.	Direct-sale allows regulated bypass of traders or auction. Ensures transparency and farmer protection.
Broker	Licensed intermediary at Nairobi Coffee Exchange. Did not own coffee. Earned commission.	Same role. Licensed by NCE and Capital Markets Authority. Facilitates transactions but does not own coffee.	Brokers remain unaffected by the reforms; function is purely transactional.

Need for Multi-Stakeholder Collaboration

Buyers consistently highlighted the absence of a sector-wide coordination platform in Kenya for sustainability and due diligence discussions. Each company currently implements its own approach, making it difficult to share lessons or harmonize standards. This lack of collaboration has made it challenging to develop sectoral responses to new EU regulations such as the EUDR, which require coordinated data sharing and collective action to ensure traceability.

While the Global Coffee Platform (GCP)—an international multi-stakeholder initiative that brings together coffee producers, exporters, roasters, traders, NGOs, and governments to advance sustainability in the coffee sector—was mentioned as a potential convener, buyers noted that its current membership structure limits inclusivity. There was strong agreement on the need for a neutral and open coordination platform that can bring together producers, traders, government institutions, and buyers to address shared challenges.

Several interviewees emphasized the importance of strengthening public sector support to farmers. They cited Nandi County as a positive example, where county-level investment in extension services has improved guidance on sustainable and climate-smart farming practices. Others recommended increased funding and institutional capacity for the Kenya Coffee Research Institute (CRI) to support research and technical assistance to producers, particularly on sustainability and good agricultural practices.

Chapter 4: Recommendations

Addressing the challenges facing Kenya's coffee sector requires coordinated, multi-stakeholder action anchored by strong government leadership. This assessment focused on human rights impacts, which can arise not only when laws are inadequate or enforcement is weak, but also as a result of structural economic pressures and market dynamics. Factors such as rising production costs, limited access to extension services, lack of affordable inputs, and market volatility can increase vulnerability to labor exploitation and other human rights risks. Weak governance, including limited transparency and corruption, further compounds these risks, creating conditions that can negatively affect farmers, workers, and communities across the value chain.

The following recommendations aim to strengthen human rights protections, promote sustainability, and enhance economic resilience in Kenya's coffee sector. They are directed at government institutions, international buyers, coffee producers, mills, and cooperatives, as well as certification bodies, recognizing their shared responsibility to promote fair, inclusive, and accountable practices across the value chain. By engaging all these stakeholders, the recommendations seek to address both regulatory gaps and market-driven pressures that influence human rights and sustainability outcomes.

4.1 Recommendations for Government Stakeholders

Creating Inclusive Multi-Stakeholder Platforms

The government should support the establishment of one or more open and inclusive platforms for dialogue on sustainability, human rights, and sector-wide challenges. Existing structures, such as the Kenya Coffee Platform, could be reformed or complemented to allow broader participation beyond current membership limits. These platforms should enable transparent engagement among producers, cooperatives, buyers, civil society, and government agencies, fostering shared learning, coordination on regulatory compliance, and collective responses to emerging sector challenges such as the EUDR and sustainability initiatives.

Strengthening Oversight and Monitoring of Labour Practices

Effective oversight of labour practices remains important, even though reported instances of child labour are limited and generally occur in minor roles on family farms, without disrupting education or basic well-being. Government and cooperative monitoring should ensure that working conditions are safe, wages are fair, and any cases of underage work remain minimal and do not impede schooling. County-level inspections and national compliance frameworks should prioritize practical, context-sensitive support rather than punitive measures, balancing enforcement with farm-level realities.

Advancing Gender Equality Across the Coffee Value Chain

Systemic gender inequalities affecting women farmers and workers require targeted action at all levels of the coffee sector. Women farmers should be empowered with improved access to land, finance, and training on sustainable farming and market participation. Working conditions for women laborers should be improved through fair wages, safe environments, and protection from discrimination or harassment. Cooperative governance should embed gender-responsive policies, affirmative action measures, and transparent leadership to increase women's participation in decision-making. Community engagement and awareness programs can help address structural barriers rooted in patriarchal norms, supporting women's economic autonomy and equitable involvement in the sector.

Supporting Smallholder Compliance with Global Due Diligence Requirements

Technical and financial assistance should be provided to smallholders, cooperatives, and estate growers to enable compliance with international sustainability and human rights standards. This includes building capacity for traceability systems, ensuring deforestation-free production in line with the EU Deforestation Regulation (EUDR), and preparing for emerging international due diligence frameworks such as the EU Corporate Sustainability Due Diligence Directive. All actors—cooperatives, farmer groups, and estates—should raise awareness among their members or employees about due diligence requirements and responsible business conduct standards, offering training sessions, simplified guidance, and integrating compliance checks into governance processes.

Strengthening County-Level Extension Services

Agricultural extension services must be increased and strengthened to support all coffee producers. Gaps caused by retirements, understaffing, or underfunding should be addressed through recruitment, training, and equipping county-level agronomists to provide guidance on good agricultural practices, disease management, and sustainability standards. Enhanced extension services will help smallholders, cooperatives, and estate growers improve productivity, adopt climate-resilient practices, and comply with international due diligence requirements.

Enhancing the Role of the Coffee Research Institute (CRI)

The Coffee Research Institute should be strengthened to deliver farmer- and estate-focused research and technical support. This includes developing and distributing disease-resistant coffee varieties, affordable seedlings, and climate-resilient farming solutions. Increased funding, decentralization of services, and timely access to certified seeds and agronomic guidance will help all producers reduce production costs, enhance sustainability outcomes, and strengthen compliance with both domestic and international standards.

4.2 Recommendations for International Buyers

Moving Beyond Certification-Only Approaches

While certification schemes remain important, buyers should strengthen their effectiveness by ensuring audits reach the farm level and address labour rights, gender equity, and grievance mechanisms, rather than focusing solely on cooperative-level compliance. Collaboration with certification bodies and cooperatives is essential to extend training and monitoring to smallholders, transforming certification into a genuine tool for improving conditions rather than a market-access formality.

Reconnecting with Cooperatives and Farmers Post-Reforms

Following sector reforms that separated millers and traders several buyers lost traditional engagement channels. Buyers should develop new models for direct engagement with cooperatives, including joint sustainability programs, funding local agronomists, or leveraging digital platforms for farmer outreach. These initiatives will restore capacity-building efforts on good agricultural practices and sustainability, which were previously delivered through brokers.

Participating in Multi-Stakeholder Platforms

Buyers should actively join or co-create inclusive platforms, including reforming existing ones like the Kenya Coffee Platform, to harmonize standards, share lessons, and coordinate responses to emerging due diligence requirements. Such collaboration is critical for addressing systemic challenges such as traceability and compliance with EU regulations.

Supporting Capacity Building for Producers

Investments in training programs for cooperatives and smallholders are essential to strengthen human rights, occupational health and safety, climate resilience, and compliance with global due diligence laws. This support can include funding for geolocation mapping, digital traceability tools, and farmer education programs on sustainable farming practices, enabling smallholders to meet both local and international standards effectively.

Endnotes

[1] Agriculture and Food Authority (AFA). (2023). Coffee production and performance report 2021/22. Nairobi: AFA. Retrieved from https://www.afa.go.ke

[2] Kenya Coffee School. (2023). Kenya coffee value chain and production systems. Nairobi: Kenya Coffee School. Retrieved from https://kenyacoffeeschool.golearn.co.ke

[3] Ministry of Agriculture, Livestock and Fisheries / Government of Kenya. (2024). Coffee policy and sector overview / Coffee Development and Marketing Strategy. Retrieved from https://kilimo.go.ke/wp-content/uploads/2024/10/Final-Draft-Coffee-Developemnt-and-Marketing-Strategy-27-Jan-2024-1.pdf

[4] Kenya Agricultural and Livestock Research Organization (KALRO). (n.d.). Coffee research and agronomic support in Kenya. Retrieved from https://www.kalro.org/divisions/crops/coffee

[5] *Mbuni* is type of naturally processed, lower-grade Kenyan coffee, often made from under-ripe or over-ripe cherries dried with the fruit intact.

[6] Clean coffee is a marketing and quality term for coffee that's free from mold, toxins (mycotoxins), pesticides, and chemicals, often achieved through organic farming, specialized processing and third-party lab testing.

[7] Ibid

[8] International Coffee Organisation (2019) Country Coffee Profile, Kenya. https://www.ico.org/documents/cy2018-19/icc-124-7e-profile-kenya.pdf

[9] Ministry of Agriculture and Livestock Development. (2024) The Coffee Development and Marketing Strategy 2024-2029. https://kilimo.go.ke/wp-content/uploads/2024/03/Final-Draft-Coffee-Developemnt-and-Marketing-Strategy-27-Jan-2024-1.pdf

[10] The primary difference between the traditional (commodity) and specialty coffee markets lies in their fundamental focus: the traditional market prioritizes quantity, consistency, and low price, while the specialty market emphasizes exceptional quality, unique flavors, and ethical practices across the entire supply chain.

[11] FEEM Report (2020) FEEM Approach to Supply Chain Analysis: The coffee sector in Kenya. https://feem-media.s3.eu-central-1.amazonaws.com/wp-content/uploads/968-rpt-supplychainanalysis-cofee-kenya.pdf

[12] Agriculture and Food Authority (2025) Coffee Year Book 2023/24. Coffee Directorate. https://www.kenyacoffee.co.ke/resources/2023/Coffee%20Book%20Year%202023-24-compressed.pdf

[13] Kenyan Coffee | Origin Report 2024 - Genuine Origin Coffee

[14] Danish Institute for Human Rights, Sector-wide Impact Assessment Methodology, https://www.humanrights.dk/sector-wide-impact-assessments-swia.

[15] Danish Institute for Human Rights, Human Rights Impact Assessment Guidance and Toolbox, 2020: https://www.humanrights.dk/tools/human-rights-impact-assessment-guidance-toolbox.

[16] Agriculture and Food Authority (2024) Coffee Yearbook 2022/23. Coffee Directorate. https://www.kenyacoffee.co.ke/resources/2023/Coffee%20Book%20Year%202023-24-compressed.pdf

[17] The Crops (Coffee) (General) Regulations Legal Notice 102 of 2019. https://new.kenyalaw.org/akn/ke/act/ln/2019/102/eng@2022-12-31

[18] Agriculture and Food Authority, Coffee Year Book 2022/23. Coffee Directorate. https://www.kenyacoffee.co.ke/resources/2023/Coffee%20Book%20Year%202023-24-compressed.pdf

[19] Agriculture and Food Authority, Coffee Yearbook 2023/24. https://www.afa.go.ke/resources-coffee-year-book-all-editions/

[20] Agriculture and Food Authority (2024) Coffee Year Book 2022/23. Coffee Directorate. https://www.kenyacoffee.co.ke/resources/2023/Coffee%20Book%20Year%202023-24-compressed.pdf

[21] The Crops (Coffee) (General) Regulations Legal Notice 102 of 2019. https://new.kenyalaw.org/akn/ke/act/ln/2019/102/eng@2022-12-31

[22] The National Coffee Policy 2020, https://kilimo.go.ke/wp-content/uploads/2024/10/Final-Coffe-policy-July-20201-1.pdf

[23] The National Coffee Policy 2020, https://kilimo.go.ke/wp-content/uploads/2024/10/Final-Coffe-policy-July-2020-1-1.pdf

[24] Coffee Development and Marketing Strategy 2024–2029 kilimo.go.ke/wp-content/uploads/2024/10/Final-Draft-Coffee-Developemnt-and-Marketing-Strategy-27-Jan-2024-1.pdf

[25] Kenya Gazette Supplement No. 114 L.N No 125 of 1st July 2022. https://www.fke-kenya.org/sites/default/files/downloads/MINIMUM%20WAGES%20GAZETTE%20NOTICE%20-%202022.pdf

[26] Kenya Gazette Notice No. 107 L.N No. 111. https://kenyalaw.org/kl/fileadmin/pdfdownloads/LegalNotices/2017/LN111_2017.pdf

[27] https://www.cotu-kenya.org/wp-content/uploads/2019/02/Legal-Notice-No.-1-wages-2-1.pdf

[28] The Regulation of Wages (Agricultural Industry) Order, 1982 - Kenya Law

[29] Heinrich Böll Foundation (2023). Toxic Business: Highly Hazardous Pesticides in Kenya. https://ke.boell.org/sites/default/files/2023-09/data-and-facts_highly-hazardous-pesticides-in-kenya-1.pdf

[30] Economic Survey 2024. Kenya National Bureau of Statistics (KNBS). https://www.knbs.or.ke/reports/2024-economic-survey/

[31] Kilimo News, 16 January 2023 Coffee reforms - which way as Deputy President takes over? | Kilimo News

[32] The Star, 6 March 2025. Kindiki: Coffee farmers to earn more in 2025 as reforms take shape

[33] Ministry of Livestock Development. Final-Draft-Coffee-Developemnt-and-Marketing-Strategy-27-Jan-2024-1.pdf

[34] The Crops (Coffee) (General) Regulations Legal Notice 102 of 2019. https://new.kenyalaw.org/akn/ke/act/ln/2019/102/eng@2022-12-31

[35] Co-operative Societies Act No. 14 of 2008. https://kenyalaw.org/kl/fileadmin/pdfdownloads/Acts/Co-operativeSocietiesActCap490.pdf

[36] Republic of Kenya. The Ministry of Agriculture, Livestock, Fisheries and Cooperatives: National Coffee Policy 2020. https://kilimo.go.ke/wp-content/uploads/2024/10/Final-Coffe-policy-July-2020-1-1.pdf

[37]Agriculture and Food Authority (2024) Coffee Year Book 2022/23. Coffee Directorate. https://www.kenyacoffee.co.ke/resources/2023/Coffee%20Book%20Year%202023-24-compressed.pdf

[38] Kenya Gazette Supplement No. 114 L.N No 125 of 1st July 2022. https://www.fke-kenya.org/sites/default/files/downloads/MINIMUM%20WAGES%20GAZETTE%20NOTICE%20-%202022.pdf

[39] Agriculture and Food Authority (2024) Coffee Year Book 2022/23. Coffee Directorate. https://www.kenyacoffee.co.ke/resources/202I 3/Coffee%20Book%20Year%202023-24-compressed.pdf

[40] Regulation of Wages (General) (Amendment) Order 2024.pdf

[41] Kenya Gazette Supplement No. 114 L.N No 125 of 1st July 2022. https://www.fke-kenya.org/sites/default/files/downloads/MINIMUM%20WAGES%20GAZETTE%20NOTICE%20-%202022.pdf

[42] Kenya Gazette Notice No. 107 L.N No. 111. https://kenyalaw.org/kl/fileadmin/pdfdownloads/LegalNotices/2017/LN111_2017.pdf

[43] Agriculture and Food Authority (2024) Coffee Year Book 2022/23. Coffee Directorate. https://www.kenyacoffee.co.ke/resources/2023/Coffee%20Book%20Year%202023-24-compressed.pdf

[44] Coffee Development and Marketing Strategy 2024–2029 kilimo.go.ke/wp-content/uploads/2024/10/Final-Draft-Coffee-Developemnt-and-Marketing-Strategy-27-Jan-2024-1.pdf

[45] Crops (Coffee) (General) Regulations, 2019. (2019). *Subsidiary legislation under the Crops Act (Cap. 326)*. Government of Kenya. https://www.new.kenyalaw.org/akn/ke/act/ln/2019/102/eng%402022-12-31

[46] Kenya Coffee Board. (2023). *Kenya Coffee Year Book 2022/23*. Kenya Coffee Board. https://kenyacoffee.co.ke/resources/2023/Coffee%20Book%20Year%202023-24-compressed.pdf

[47] Wanyama, F., Kinyua, M., & Gathuru, E. (2018). *Coffee value chain analysis in Kenya: Cost and profitability assessment*. ResearchGate. https://www.researchgate.net/publication/347088809_FEEM_Approach_to_Supply_Chain_Analysis_The_coffee_Sector_in_Kenya