



ssnup

Smallholder Safety Net
Upscaling Programme



ACCESSING NEW MARKETS THROUGH CERTIFICATION FOR COFFEE PRODUCERS IN RWANDA



Africa



Latin America



Asia



Financial services



Non-financial services



Market building



Internal management

CONTEXT

Agriculture is the main economic activity in Rwanda with 70% of the population engaged in the sector, and around 72% of the working population employed in agriculture. The agricultural sector accounts for about 33% of the national GDP and is the dominant source of income for the majority of the poor living in rural areas (FAO). It is also of significant importance in achieving the national priority objectives of sustainable economic growth, food security, and poverty alleviation. Coffee is a key export commodity in Rwanda and an important source of foreign exchanges. Rwanda is a price taker on international coffee markets and remains vulnerable to high price fluctuations.

CURRENT STATUS OF THE INVESTEE

TROPIC COFFEE COMPANY LTD (TROPIC) is a Rwandan coffee producer, aggregator and exporter that works with cooperatives, companies, and a network of 2,767 smallholder coffee farmers in different areas of the country. TROPIC's business strategy centers on increasing the coffee volumes; acquire sufficient, well priced and timely working capital, identify buyers able to purchase and pay a premium for higher quality (organic certified) coffee, and to secure the certifications to better support the farmers they work with.

OBJECTIVE OF THE PROJECT

The project aims to support TROPIC to implement the new standards of Rainforest Alliance (RFA) certification. The certification will help to sell coffee at a higher price and increase the demand from existing buyers as well as identify opportunities in finding new potential customers and accessing new markets.

The main expected outcomes are:

- Increase price by 7.5% for certified coffee from the farmers.
- Grow sales volume by 12.3% for TROPIC.
- Increase revenue by 16.4% for TROPIC.

IMPACT INVESTOR



AGGREGATOR / INVESTEE
TROPIC COFFEE COMPANY
LTD (SME) – Rwanda

TARGETED N° OF FARMERS
630 farmers

AGRICULTURAL VALUE CHAIN
Coffee

STARTING DATE
January 2023

DURATION
7 months

TOTAL TA BUDGET
€ 20,000
Including € 16,000 (80%)
contribution from SSNUP



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