

KENYA COFFEE PRODUCERS ASSOCIATION



STRATEGIC PLAN

2018-2022

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VISION

To be an active and effective representative organization that voices the concerns of coffee producers in Kenya

MISSION

To represent the economic and social interests of coffee farmers through active participation in policy issues impacting on the coffee sub-sector in Kenya and enhance the capacity of members to address issues related to coffee production, processing and marketing for improved livelihoods of coffee producers

CORE VALUES

Solidarity, Courage, Transparency, Teamwork

SLOGAN

“Kahawa yetu, ni Mali yetu”

FOREWARD

The Kenya Coffee Producers Association (KCPA) Strategic Plan has been developed with support from Rainforest Alliance UTZ under their Sector Partnership Program. It follows the KCPA strategic plan 2012-2017. Looking at the past five years of the implementation of the previous strategic plan, we have made progress towards realizing our strategic objectives and had many lessons too. We currently have a membership of 191 active smallholder cooperatives members and 94 estate owners. Some of our key achievements include: having five grower representatives in the Nairobi Coffee Exchange management board; managed to lobby for reduction of coffee samples quantities provided from the auction from 14 to 9 kilograms; scrapping of the 4% coffee levy as recommended by the coffee reforms implementation committee; have facilitated several farmer trainings in partnership with We Effect However, a lot still needs to be done to improve the welfare of the coffee farmer.

This was the first strategic plan after the merger of the small scale producer's and estate farmers. This means that all activities undertaken involved all coffee farmers. During the implementation period we witnessed the operationalization of devolution of agriculture and by extension devolution of the coffee sub sector. This has presented several challenges particularly in harmonizing national and county policies.

KCPA was represented in the Presidential coffee sector reforms task force committee formed to review and advice on critical reforms to revive the coffee sub sector. The task force has since transited to implementation committee in order to implement the recommendations put forward by the task force. We are also actively participating and presenting producer issues in the National Coffee Platform (Sauti ya Kahawa) an initiative led by Rainforest Alliance UTZ.

The development of KCPA Strategic Plan 2018-2022, is coming at a time when coffee production has continued to dwindle. Production in 2016/17 is 40,000 tons against the all-time high 1987/88 production of 129,000 tons. As producers everyone is looking up to us to restore Kenya's lost glory. It is time that as a country, we do all that we can to save this important crop. Our coffee is perceived to be a premium specialty coffee and as such the demand for Kenyan coffee is still high and therefore there is hope. This strategic plan is expected to play a critical role in guiding the coffee sector revitalization.

A key strategic thrust of the plan is to strive to improve farmer welfare by addressing issues constraining the realization of farmers' potential. The Strategic Plan spells out the operating environment, challenges and opportunities and the responsive activities while meeting the demands of members and industry. The plan has also outlined benchmarks that shall be used to ascertain progress of the activities. Development of this Strategic Plan was a consultative process. It involved hosting several workshops to get inputs from the members, Management Board, KCPA Staff and several key stakeholders.

We are truly thankful to The Rainforest Alliance -UTZ Sector Partnership Program for supporting the Association financially to contract the services of the consultant, Leowa Associates Ltd and Development shift Consulting Led by Josephine Ngethe and Dr Kenneth Kambona, who have facilitated the process. We also take this opportunity to thank all our stakeholders who contributed in one way or another towards development of this strategic plan.

Thank You.

Newton Ndiritu

Chairman, Kenya Coffee Producers Association

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LIST OF ACRONYMS

AGM -	Annual General Meeting
AFA -	Agriculture and Food Authority
AFCA-	Africa Fine Coffees Association
AWIC -	Association of Women in Coffee
BAF -	Business Advocacy Fund
CRI –	Coffee Research Institute
CSIC -	Coffee Sector Implementation Committee
CSOs	Civil Society Organizations
ERC -	Energy Regulatory Commission
GAPs -	Good Agricultural Practices
GMPs -	Good Marketing Practices
KCPA –	Kenya Coffee Producers Association
MOALF -	Ministry of Agriculture, Livestock and Fisheries
NCE –	Nairobi Coffee Exchange
NCPB -	National Cereals and Produce Board
NEMA –	National Environmental Management Authority
NGOs -	Non-Governmental Organizations
PCPB -	Pest Control Products Board
PESTL -	Political Economic, Social Technology and Legal
SCAA –	Specialty Coffee Association of America
SWOT -	Strengths, Weaknesses, Opportunities and Threats
SyK –	Sauti ya Kahawa

ACKNOWLEDGEMENT

The consulting team would like to thank the KCPA management, committee members and secretariat staff led by the Chief Executive Officer, Sarah Nyagah, Julius Ng'ang'a and Mark Njeru of Rainforest Alliance-UTZ Program who contributed immensely to the development of the report. They provided technical inputs, documentation and engaged in dialogue that facilitated the preparation of the report.

Appreciation is expressed to the diverse stakeholders including; national and county government officials, coffee sector value chain actors and civil societies contacted who shared their time and gave valuable insights in the development of this report. They demonstrated openness in sharing their experiences and provided constructive suggestions towards the development of the report.

Authors and Contributors

The Kenya Coffee Producer's Association Strategic Plan 2018-2022 was prepared by a consortium of consultants: Josephine Ngethe and Dr. Kenneth Kambona supported by John Waweru.

I. THE STRATEGY FRAMEWORK

Preamble

This strategy sets out the priority areas that KCPA plans to address. The objectives and key result areas build on phase one activities that are still relevant but were not implemented and incorporates emerging issues like impact of climate change, youth bulge, low women involvement, technology advancements, changing coffee production landscape and changing policy environment following devolution of agriculture.

Vision, Mission, Core Values

To achieve the strategic objectives, KCPA has set out its vision, mission and core values as follows:

Vision	To be an active and effective representative organization that voices the concerns of coffee producers in Kenya
Mission	To represent the economic and social interests of coffee farmers through active participation in policy issues impacting on coffee sub-sector in Kenya and enhance the capacity of members to address issues related to coffee production, processing and marketing for improved livelihoods of coffee producers.
Slogan	<i>Kahawa yetu ni mali yetu</i>
Core values	Solidarity, Courage, Transparency, Teamwork

Strategic focus areas

The proposed actions and targets are aligned to contribute to the involvement of social-economical welfare of coffee producers while at the same time contributing to climate change mitigation and adaptation, youth and women empowerment, sustainable agriculture production and productivity among other critical areas in this day and age. Table 1: KCPA's strategic focus areas are as set out below:

Table 1: KCPA's strategic focus areas

Strategic focus area	Strategic objective	Expected outcome
1. Membership	1.1 Recruit and retain members 1.2 Define and promote new membership categories like corporate members.	Growth and retention of membership New membership categories
2. Member services	2.1 Policy dialogue facilitation	Policy and legal framework

Strategic focus area	Strategic objective	Expected outcome
		in the coffee industry is improved
	2.2 Member capacity building	Quality and quantity of coffee produced increased by 25% by 2022
	2.3 Knowledge and information collection and dissemination	Improved communication capability and visibility of KCPA
3. Financial resource mobilization	3.1 Improve resource mobilization and sustainability	Financial sustainability
4. Institutional capacity building	4.1 Institutional Capacity Building and Strengthening	Operational efficiency

Source: Consultant's compilation, 2018

1. Strategic focus area: Membership

SO1.1: Recruit and retain members.

Membership is paramount to the success of any lobby and advocacy association as it gives the organization the legitimacy to raise issues affecting its membership. KCPA will endeavor to recruit members and retain existing members to ultimately grow and retain its membership.

The SWOT analysis revealed that KCPA has acceptance as the farmer organization with a national outlook, all the same lapses in previous management resulted in fraud which consequently, reduced members trust and thus causing dormancy and exit of some members. In this new strategic period management must focus on rebranding KCPA as a well-managed association with a key focus on member issues. Specific actions to achieve this objective are in Table 2: Member recruitment and retention.

Table 2: Member recruitment and retention specific actions

Action	Specific Tasks
Member recruitment	<ul style="list-style-type: none"> - Organize recruitment drives targeting cooperatives and estates in coffee producing counties. - Attend AGMs for different cooperatives and promote KCPA value proposition. - Exhibit KCPA in farmer centric agricultural shows and exhibitions. - Support board members to hold regional meetings in their regions.

Membership retention	<ul style="list-style-type: none"> - Review member register annually and follow up on subscriptions update. - Establish a feedback mechanisms to get farmer needs and expectations to remain relevant and responsive to the farmer needs.
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Source: Consultant's compilation, 2018

2. Strategic focus area: Member services

Strategic Objectives (SOs):

SO 2.1: Policy dialogue facilitation.

SO 2.2: Member capacity building.

SO 2.3: Knowledge and information collection and dissemination.

SO 2.1 Policy dialogue facilitation: The agricultural sector is the backbone of Kenya's economy. Providing direct and indirect employment to almost $\frac{3}{4}$ of the country's population. All the same economic benefits to farmers continue to be affected by unfavorable policy. Besides existing policies lack strategy and action plans to guide their implementation. Where action plans exist they are not implemented.

In the coffee subsector a number of policy issues affect production and productivity, marketing and research on coffee. These issues if not addressed will continue to cause an increase in the cost of production while at the same time creating an unsuitable business environment for coffee production. Some of these issues include: cost of fuel for coffee processing, transparency in the coffee marketing process, high cost of inputs, ineffective training, ineffective information gathering and dissemination of research and training material on coffee, coffee theft, restrictive grower marketer licensing among other issues. KCPA being mandated by its constitution as the coffee producers advocate should be at the forefront of policy dialogue. The specific actions to realize this are shown in Table 3: Policy dialogue facilitation specific actions.

Table 3: Policy dialogue facilitation specific actions

Action	Specific Tasks
Lobby for recognition of KCPA as the legitimate coffee farmer representative with AFA and CSIC	<ul style="list-style-type: none"> - Prepare and present an introduction letter to: <ul style="list-style-type: none"> o AFA – Coffee Directorate o CSIC. o County Governments in the 31 coffee growing counties
Lobby for increased budgetary allocation to the coffee sector by both the national and county government to support provision of subsidized inputs, development of planting material, research and extension training.	<ul style="list-style-type: none"> - Review the current budgetary allocation by the national government and county governments of coffee producing counties on coffee. - Prepare and present a paper on actual expenditure on coffee development per county and present to AFA – Coffee Directorate and CEC-Agriculture in producing counties.

Action	Specific Tasks
Promote stakeholder engagements along the value chain	<ul style="list-style-type: none"> - Participate in talks, forums and workshops organized by other stakeholders affecting the coffee sector. - Organize meetings routine planning meetings with County governments of coffee growing counties. - Support the establishment of county coffee working groups.
Lobby for provision of subsidized coffee inputs	<ul style="list-style-type: none"> - Prepare and present a request for provision of subsidized coffee inputs to coffee directorate and CEC – Agriculture in producing counties.
Lobby for the creation of better working environment for coffee marketing	<ul style="list-style-type: none"> - Research on extent of coffee theft and hawking and its impact and present findings and recommendations to relevant authorities. - Research on coffee grading system to assess issues of transparency and present findings and recommendations to relevant authorities for action. - Research on issues hindering grower marketers to access the auction and make recommendations on the best strategy to support grower marketers access the auction. - Research on reserve price setting and assess if there are transparency issues. Follow up implementation of recommendations. - Prepare and present a paper on coffee trading rules. - Link buyers and farmers.
Lobby for improved access to credit and increased diversification in coffee	<ul style="list-style-type: none"> - Review of available financing on coffee production - Prepare a catalogue of recommended credit finance providers - Research on challenges experienced when applying to the commodities fund and present the same to commodities fund. Disseminate feedback to membership. - Lobby for recognition of coffee as a tree for carbon trading
Lobby for increased coffee research and extension material development.	<ul style="list-style-type: none"> - Lobby for the development of a coffee curriculum. - Lobby for increased budgetary allocation to coffee research. - Lobby for increased seedlings production and

Action	Specific Tasks
	distribution to farmers.
Lobby for development of a national coffee policy	- Develop and present a position paper on the need for a national coffee policy.

Source: Consultant's compilation, 2018

SO 2.2 Member capacity building

Action	Specific Tasks
Prepare and conduct trainings to members on various topics	- Organize trainings on: <ul style="list-style-type: none"> ○ good production practices; ○ climate change mitigation and adaptation measures; ○ good manufacturing practices; ○ corporate governance and leadership; ○ Coffee marketing and buyer requirements; ○ Gender mainstreaming training. ○ Trainings on coffee Insurance
Promote use of ICT among members	- Conduct a needs assessment on the ICT requirements for KCPA members. - Conduct a study on available ICT solutions in the market against identified requirements. - Support members to acquire and install ICT solutions.
Promote local consumption of coffee	- Partner with other value chain actors in branding and promoting local consumption. - Sensitize and support members to start local brewing.

Source: Consultant's compilation, 2018

SO 2.3 Knowledge and information collection and dissemination.

Action	Specific Tasks
Increase KCPA communication to members on current affairs	- Acquire a bulk SMS platform for pushing marketing and administrative information to members. - Encourage the formation of the regional social media groups.

Action	Specific Tasks
Establish a coffee production knowledge center	<ul style="list-style-type: none"> - Collect and compile studies, manuals and training material on GAPs and GMPs. - Prepare a catalogue of coffee cupping and tasting procedure and requirements. - Prepare a detailed manual of coffee marketing process and requirements. - Prepare a catalogue of registered coffee marketing agents, millers and buyers. - Compile and avail bench marking information on the regional, and global prices (New York) prices. - Prepare documentation on current climate change issues and their effects on coffee production. - Prepare documentation on research findings on coffee varieties, pest and diseases.

3. Strategic focus area: Financial resource mobilization

SO 3.1: Improve resource mobilization and sustainability

KCPA has been leveraging on members' subscriptions to finance most recurrent and administrative expenditure. The association has also received donor funding from its partners i.e., WE EFFECT, Rainforest Alliance UTZ and Business Advocacy Fund (BAF), Agriterra and HIVOS. Sustainability however remains a concern as the collections from subscriptions are not adequate to meet financial needs, donor funding is also not sustainable. In this regard, management must design and implement additional revenue generation strategies in the new plan period. *Table 4: Resource mobilization and sustainability specific actions*

Table 4: Resource mobilization and sustainability specific actions

Action	Specific Tasks
Increase subscriptions collection	<ul style="list-style-type: none"> - Set up a billing system that will bill on time, facilitate easier payments like using a paybill and has a reminder and acknowledgment of payment mechanism. - Offer and communicate waivers to current membership for outstanding subscriptions to encourage payment. - Offer discounts to current members on timely payment of subscriptions. - Offer rewards to members who recruit new members. - Review membership criteria to accommodate associate and corporate members. This will involve development of a corporate

Action	Specific Tasks
	membership plan and promoting it to prospective partners e.g. input sellers, service providers like extension service providers, NGOs and Civil Society Organizations.
Providing cupping services	<ul style="list-style-type: none"> - Purchase necessary equipment to start a coffee tasting and grading lab for commercial services. - Develop and execute a marketing plan for the cupping services targeting members and exploring partnerships with development partners and the national and county governments.
Fund raising from development partners	<ul style="list-style-type: none"> - Identify prospective financial partners among NGOs, international buyers, standard owners and the government. - Prepare proposals and concept notes and share with prospective partners. - Pitch KCPA's value proposition in stakeholder workshops, exhibitions, power talks, business meetings, gala dinners among others.
Sale of knowledge resources	<ul style="list-style-type: none"> - Develop and host extension training videos and webinars and charge a fee for access. - Develop and promote a subscriptions based short messaging service.
Source national and county governments funding	<ul style="list-style-type: none"> - Develop fund raising proposals targeting national and county governments. - Lobby for KCPA to be recognized in law so as to qualify for direct funding like Kenya National Union of Teachers

Source: Consultant's compilation, 2018

4. Strategic focus area: Institutional capacity building and strengthening

SO 4.1: Institutional capacity building and strengthening

Execution of the actions as proposed in this strategic plan are predicated upon the existence of an operational secretariat to carry the organization goal, mobilize resource and dispense its mandate as articulated in the association's charter. The management board must fulfil its oversight position to ensure optimal use of financial resources whilst promoting KCPA's value proposition at the grass root level. To achieve this KCPA will need to build its internal capacity to handle these responsibilities. *Table 5: Institutional capacity building and strengthening specific actions.*

Table 5: Institutional capacity building and strengthening specific actions

Action	Specific Tasks
Strengthen the organization leadership and governance	<ul style="list-style-type: none"> - Organize quarterly management meetings to plan and review progress on various projects in line with the strategic plan. - Develop a resource mobilization strategy. - Build the board capacity on oversight and business development <ul style="list-style-type: none"> o Develop concept notes and share with partners for the capacity building of board members. o Compile and share relevant material on executive management to board members. - Develop and disseminate to staff and the board lobby and advocacy and programming policy documents. - Explore inclusion of women and youth at all levels that is at the membership, management board and staff level. - Hold annual general meeting
Staff capacity building	<ul style="list-style-type: none"> - Facilitate a retreat for staff and board to present the strategy and develop the day to day execution of the strategic plan. - Facilitate workshop to disseminate the existing policy documents to staff and board. - Capacity building of staff on lobby and advocacy, fundraising, financial management, marketing and communication. - Partner with universities to second interns. - Build the Association legal advocacy abilities through: <ul style="list-style-type: none"> o Preparing and sharing concept notes to prospective law schools and law firms for the provision of legal advisory on advocacy issues on pro bono. o Share a concept note with Kituo cha Sheria for the provision of legal advisory through their legal clinic.
Finance operations improvement	<ul style="list-style-type: none"> - Review the finance manual and internal control system to ensure it promotes increased transparency and accountability. - Computerize record keeping.
Marketing and communication enhancement	<ul style="list-style-type: none"> - Develop an attractive and dynamic website. That should include extracts of the agronomy

Action	Specific Tasks
	<p>manual, popular version of the SP, CRI agronomy videos (secretariat to liaise with CRI on the same.</p> <ul style="list-style-type: none"> - Increase KCPA visibility on social networking platforms i.e. Facebook, Twitter and LinkedIn. - Promote KCPA value proposition through field visits to members - Develop and distribute KCPA promotional material i.e. brochures, fliers and business cards - Participate in activities organized by other Stakeholders such as AFCA Conference, Ruiru Coffee Fair, KCTA Coffee Quarterly, SyK Power Talks among others. - Increase KCPA's visibility in existing coffee industry bulletins and on national media i.e. print, radio and TV

Source: Consultant's compilation, 2018

2. THE ACTION PLAN

The KCPA Action Plan was informed by proposals by the stakeholders, emerging issues and trends that impact on the coffee sector in Kenya. This action plan serves as a tool through which KCPA will execute its interventions, in a focused, effective and results oriented manner. The detailed action plan is presented in *Table 6: Proposed Action Plan* below:

Table 6: Proposed Action Plan

1.1 Strategic focus area: Membership					
Expected outcome: Growth and retention of membership					
Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
Member recruitment	Organize recruitment drives targeting cooperatives and estates in coffee producing counties.	Increase membership to at least 400 cooperatives and 800 estate owners At least 50 new cooperative members are recruited per year At least 150 estate owners are recruited per year	Continuous	KCPA Secretariat	Availability of financial resources
	Attend AGMs for different cooperatives and promote KCPA value proposition	Attend at least 2 AGMS per quarter	Continuous	KCPA Secretariat	Availability of financial resources
	Exhibit KCPA in farmer centric agricultural shows and exhibition	Attend at least 1 event per quarter	Continuous	KCPA Secretariat	Availability of financial resources
	Support board members to hold regional meetings in their regions	At least one board member holds their regional meeting per quarter	Continuous	KCPA management board	Willingness of board members

Member retention	Review member register annually and follow up on subscriptions update.	At least 90% members renew membership and pay in subsequent years.			
	Establish a feedback mechanisms to get farmer needs and expectations to remain relevant and responsive to the farmer needs.	Evidence of a feedback mechanism and evidence of implementation of the same			

Strategic focus area: Member services					
2.1 Strategic Objective: Policy dialogue facilitation					
Expected Outcome: Policy and legal framework in the coffee industry is improved					
Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
Lobby for recognition of KCPA as the legitimate coffee farmer representative with AFA and CSIC	Prepare and present an application letter to AFA – Coffee Directorate, Council of Governors and CSIC	Application letter presented	December 2018	KCPA Secretariat and management board	Networks with AFA
Lobby for increased budgetary allocation to the coffee sector by both the national and county government to support provision of	Review the current budgetary allocation by the national government and county governments in coffee producing counties and prepare a coffee development status report	County coffee development status report	December 2018	KCPA Secretariat /Consultant	Knowledge on budgeting

Strategic focus area: Member services

2.1 Strategic Objective: Policy dialogue facilitation

Expected Outcome: Policy and legal framework in the coffee industry is improved

Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
subsidized inputs.	Present coffee development status report at the annual coffee stakeholders forum facilitated with representation from all coffee growing counties.	Annual coffee stakeholders' forum report Minutes of negotiation meetings with AFA and County governments	February 2019 February 2020 February 2021	KCPA Secretariat/ Coffee Directorate/Coffee Growing Counties	Established networks with Coffee Directorate, Council of Governors and respective county CEC- Agriculture
Promote stakeholder engagements along the value chain	Participate in talks, forums and workshops organized by other stakeholders affecting the coffee sector.	Attend at least 1 coffee forum per quarter	Continuous	KCPA Secretariat	Have a strong linkage with sector actors
	Organize routine planning meetings with County governments in coffee growing counties.	At least 3 coffee growing counties visited per quarter and a mission report available.	Continuous		
	Support the establishment of county coffee working groups.	At least 9 county coffee working groups established per annum and secretariat receives minutes of meetings.	Continuous		
Lobby for the subsidization of coffee	Review of inputs subsidy models of other value chains e.g. Cereals through NCPB	Inputs subsidy proposal report	December 2018	KCPA Secretariat	Knowledge of other value chain systems

Strategic focus area: Member services

2.1 Strategic Objective: Policy dialogue facilitation

Expected Outcome: Policy and legal framework in the coffee industry is improved

Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
inputs	Present inputs subsidy proposals at the annual coffee stakeholders forum	Annual coffee stakeholders' forum report. Minutes of negotiation meetings with AFA and County governments	February 2019	KCPA Secretariat/ Coffee Directorate/Coffee Growing Counties	Established networks with Coffee Directorate, Council of Governors and respective county CEC- Agriculture
Lobby for the creation of better working environment for coffee marketing	Research on extent of coffee theft and hawking and its impact and present findings and recommendations to relevant authorities.	Extent of coffee theft and hawking report Minutes of meeting with the Coffee Directorate and agreed action to curb theft and hawking of coffee.	June 2019	KCPA Secretariat	Established networks A consultant will be hired
	Research on coffee grading system to assess issues of transparency and present findings and recommendations to relevant authorities for action.	Coffee grading system report Evidence of the findings disseminated widely including presentation at the annual coffee stakeholders forum.	September 2019	KCPA Secretariat	Willingness by members A consultant will be hired
	Research on issues hindering grower marketers to access the auction and make	Lobby for change in grower marketer licensing Minutes of meetings	Continuous	KCPA Secretariat	Knowledge on coffee marketing A consultant will be

Strategic focus area: Member services

2.1 Strategic Objective: Policy dialogue facilitation

Expected Outcome: Policy and legal framework in the coffee industry is improved

Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
	recommendations on the best strategy to support grower marketers access the auction.	lobbying for this			hired
	Research on reserve price setting and assess if there are transparency issues. Follow up implementation of recommendations.	Reserve price setting report. Evidence of the findings disseminated widely including presentation at the annual coffee stakeholders forum.	Continuous	KCPA Secretariat	Knowledge on coffee marketing
	Prepare and present a position paper on coffee trading rules	Position paper on coffee trading rules Minutes of meeting with Coffee directorate	August 2018	KCPA Secretariat	Knowledge on coffee marketing
Lobby for the review of electricity tariff system to consider subsidy to coffee producers	Prepare and present position paper on cost of electricity to Kenya Power and ERC.	Position paper on impact of high energy costs and suggested mitigation measures. Minutes of meetings lobbying for this.	December 2019	KCPA Secretariat	Knowledge on electricity tariff
Lobby for improved access to credit and	Review of available financing on coffee production	Report on agriculture financing products in coffee	July 2020	KCPA Secretariat	Knowledge on agriculture financing

Strategic focus area: Member services

2.1 Strategic Objective: Policy dialogue facilitation

Expected Outcome: Policy and legal framework in the coffee industry is improved

Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
increased diversification in coffee	Prepare a catalogue of recommended credit finance providers.	Catalogue of recommended financiers	July 2019	KCPA Secretariat	Knowledge on agriculture financing
	Research on challenges experienced when applying to the commodities fund and present the same to commodities fund. Disseminate feedback to membership.	Paper on challenges experienced when applying to the commodities fund Minutes of meetings lobbying for this	January 2019	KCPA Secretariat	Knowledge on agriculture financing
	Lobby for recognition of coffee as a tree for carbon trading	Paper on coffee and carbon trading. Minutes of meetings lobbying for this.	December 2021	KCPA Secretariat	Knowledge on carbon trading
Lobby for increased coffee research and extension material development	Lobby for the development of a coffee curriculum.	Minutes of meetings lobbying for this.	Continuous	KCPA Secretariat	Established networks
	Prepare and present position paper on budgetary allocation to coffee research and extension material development	Position paper on budgetary allocation to coffee research and extension material development. Minutes of meetings lobbying for this	March 2019	KCPA Secretariat	Knowledge on coffee research
	Prepare and present paper on	Paper on status of production and	Continuous	KCPA Secretariat	Established networks

Strategic focus area: Member services

2.1 Strategic Objective: Policy dialogue facilitation

Expected Outcome: Policy and legal framework in the coffee industry is improved

Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
	seedlings production and distribution to farmers	distribution of seedlings to farmers Minutes of meetings lobbying for this			
Lobby for development of a national coffee policy	Develop and present a position paper on the need for a national coffee policy.	Position paper on national coffee policy Minutes of meetings lobbying for this.	September 2019	KCPA Secretariat	Established networks

Strategic focus area: Member services

2.2 Strategic Objective: Member capacity building

Expected Outcome: Quality and quantity of coffee produced increased by 25% by 2022

Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
Prepare and conduct trainings to members on various topics	<ul style="list-style-type: none"> - Organize trainings on: 1. good production practices; 2. climate change mitigation and adaptation measures; 3. good manufacturing 	At least 2 people per thematic area per region are identified to champion lobbying for county training in each thematic area. KCPA to get quarterly reports from the champions	Continuous	<ul style="list-style-type: none"> KCPA Secretariat Development partners National Government County Governments Value chain actors including Marketing 	<ul style="list-style-type: none"> All parties will cooperate and provide resources as expected. Trainers in the

Strategic focus area: Member services

2.2 Strategic Objective: Member capacity building

Expected Outcome: Quality and quantity of coffee produced increased by 25% by 2022

Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
	practices (primary processing); 4. corporate governance and leadership; 5. coffee marketing and buyer requirements. 6. Gender mainstreaming	At least 50% of member cooperatives launch farmer training programmes At least 50% of the cooperatives are supported to develop business plans At least 50% of the management boards and staff are trained on good governance At least 5,000 farmers and cooperative staff are trained on various thematic areas		agents and coffee buyers	region will cooperate.
Promote use of ICT among members	Conduct a needs assessment on the ICT requirements of KCPA members and available solutions in the market	Needs assessment report	December 2019	KCPA Secretariat Development partners National Government County Governments Value chain actors including Marketing agents and coffee buyers	A consultant will be hired

Strategic focus area: Member services

2.2 Strategic Objective: Member capacity building

Expected Outcome: Quality and quantity of coffee produced increased by 25% by 2022

Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
	Conduct a study on available ICT solutions in the market against identified requirements and the providers	Catalogue developed	December 2019	KCPA Secretariat Development partners National Government County Governments Value chain actors including Marketing agents and coffee buyers	Knowledge on ICT solutions A consultant will be hired
	Support members to acquire and install ICT solutions	At least 20 cooperatives per annum are supported to install appropriate Management information systems.	Continuous	KCPA Secretariat Development partners National Government County Governments Value chain actors including Marketing agents and coffee buyers	Availability of financial resources
Promote local consumption of coffee	Partner with other value chain actors in branding and promoting local consumption	Partnerships developed	Continuous	KCPA Secretariat Development partners National Government County Governments Value chain actors including Marketing agents and coffee	Willingness of collaboration by other stakeholders

Strategic focus area: Member services

2.2 Strategic Objective: Member capacity building

Expected Outcome: Quality and quantity of coffee produced increased by 25% by 2022

Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
				buyers	
	Sensitize and support members to start local brewing	Members sensitized and supported	December 2022	KCPA Secretariat	Availability of financial resources

2.3 Strategic Objective: Knowledge and information collection and dissemination

Expected Outcome: Improved communication capability and visibility of KCPA

Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
Increase KCPA communication to members on current affairs	Acquire a bulk SMS platform for pushing marketing and administrative information to members	All members receive weekly coffee auction information and general production tips.	Continuous	KCPA Secretariat Coffee Research Institute Nairobi Coffee Exchange	Bulk SMS provider will be contracted
	Encourage the formation of the regional social media groups.	Regional social media platforms in use	Continuous	KCPA Secretariat KCPA management board	Farmers willing to participate
Establish a coffee production knowledge center	Collect and compile studies, manuals and training material on GAPs and GMPs	Manuals and training material on GAPs and GMPs collected and compiled and shared on KCPA website	May 2019	KCPA Secretariat	Availability of material

2.3 Strategic Objective: Knowledge and information collection and dissemination					
Expected Outcome: Improved communication capability and visibility of KCPA					
Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
	Prepare a catalogue of coffee cupping and tasting procedures and requirements	Catalogue developed and shared on KCPA website	December 2019	KCPA Secretariat	Availability of material
	Prepare a detailed manual of coffee marketing process and requirements	Manual prepared and shared on KCPA website.	December 2018	KCPA secretariat	Willingness of collaboration by other stakeholders
	Prepare a catalogue of registered coffee marketing agents, millers and buyers	Catalogue prepared and shared on the website	December 2018	KCPA secretariat	Willingness of collaboration by other stakeholders
	Compile and avail bench marking information on the regional, and global prices(New York) prices	Compiled pricing information and shared on the website	December 2018	KCPA secretariat	Knowledge on coffee pricing
	Prepare documentation on current climate change issues and their effects on coffee production	Documentation prepared and shared on the website	December 2019	KCPA secretariat	Knowledge on climate change
	Prepare documentation on research findings on coffee varieties, pest and diseases	Documentation prepared and shared on the website	December 2019	KCPA secretariat	Knowledge on coffee research
	Prepare and document research findings on gender inequality and its effects on coffee production/coffee sub	Documentation prepared and shared on the website	December 2019	KCPA secretariat	Knowledge on gender inequalities

2.3 Strategic Objective: Knowledge and information collection and dissemination					
Expected Outcome: Improved communication capability and visibility of KCPA					
Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
	sector				

Strategic focus area 3: Financial resource mobilization					
Strategic Objective 3: Improve resource mobilization and sustainability					
Expected outcome: Financial sustainability					
Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
Increase subscriptions collection	Set up a billing system that will bill on time, facilitate easier payments like using a paybill and has a reminder and acknowledgment of payment mechanism.	90% subscriptions collection realized	December 2018	KCPA management board	Acceptance by board
	Offer and communicate waivers to current membership for outstanding subscriptions to encourage payment.	90% subscriptions collection realized	December 2018		
	Offer discounts to current members on timely payment of subscriptions.	90% subscriptions collection realized	December 2018	KCPA management board	Acceptance by board

Strategic focus area 3: Financial resource mobilization					
Strategic Objective 3: Improve resource mobilization and sustainability					
Expected outcome: Financial sustainability					
Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
	Develop a corporate membership plan and promote it to prospective partners.	10% of the subscriptions is from corporate members.	December 2019	KCPA management board	Acceptance by AGM
Provide cupping services	Purchase necessary equipment to start a coffee tasting and grading lab for commercial services.	10% of revenue is from cupping services	Continuous	KCPA Secretariat	Cupping equipment will be purchased
	Develop and execute a marketing plan for the cupping services targeting members and exploring partnerships with development partners and the national and county governments.	10% of revenue is from cupping services	December 2019	KCPA management board	Knowledge on marketing by Secretariat
Fund raising from development partners	Identify prospective financial partners among NGOs, International buyers, Standard owners , and the government	50% of revenue mobilized from development partners	December 2018	KCPA Secretariat Development Partners	Knowledge on donor funding
	Prepare proposals and concept notes and share with prospective partners	2 proposals developed and shared per quarter	Continuous	KCPA Secretariat	Knowledge on proposal development and networks with funds providers
	Pitch KCPA's value proposition in stakeholder workshops, exhibitions, power talks, business meetings, gala dinners	At least 2 events attended per quarter	Continuous	KCPA Secretariat	Networks with other stakeholders

Strategic focus area 3: Financial resource mobilization					
Strategic Objective 3: Improve resource mobilization and sustainability					
Expected outcome: Financial sustainability					
Actions	Specific Tasks	Objectively verifiable performance Indicators	Timeframe	Actors	Assumption
	among others				
Sale of knowledge resources	Develop and host extension training videos and webinars and charge a fee for access.	At least 50 farmers access videos and webinars quarterly	Continuous	KCPA Secretariat Coffee Research Institute	Networks with other stakeholders
	Develop and promote a subscriptions based short messaging service.	At least 5, 000 farmers access the service quarterly	Continuous	KCPA Secretariat	Networks with other stakeholders
Source national and county governments funding	Develop fund raising proposals targeting national and county governments.	At least 2 proposals developed per quarter	Continuous	KCPA Secretariat	Networks with other stakeholders

Strategic focus area 4: Institutional capacity building and strengthening					
Strategic objective 4: Institutional capacity building and strengthening					
Expected outcome: Operational efficiency					
Actions	Specific Tasks	Objectively verifiable performance indicator	Timeframe	Actors	Assumption
Strengthen the organization leadership and	Organize monthly management meetings to plan and review	Minutes of monthly meetings	Continuous	KCPA Secretariat	There are adequate resources to pay board allowances.

Strategic focus area 4: Institutional capacity building and strengthening

Strategic objective 4: Institutional capacity building and strengthening

Expected outcome: Operational efficiency

Actions	Specific Tasks	Objectively verifiable performance indicator	Timeframe	Actors	Assumption
governance	progress on various projects in line with the strategic plan.				
	Develop a resource mobilization strategy.	Resource mobilization strategy developed	September 2018	KCPA Secretariat And Management Board	There are adequate resources to pay board allowances
	Build the board capacity on oversight and business development Develop concept notes and share with partners for the capacity building of board members	Concept notes and proposals Training reports	Continuous	KCPA Secretariat	Willingness by other partners to support
	Compile and share relevant material on executive management to board members	Documentation compiled and shared	Continuous	KCPA Secretariat	Availability of required documentation
	Develop and disseminate to staff and the board lobby and advocacy and programming policy documents.	Board lobby and advocacy and programming policy developed	December 2019	KCPA Secretariat	There are adequate resources to facilitate this

Strategic focus area 4: Institutional capacity building and strengthening

Strategic objective 4: Institutional capacity building and strengthening

Expected outcome: Operational efficiency

Actions	Specific Tasks	Objectively verifiable performance indicator	Timeframe	Actors	Assumption
	Explore inclusion of women and youth at all levels that is at the membership, management board and staff level.	Compliance to the 1/3 rule of including minority groups (especially women and youth) at the board and staff level	Continuous	KCPA Secretariat	Board willingness to comply
	Hold annual general meeting	Minutes of the meeting	Annual	KCPA Secretariat KCPA Management Board KCPA Membership	Adequate resources to facilitate this
Staff capacity building	Facilitate a retreat for staff and board to present the strategy and develop the day to day execution of the strategic plan.	Retreat report	August 2018	KCPA Secretariat KCPA Management Board	A consultant will be hired
	Facilitate workshop to disseminate the existing policy documents to staff and board.	Workshop report	August 2018	KCPA Secretariat KCPA Management Board	Adequate resources to facilitate this
	Capacity building of staff on lobby and advocacy, fundraising, financial management	Workshop report	December 2018	KCPA management board and Secretariat	Adequate resources to facilitate this

Strategic focus area 4: Institutional capacity building and strengthening
Strategic objective 4: Institutional capacity building and strengthening
Expected outcome: Operational efficiency

Actions	Specific Tasks	Objectively verifiable performance indicator	Timeframe	Actors	Assumption
	and training.				
	Partner with universities to second interns.	At least 1 intern is engaged all the time	Continuous	KCPA management board and Secretariat	Adequate resources to facilitate this Management approval
	Build the Association legal advocacy abilities through: ○Preparing and sharing concept notes to prospective law schools and law firms for the provision of legal advisory on advocacy issues on pro bono. ○Share a concept note with Kituo cha Sheria for the provision of legal advisory through their legal clinic.	Concepts prepared and shared	June 2019	KCPA secretariat	Board commitment

Strategic focus area 4: Institutional capacity building and strengthening
Strategic objective 4: Institutional capacity building and strengthening
Expected outcome: Operational efficiency

Actions	Specific Tasks	Objectively verifiable performance indicator	Timeframe	Actors	Assumption
Finance operations improvement	Review the finance manual and internal control system to ensure it promotes increased transparency and accountability.	Finance procedure documents updated	December 2018	KCPA Secretariat	Adequate resources to facilitate this
	Computerize record keeping.	Computerized accounting system installed	June 2019	KCPA management board and Secretariat	Adequate resources to facilitate this Management approval
Marketing and communication enhancement	Develop an attractive and dynamic website	Website developed	December 2018	KCPA management board and Secretariat	Adequate resources to facilitate this Management approval
	Promote KCPA value proportion through field visits to members	Attend at least 2 AGMS per quarter	Continuous	KCPA management board and Secretariat	Adequate resources to facilitate this
	Participate in activities organized by other stakeholders such as AFCA Conference,	Attend at least 2 events per quarter and purposively promote KCPA and her achievements	Continuous	KCPA Secretariat	Established networks with other stakeholders within the value chain

Strategic focus area 4: Institutional capacity building and strengthening

Strategic objective 4: Institutional capacity building and strengthening

Expected outcome: Operational efficiency

Actions	Specific Tasks	Objectively verifiable performance indicator	Timeframe	Actors	Assumption
	Ruiru Coffee Fair, KCTA Coffee Quarterly, SyK Power Talks	Attend at least 1 event per quarter and purposively promote KCPA and her achievements.			
	Develop and distribute KCPA promotional material i.e. brochures, fliers and business cards	Brochures, fliers and business cards developed and distributed	Continuous	KCPA Secretariat	Adequate resources to facilitate this Management approval
	Increase KCPA visibility on social networking platforms i.e. Facebook, Twitter and LinkedIn	Social networking platforms active	Continuous	KCPA Secretariat	Knowledge on social networking
	Increase KCPA's visibility in existing coffee industry bulletins and on national media i.e. print, radio and TV	One media appearance in either radio, TV or print at least quarterly At least 1 article published per quarter	Quarterly	KCPA Secretariat	Existence of networks with media houses

Critical success factors

- (a) Leadership commitment to realizing results.
- (b) Shared strategic vision among all partners that is members, the board and staff.
- (c) Availability of financial and human resources.

- (d) Effective assignment of roles and responsibilities to all responsible.
- (e) Effective communication between the management and implementers on activities and outcomes.
- (f) Effective monitoring and evaluation mechanisms to track performance and effect changes when required.

Assumptions

- (a) Economic stability – Kenya coffee demand is sustained.
- (b) Political stability – Continued political goodwill at the national and county government’s level to promote and support the coffee sector.
- (c) Legal – there will be no major policy changes that will curtail KCPA’s activities.

Risks

- (a) Climate change thereby adversely affecting coffee production.
- (b) Change in land use especially in the central region.
- (c) Social factors e.g. aging farmer population, low youth involvement, low local coffee consumption.
- (d) Increased coffee theft and illegal trading.

3. BUDGET

The estimated budget is shown below.

Revenue	2018	2019	2020	2021	2022
Membership					
	Kshs	Kshs	Kshs	Kshs	Kshs
Society	191*1500*3	250*1500*3	300*1500*3	350*1500*3	400*1500*3
Subtotal society subscriptions	859,500.00	1,125,000.00	1,350,000.00	1,575,000.00	1,800,000.00
Estate owners	94* 200*3	200*200*3	400*200*3	600*200*3	800*200*3
Subtotal estate owners subscriptions	56,400.00	120,000.00	240,000.00	360,000.00	480,000.00
Cupping services	100,000.00	300,000.00	500,000.00	700,000.00	900,000.00
Development partners	15,000,000	20,000,000	25,000,000	30,000,000	30,000,000
Sale of knowledge resources	50*4*1000	100*4*1000	150*4*1000	200*4*1000	250*4*1000
Sub-total sale on knowledge resources	200,000.00	400,000.00	600,000.00	800,000.00	1,000,000.00

Revenue	2018	2019	2020	2021	2022
County governments partnerships	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Trade fairs/gala dinners	200,000.00	300,000.00	400,000.00	500,000.00	500,000.00
Total income	17,415,900	23,245,000	29,090,000	34,935,000	35,680,000
Expenses					
Administrative expenses	3,500,000.00	4,200,000.00	5,040,000.00	6,048,000.00	7,257,000.00
Governance expenses	750,000.00	1,500,000.00	2,000,000.00	2,000,000.00	2,000,000.00
Project implementation expenses	12,750,000.00	17,000,000.00	21,250,000.00	25,500,000.00	25,500,000.00
Other operating expenses	200,000.00	200,000.00	300,000.00	300,000.00	300,000.00
Total expenses	17,200,000.00	22,900,000.00	28,590,000.00	33,848,000.00	35,057,000.00
Surplus/deficit	215,900.00	345,000.00	500,000.00	1,087,000.00	623,000.00

4. MONITORING, EVALUATION AND LEARNING

4.1 Monitoring and Evaluation Framework

Monitoring, Evaluation and Learning will be a central feature of the strategic plan implementation. This is essential to ensure that targets are achieved within the time allocated. Furthermore, KCPA will need to monitor and evaluate the inputs, activities, outputs and outcomes to ensure that the objectives of the plan are delivered as expected. It will involve routine data collection and analysis that will be used to inform members and decision-makers the progress made, highlight lessons learnt and corrective actions that need to be implemented.

At the organization level, the Monitoring, Evaluation, Learning and Reporting will be the responsibility of the programs officer. The monitoring data will be compiled at least quarterly or any other agreed duration in line with the various performance indicators in respective proposals and the KCPA's work plan.

4.2 Evaluation mechanisms

The Strategic Plan will be evaluated continuously during implementation to ensure that it remains feasible, relevant and likely to produce the planned results.

4.2.1 Progress Reports

Reports on the progress of the strategic plan will be written on monthly, quarterly and annual basis. Performance indicators as defined in the respective proposals will be used to assess progress and provide feedback on gaps and suggested way forward.

4.2.2 Mid-term and End-term Review

A mid-term review of the Strategic Plan will be undertaken in 2020 to examine achievements over the two years against expected results. It will facilitate review of strategies and indicators to inform evidence-based adjustments. The end-term review will be conducted in the first half of 2023 to determine the overall impact and outcomes against set key result areas. The end term review will be conducted by independent reviewers to assess progress and achievements of the proposed outcomes and impact results. These recommendations will inform the next strategic plan.

5. RESOURCE MOBILIZATION

5.1 Objectives of the resource mobilization strategy

Adequate financial, human and technical resources will be crucial to the successful implementation of this strategic plan. A resource mobilization plan will be prepared by management. The approach proposed will be aimed at:

- Ensuring that KCPA has a clear, coordinated approach to soliciting, acquiring, utilization, management, reporting, monitoring achievements and managing financial inflows for Strategic Plan 2018-2022 implementation;
- Ensuring the effective use of funds.
- Improving relations and dialogue between KCPA and all cooperating partners.
- Improving structures and systems to facilitate better management of the resources.
- Aligning financial and technical support to the priority areas; and
- Broadening the resource channels by exploring alternative sources of funding in order to increase the resource base.

5.2 Proposed Guiding Principles for Financial Management

KCPA will pursue a resource mobilization strategy that is consistent with priority programs as stated in the Strategic Plan. These will include;

- Meeting the coffee producers needs as its core mandate and role;
- Promoting effective and efficient use of available resources for sustainable development;
- Building on national and international synergies. KCPA will ensure the principles of ownership, alignment, harmonization, managing for results and mutual accountability are adhered to in financial management;
- Adopt result-based programming and implementation: As resource mobilization becomes more competitive, KCPA will ensure the actions under the Strategic Plan are delivered in a timely, efficient and accountable manner through effective monitoring and evaluation.

5.3 Potential sources of resources

The management will work with development partners to agree on shared programmatic objectives in line with the Strategic Plan 2018-2022 priority areas. This will involve developing concept notes and engaging the partners continuously during the implementation period. The partners will be kept updated on the progress of activities, lessons learned or any challenges and mitigation measures through scheduled regular meetings and progress reports.

The main source of funding for KCPA are as shown below:

- Member's subscription;
- Providing services for fees – cupping services;
- Sale of publications and resources;
- Fund raising events;
- Development partners;
- National and county governments funding.

