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In cooperation with

Utake
Coffee



Ongoing training at Utake Coffee Lab,
SCA Certified Premier Training Campus.
© Mbula Musau



COFFEE INNOVATION

Expanding Eco-Friendly Domestic Consumption
to Increase Farmer Incomes

The first carbon neutral biodegradable drip coffee bag in Africa!

OVERVIEW: UTAKE COFFEE LIMITED (KENYA)



CHALLENGE

Domestic consumption of coffee is dominated by imported mass market instant coffee. Lack of access to affordable roasting facilities is preventing local operators (particularly women) from being able to enter the market at a price point that will win over local consumers.

INNOVATION

ECO-FRIENDLY DRIP COFFEE BAGS AND CARBON-NEUTRAL ROASTING SERVICES

Utake has designed a single serve coffee drip bag that allows people to have high quality coffee with no extra equipment and lower carbon emissions through energy efficient roasting, eco-friendly packaging, and planting bamboo. This makes local coffee easier for coffee consumers to access and consume, and reduces the waste and environmental impact of instant coffee.



COMPANY DESCRIPTION

Utake Coffee Limited is an innovative company specializing in coffee quality, marketing consultancy, and development management. The company works to promote better understanding of these practices through training, mentoring and consultancy.

KEY COMPANY STATS

NUMBER OF PRODUCER PARTNERS

Five factories (approx. 5,000 people)

NUMBER OF STAFF

Five (three women)



COST

COSTS

There are none, the project earns revenue by enabling to pay a higher price per kilo of green coffee to farmers as a result of the specialty nature of the coffee used as well as the differentiation to lower grammage which translates to more money to the farmers.

EFFECTS ON REVENUE

Farmers get paid better prices for coffee that is being value added at origin. The increased demand for high quality coffee also means that domestic consumption grows, since the market segment that was demanding the convenience of instant coffee is getting converted to taking specialty coffee packaged conveniently.



PREPARATION

TIMELINE

Plan for six months lead time for training and equipment

MATERIALS AND EQUIPMENT

- Automatic drip coffee packaging machine
- Packaging & labels
- Roasted coffee

STAFFING REQUIREMENTS

Four staff to operate packing process



LESSONS LEARNED

CHALLENGES

- COVID-19 has had some effects especially on global logistics and in person trainings.
- Delays in procurement of services, and limits to procurement from qualified providers who are not open to new innovations.
- Procurement support could not attract locals qualified to do the services required.
- COVID-19 reduced tourism volumes, resulting in reduced consumption of coffee by hotels.

TAKEAWAYS

- The product is very popular with people who in the past have settled for convenient imported instant coffee.
- With the community built around learning about coffee and roasting, they are now being invited to speak at regional conferences and other events.



Youth beneficiaries of training and internship at Utake Coffee Limited. © Utake Coffee Lab

As a result of Utake Coffee's Eco-friendly Drip Coffee Bags, subsidized roasting/ cupping facilities and training,



Farmers earned an average of

1.5 DOLLARS PREMIUM

above the market average for the year



1,000 KG OF COFFEE

have been roasted and packed for International Women's Coffee Alliance members, including one nominee of the 2023 Alliance sustainability award



**ENABLED THE ENTREPRENEURS
OF FOUR PRIVATE LABELS**

to launch their business

“

Because of high value product – eco-friendly branding and the dip-bags were found to be convenient and there is increased demand for supply – this resulted in an increased price of their coffee, from an average of USD 5.9 per kg, UTAKA offers a premium of USD 7 per kg to the farmer cooperatives, and were recognised by Kenya Coffee.

”



Eco-friendly Drip Coffee Bag. © Utake Coffee Lab

STEP

1

Get in touch with suppliers of eco-friendly packaging which are now proliferating around the world.

STEP

2

Obtain specialty coffee to ensure that the product is appealing to the consumers.

STEP

3

Keep it consistent.

The COFFEE INNOVATION FUND has been developed and funded by the German Federal Ministry for Economic Cooperation and Development (BMZ), and implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

MISSION: The Fund's objective is to increase the profitability of smallholder coffee farmers, and foster greater, more equitable value distribution along the supply chain through promoting innovative farming systems, transparent and inclusive business models, and access to new markets.

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