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Certification Programs and their Role in Small-Scale Farmers Livelihoods: Case of Rainforest and Café Practices

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Abstract

Standards have recently been advocated as tools to aid in consumer protection, improving small-scale producers' competitiveness and sustainable production. Consumers demand for safe products led to the growth of certification schemes in European markets and other markets in the East. For small-scale producers in developing countries, the potential of certification standards to improve productivity, offer better prices through improved market access and better incomes hence food security provides a basis for their adoption. However, the adoption of certification standards has been slow in Africa. Further, evidence of their impact on the livelihoods of small scale producers remains scarce and inconclusive in Africa.

The study sampled a total of 250 small-scale coffee farmers in Kenya. Distributed amongst certified Café Practices, non-Café farmers, certified Rainforest alliance (RFA) and non-Rainforest Alliance farmers. Purposive selection of households was used to control spillover effects and PSM was used to control selection bias. Results show that farmers who participated in Café certification received significantly higher prices per kilogram of coffee than non-Café farmers. However, due to lower land allocation and low productivity, they had lower coffee income per unit acre than non-Café farmers. Additionally, Café certified households received lower total agricultural income despite having a high percentage of households depending on agricultural income for sustenance. Further results show that households participating in RFA received significant lower value of income per unit acre than the non-RFA households. Evidence of negative impact of RFA certification on amount of coffee produced and the total agricultural income of the households was observed. Though not significant, RFA certification increased the price of coffee per kilogram received by certified households. Of importance is that, both certifications resulted in farmers achieving lower productivity than the country's average productivity. Further, over 90 percent of the certified farmers surveyed could not identify the type of certification they held.

This study recommends the need for co-operatives to look past certification, put in place ways to improve productivity of farmers and offer better farmers training programs on the process of certification.

Keywords: Certification programs, Kenya, livelihoods, PSM, standards