



NGUVU

EMPOWERING FEMALE COFFEE FARMERS IN KENYA

Impact measurements report 2021



**WHEN YOU DRINK
NGUVU COFFEE...**

**... YOU EMPOWER
FEMALE COFFEE
FARMERS IN KENYA**



**THROUGH BETTER PAYMENT,
TRAINING WITH AGRONOMISTS
AND NEW WATER TANKS THE
WOMEN HAVE INCREASED
THEIR ANNUAL INCOME**

from coffee cherries from
156usd to 535usd - close to the
poverty line at 693,5usd



**ALL WOMEN BELIEVE
THAT NGUVU IS AN
ACCELERATOR TO
THEIR DEVELOPMENT
AND TRANSFORMATION.**

They feel the group gives them a better chance to realize their dreams.



**MOREOVER, THE WOMEN
HAVE RECEIVED NEW
COFFEE TREES FROM
OUR COFFEE NURSERY,**

which will further increase production from 2022.



This is the first impact reporting done by NGUVU, going forward we will do every year. The report will be the guide of our work in Kenya, so we can assess if we are on track in reaching our goal of empowering female coffee farmers in Kenya.

The report is also for our customers, so they can see and follow the difference they create through their coffee consumption. And of course, for our partners, who are the backbone of all our work.

Enjoy the reading!



TABLE OF CONTENTS

- About NGUVU and the coffee initiative in Kenya
- The target group – female coffee farmers
- Impact measurements
 - Behind the data
 - Better payment
 - Improving farming skills
 - Access to water
 - Expanding the coffee farms
- Asking the women
 - Has your life improved since you joined NGUVU?
 - And in that case how?
- Collaboration with the local school
 - We work closely with Hillsville School in Meru to help improving the learning facilities in the local area.
- Other initiatives
 - Donation of cows
 - Donation of solar lamps
 - Help with transport

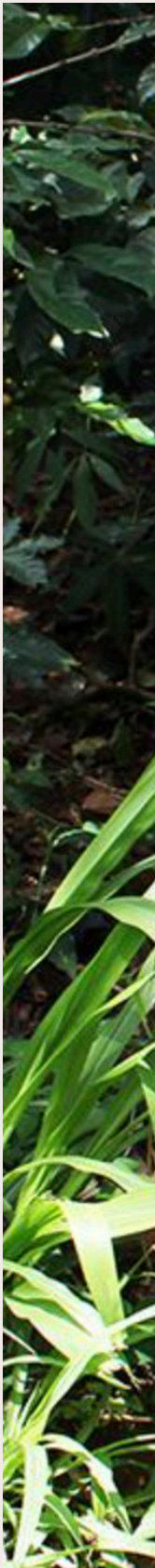
ABOUT NGUVU AND THE COFFEE INITIATIVE IN KENYA

NGUVU is a Danish company with the goal of empowering female coffee farmers in Kenya. We believe that we can create a sustainable value chain, where consumers in Denmark can drink great coffee while at the same time strengthen women and their small independent coffee businesses.

Traditionally, the women have been held in poverty because of poor payment for coffee beans. Moreover, the women often receive the payment one year later, which further worsened their situation and increased their debts.

Through the NGUVU business model the women now receive a fair payment upfront, when delivering the coffee cherries. At the same time, we help the women improve their farms, so they can grow their small coffee businesses step by step.

When we empower the women generally, it creates strong ripple effect. The women are not only able to bring food and clean water to the table every day. They are also able to send their children or grand-children to school, which is key to give the children a future with possibilities and to create long-lasting development in the local community.





THE TARGET GROUP

— FEMALE COFFEE FARMERS

Kenya has about 700,000 coffee farmers and about 99.63% are small-scale farmers with less than five acres. Almost no small-scale coffee farmers can solely depend on coffee farming to pay their bills and have to engage in diversified farming practices to earn a living. The challenges are even harder if you are a woman. While women's role and impact in farming has increased over time, women have less access to resources such as land, inputs, information, credit and training. This in turn reinforces patterns of female disempowerment.

The goal with NGUVU is to help challenge the gender gap, enabling women to stake their claim and succeed on their own terms.

Women's economic empowerment is central to gender equality. Various studies have shown that putting more money into women's hands, compared to men, is the smart thing to do. Women invest their money in their families and communities, which are the foundations of strong societies.

NGUVU WOMEN

In 2021 the NGUVU coffee initiative include a group of 150 women. They are all small-scale coffee farmers in the Meru region, around 225 kilometres north from Nairobi.

Out of the 150 women 119 are active members, which means they have or are able to deliver coffee cherries to NGUVU. The remaining 31 women are not yet able to deliver coffee cherries, often because they still have obligations to other local coffee factories. We are working closely together with the women to sort out debts and other obligations, so they can become active members of NGUVU in the nearest future.





The women are providing for an average of 2,44 children or grandchildren.



Their main income is from selling coffee cherries.



In average each woman has 328 coffee trees at their coffee farm.

THE PROFILE OF THE NGUVU WOMEN — BASED ON ACTIVE MEMBERS:



90 percent of the women are single.



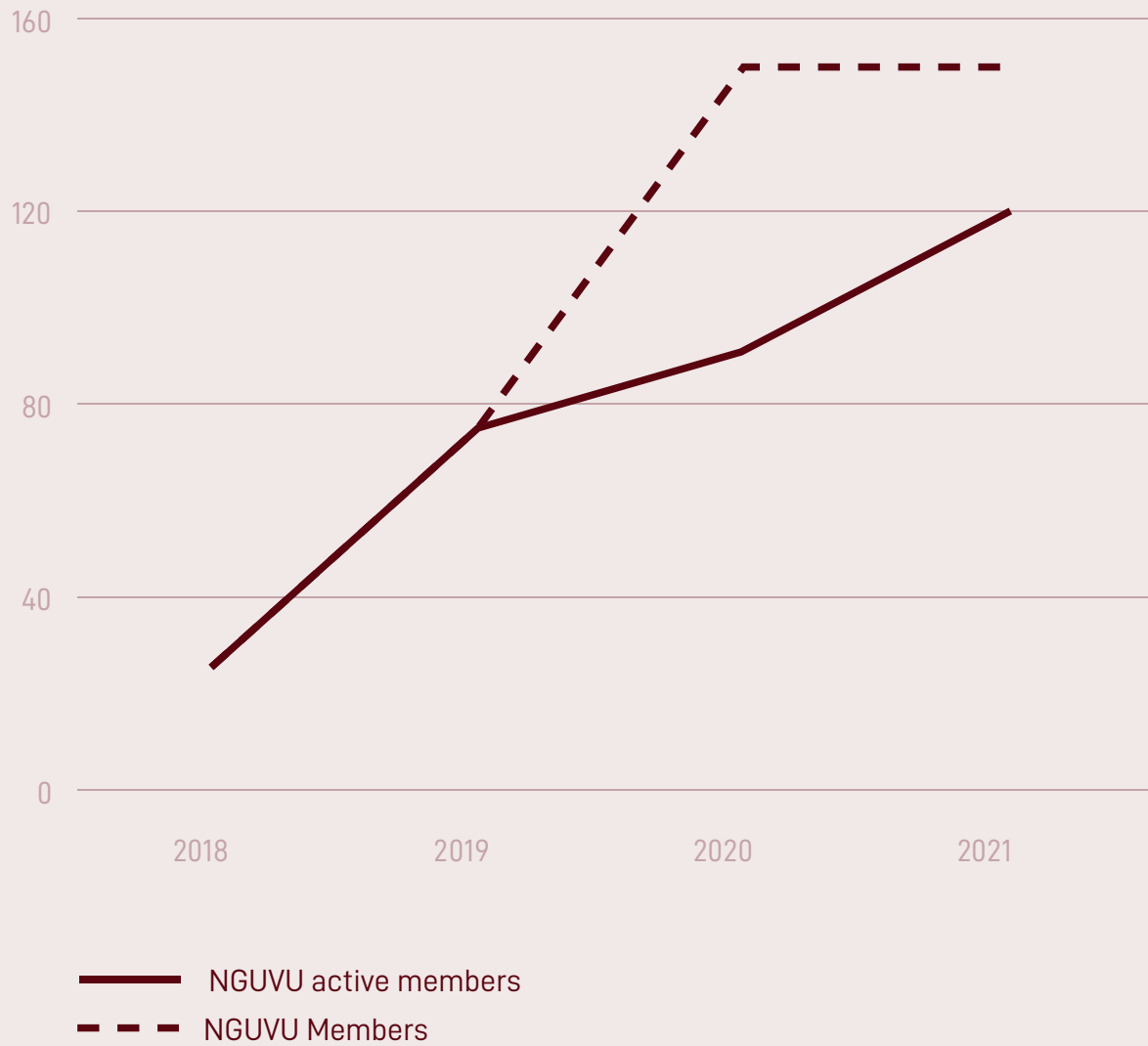
Their average age is 50 years (YOB 1971).



All women have experienced been paid poorly and always too late. Often, they got their payment one year after delivering the coffee cherries.

NGUVU WOMEN

This chart shows that we have increased the number of women in NGUVU – from 25 members in 2018 to 119 active members in 2021:



<https://www.oecd.org/dac/gender-development/investinginwomenandgirls.htm>

IMPACT MEASUREMENTS

NGUVU has one goal, which is to empower female coffee farmers in Kenya, so they are able to grow their small coffee businesses. That is the core of our DNA and that is why everything we do must support this. We aim to measure our efforts, yearly, to assess if we are on track. Below we will take you through our most important data:

BEHIND THE DATA

The quality in our data is improved every year. Both in data collecting and defining the data needed. But we also acknowledge that our data have insecurities, especially concerning:

Historical data: it is often difficult to access validated data from before the women join NGUVU. We mostly rely on the women's own statements. That is why we have insecurities in comparing data from before and after joining NGUVU.

Consistent data: it can be difficult to streamline data intake. At the beginning many of the women reported data covering family land and not only their own small farm. Still today we see a few women including coffee beans from e.g. their sister's farm, when they deliver coffee beans to NGUVU. That is of course not acceptable and we try to clean our data from inconsistencies.

Marital status: around 90 percent of the women in NGUVU state that they are singles. But we know relationships can be complex and it can be difficult to tick the right box. Moreover, the women know that we aim to primarily include single women into NGUVU, which can affect their answers.

The following data and impact measurements are therefore the best possible picture that we can give at this moment.

BETTER PAYMENT

One of the main objectives for NGUVU has been to secure the female farmers a fair price for their coffee cherries. Increasing earnings is essential for the women and their children to cover basic needs like food, water, education, healthcare, and shelter.



The coffee plant is a fruit tree. The fruits are similar in appearance to berries. They start green, and as they ripen, they turn redder. After being picked, the skin and pulp are removed and what's left is the seeds. The seeds are eventually roasted, and they are then known as 'coffee beans.



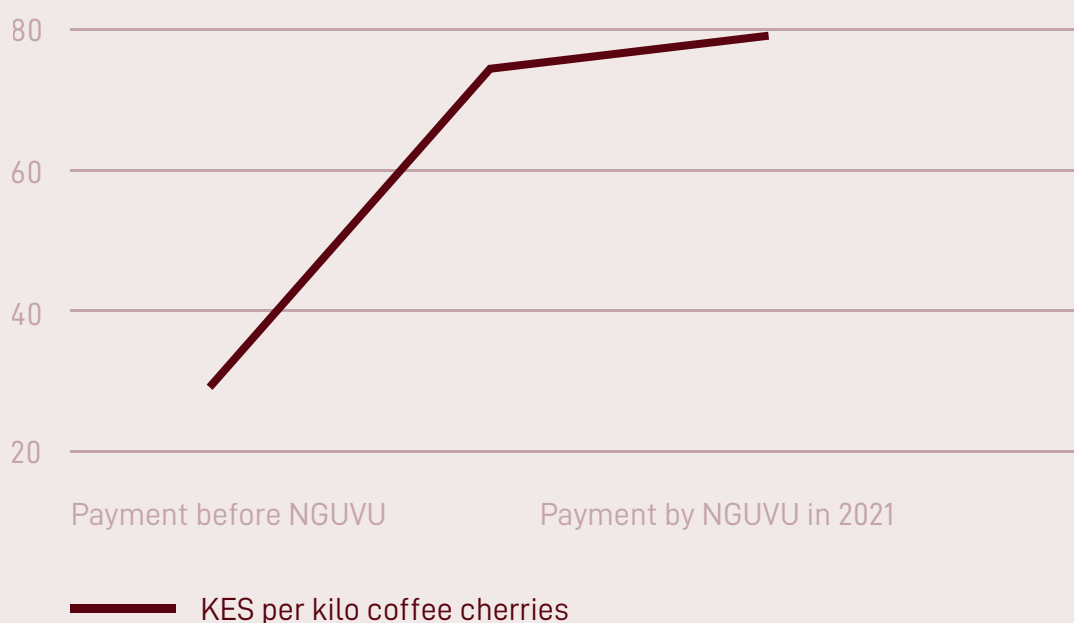
Before joining NGUVU the women were paid an average of Sh30,4 (0.28 USD) per kilo coffee cherries (based on data from 88 active members).

After joining NGUVU the women are paid an average of Sh77,5 (0.71 USD) per kilo coffee cherries (Sh75 and Sh80 the last two harvests). Moreover, the women get the payment the same day they deliver the coffee cherries.

It is important to note that only around 20 percent of a coffee cherry is the actual bean and that weight further decreases, when the bean is roasted. Furthermore, we don't know the quality of the coffee beans upon delivery. That is the risk we take with the NGUVU business model and that is why both the women and NGUVU depend on continuously improving the farms, so we are able to bring a larger share of the coffee beans to the Danish Market (primarily AA and AB grades).

KENYA SHILLING PER KILO COFFEE CHERRIES

This chart shows that the women in average have had a 155 percent increase in payment per kilo coffee cherries since they joined NGUVU:



IMPROVING FARMING SKILLS

In the end of 2019 NGUVU and our partner Zibra A/S carried out a comprehensive training programme for all the NGUVU women. Local agronomists gave the women practical knowledge and concrete tools to improve their farming skills.





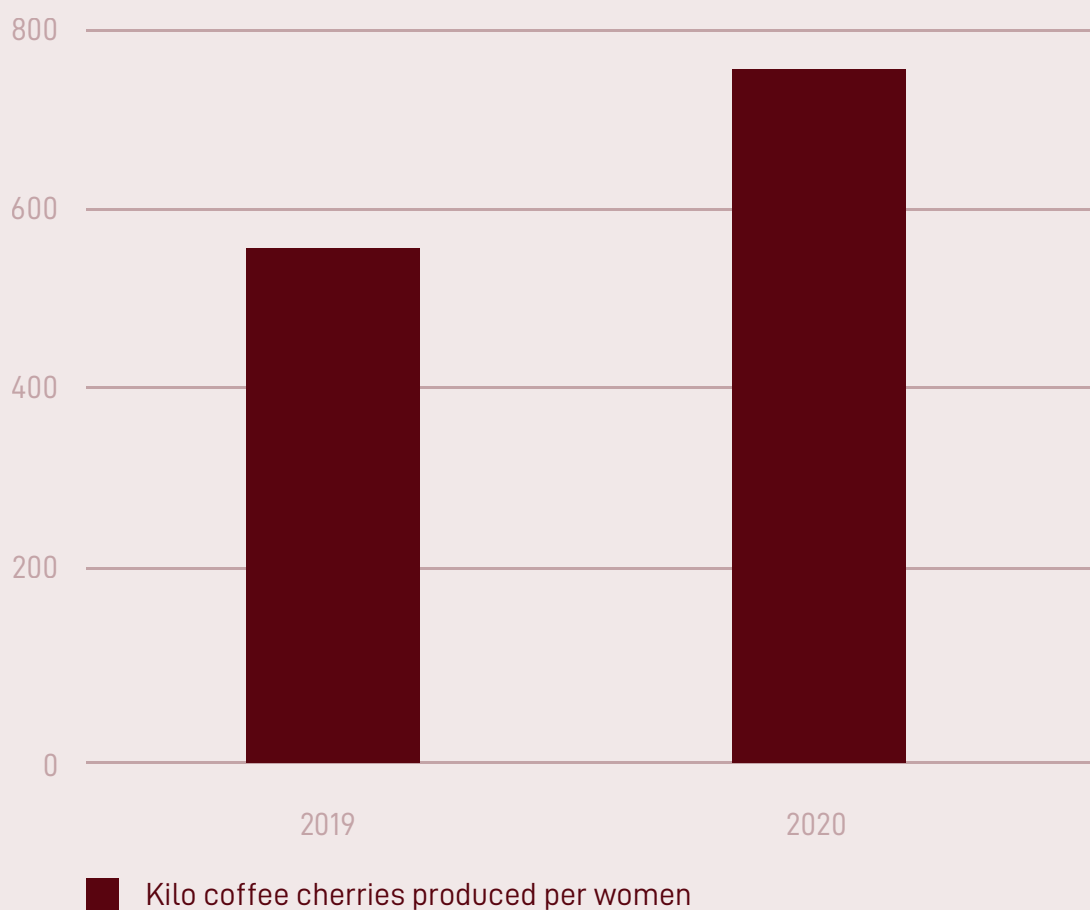
99 women out of the 119 active members completed the training and received their diplomas in the beginning of 2020.

Part of the training was to follow a checklist, enabling the women now know how they can work systematically on improving their farms all year round. Including how they can follow organic farming practices.

In 2019, before receiving the training, the women produced an average of 561 kilo coffee cherries each (based on only 30 women, because of poor access to data). The same group of women produced an average of 756 kilo coffee cherries each in 2020. Despite the insecurities in our data, it indicates that the training has helped the women to improve their coffee farms.

KILO COFFEE CHERRIES PRODUCED PER WOMEN

This chart shows that the women in average have increased their production of coffee cherries after receiving training with agronomists in the end of 2019:



INCREASE IN INCOME

Combining the higher payment and the increased production, secure the active NGUVU members a much-needed higher income.

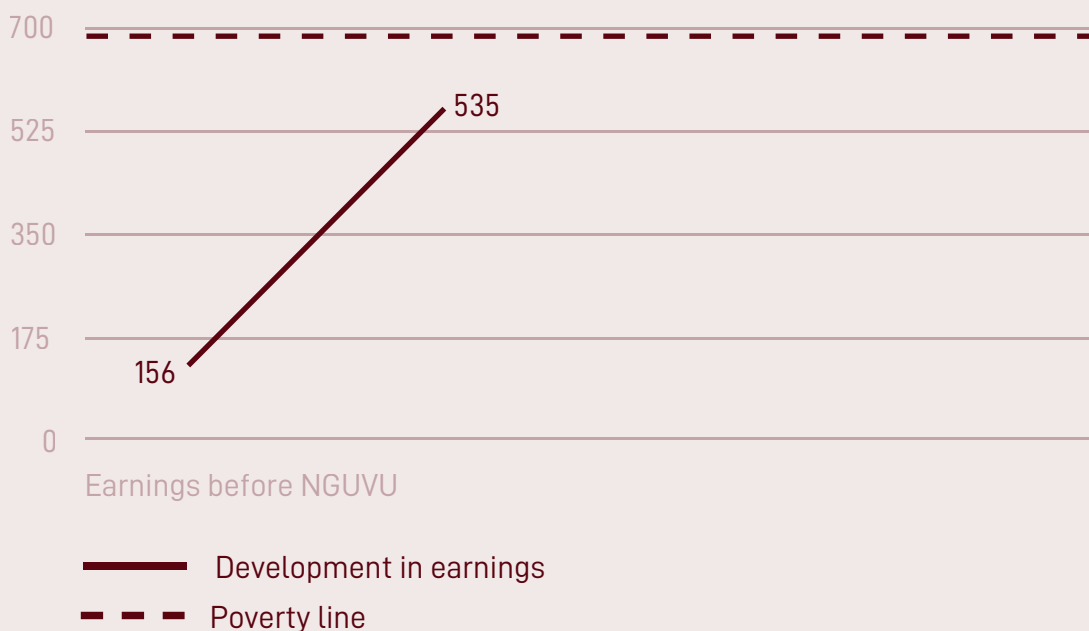
If we consider the prices paid before joining NGUVU together with the annual production before receiving training with the agronomist the women had an average annual income from the coffee business of Sh17,054 (156 USD). With the higher payment and increase in production they now have an average annual income from the coffee business of Sh58,590 (535 USD).

The poverty line defined by The World Bank is 1.9 USD per day. That equals an annual income of 693.5 USD.

It is vital to note that all women in NGUVU have other incomes, e.g. through working on other farms, selling milk, eggs, fruit or vegetables.

But our goal is to bring the women above the poverty line with earnings only from their coffee businesses. We have already taken a huge step together with the women, but as you can see from the chart below, we still have a lot of work to do:

DEVELOPMENT IN ANNUAL EARNINGS FROM COFFEE CHERRIES (USD)



ACCESS TO WATER

Next to low coffee prices, climate change is the biggest challenge named by coffee farmers around the world. Rising global temperatures and weather patterns that are increasingly extreme and unpredictable are threatening the livelihoods of coffee farmers.

Major droughts currently occur every ten years, and moderate droughts or floods every three to four years, with devastating results. As many as 28 droughts have been recorded in the past 100 years, at an increasing frequency. That makes it even more crucial for the women to have better access to water.

NGUVU is donating water tanks to the women – thanks to the support from Novozymes, Zibra A/S and a few private persons. Collecting water at the farms give the women better opportunities to water the coffee trees and at the same time it helps the women to save time and costs, when they do not have to fetch water far from home. The women also use water from the tank for cooking, washing, doing laundry and for cattle and other livestock.

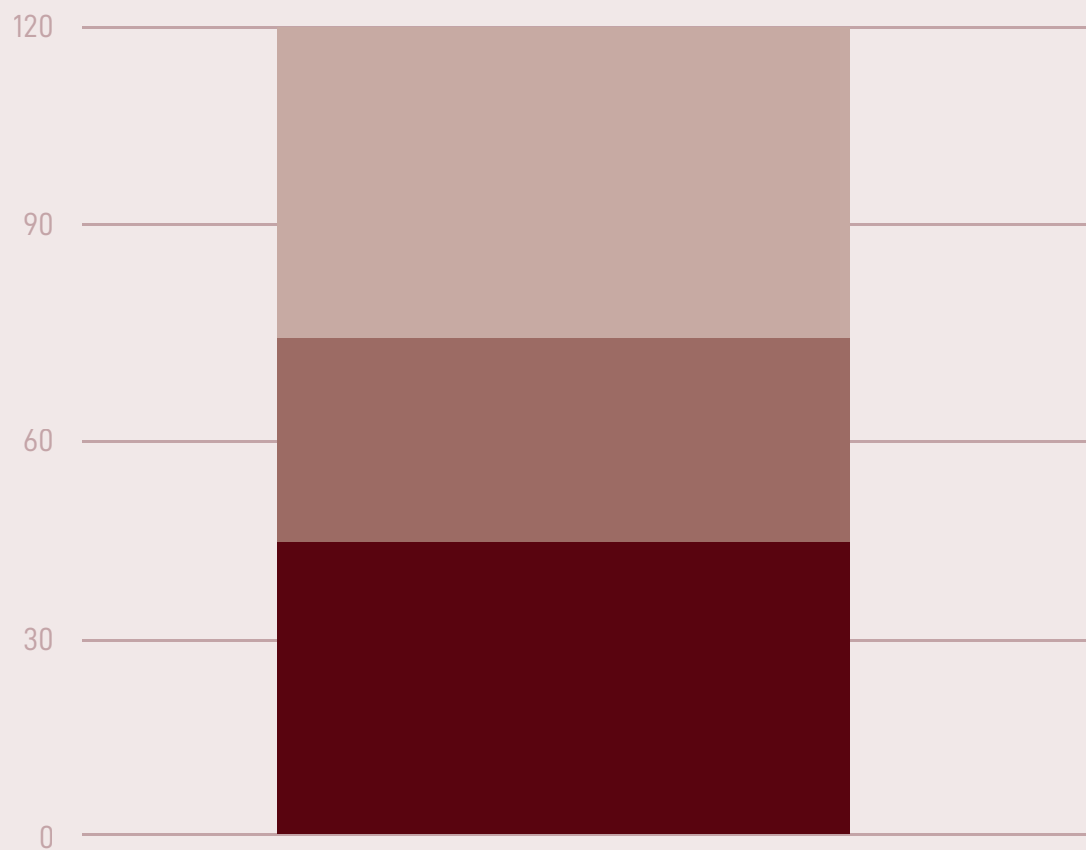
46 women have so far been given a water tank (3000 Litres). That means 39 percent of the active women now have a water tank. Due to spacing between farms, which can be quite small, some of the women are sharing their water tanks with their neighbours.

Novozymes has once again decided that the employees can donate their Christmas gift to NGUVU. The full amount donated are earmarked for buying more water tanks. In 2020 the result was 30 new water tanks donated by Novozymes employees, so our goal and hope are that 76 women have received a water tank in the beginning of 2022.

Keziah from Novozymes in Kenya took part in the celebration, when the women received the water tanks donated by employees in Denmark during Christmas 2020. Here she is together with the coffee farmer Catherine, who received one of the tanks:



DONATIONS OF WATER TANKS



- Women that will get a water tank after 2022
- Goal of women that will get a water tank in 2022
- Women that have been donated a water tank 2022

EXPANDING THE COFFEE FARMS

In the end of 2019 we planted 60,000 coffee seeds at our coffee nursery in Meru financed by Zibra A/S. Our goal was to hand out new coffee trees to the NGUVU women and at the same time sell some of the trees in the local area, so the coffee nursery could sustain itself going forward. Because of heavy rain the end result was only 5,640 coffee trees out of the 60,000 planted and we decided to hand out all the trees to the women to make sure they could grow their coffee farms as quickly as possible.



Some women do not have space for the new coffee trees and some have to cut down old trees first. So, 84 women ended up receiving the 5,640 coffee trees from the nursery. That is an average of 67 coffee trees each.

In average the women have 328 coffee trees, so the new trees will help them increase the production significantly, when the trees start giving cherries in the end of 2022. Moreover, the coffee trees from the nursery are more resistant to diseases and to climate changes, because they are hybrids from the varieties SL28 and Ruiru 11.

Our goal is to do a new round of planting in 2022, when more women will join NGUVU and more existing members are ready to receive coffee trees.



COLLABORATION WITH THE LOCAL SCHOOL

NGUVU is engaged in the local community in Meru, especially when it comes to promoting better education for the children. That is why we collaborate with Hillsville School on many levels: Velux has donated solar lamps to the school, so all students can do their homework at night. The coffee nursery is located at the school and we have paid teachers to help with the maintenance, so they could earn a needed extra income.

During the Summer 2021 we have also improved the hygiene facilities at the school thanks to Zibra A/S:



We have renovated 8 toilets.



We have built 15 new sinks, so students and teachers can wash hands.



We have built a shower room for the girls.

The improved hygiene standards are an important step to prevent COVID-19 and other diseases to spread at the school.





OTHER INITIATIVES:

Donation of cows:

5 active members have received a cow thanks to donations by private persons in Denmark. The cows give the women better access to manure and it also gives them a small income from selling some of the milk.

Donation of solar lamps:

all NGUVU members have received a Velux solar lamp. In total we have handed out 4,000 solar lamps – donated by Velux.

Help with transport:

thanks to a private donation the NGUVU members have received a tuk tuk to help them with the transport of coffee cherries to the factory.



ASKING THE WOMEN

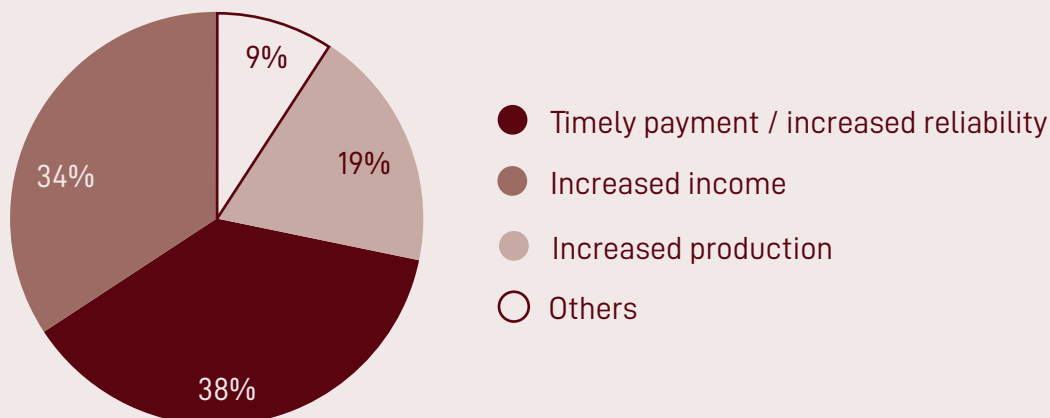
In the Summer 2021 we asked the women a number of questions during the harvest. When the women delivered coffee cherries they were asked the following questions by NGUVU women in charge of logistics and women from our partner factory. The goal was to reach as many women as possible and at the same time make sure the questions were translated into Swahili. The answers were noted and handed to NGUVU's local partner, Riziki Kenya, with no names visible to keep all answers anonymous.

In total 117 active members answered the questions.



QUESTION 1: WHAT IS THE MOST SIGNIFICANT CHANGE IN YOUR LIFE SINCE YOU JOINED NGUVU?

Pie chart showing most significant changes to famers' conditions:

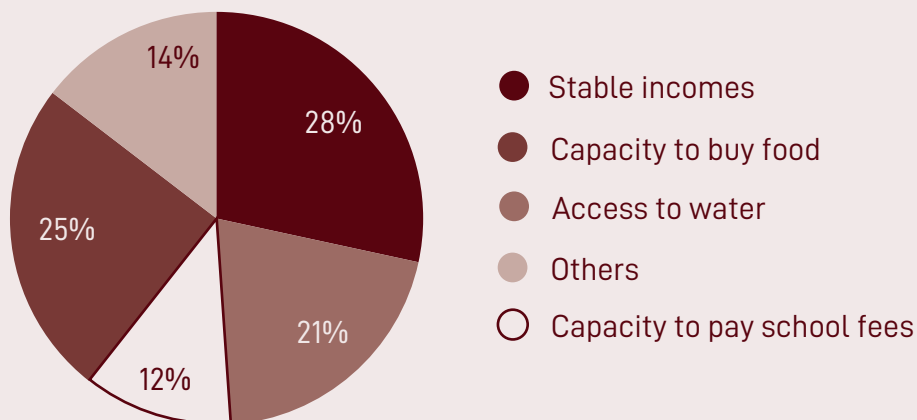


Below are key responses given by the women:

- i) Received free training hence have become better farmer (expanded farming knowledge base).
- ii) Improved quality of coffee at the farm both new trees and old trees.
- iii) Timely payment helps farmers to buy inputs and attend to other needs as they can plan.
- iv) Increased average household income from coffee every season.
- v) Better livelihood from the better solar lighting (no longer use kerosene for lighting). Solar use saves significant amount of money for the family.
- vi) Better livelihood from the tank (does not have to go far to fetch water).
- vii) Relief from the school fees burden (specific response from family with scholarship).
- viii) Increased productivity of coffee.
- ix) Increased exposure to coffee farming through farm visits.
- x) Increased reliability/sustainability and a positive attitude towards coffee farming.
- xi) Enhanced feeling of appreciation and self-esteem from ownership.

QUESTION 2: WHICH LIVING CONDITIONS HAVE IMPROVED SINCE YOU JOINED NGUVU?

The Pie chart shows a summary of the most significant living conditions that have improved as a result of joining NGUVU:



Below are key responses given by the women:

- i) More income has increased capacity to buy food.
- ii) More income has increased ability to pay school fees for children.
- iii) The tank at home makes water available at all times.
- iv) Solar lamps have improved the lighting conditions at home helping children study in the evenings.
- v) Scholarships helped to lighten school fees burden.
- vi) The guarantee by NGUVU of a fair and timely payment helps one to plan and assurance of a livelihood from coffee.
- vii) Improved reliability on coffee farming.

QUESTION 3: HAVE YOU BROADENED YOUR NETWORK AND SOCIAL RELATIONS SINCE YOU JOINED NGUVU?

68% of the women says that they have broadened their network since they joined NGUVU.

QUESTION 4: WHAT IS THE BIGGEST GOAL YOU ARE WORKING TOWARDS?

90% of the women gave this as their wish-list:

- i) Increased coffee trees at the farm
(including renting more land and trees).
- ii) increased coffee production in kilos per year.
- iii) to educate children to tertiary level.
- iv) Improved crop husbandry practices.
- v) Access to farm inputs (copper & manure).
- vi) Access to a NGUVU cow & tank
(specific to members who have not received yet).


QUESTION 5: DO YOU FEEL IT IS LIKELY TO ACHIEVE YOUR GOALS NOW THAT YOU ARE IN NGUVU?

All the women (100%) believe that this programme is an accelerator to their development and transformation. They feel being in the group gives them a better chance to realize their dreams.

90% of the women feel that this programme is actually speeding up the changes they need to realize their dreams.

100% believe that NGUVU together with their group can do even more to make them earn even more from their coffee.

NGUVU can strengthen the support by securing the women:

- More trainings
 - More coffee trees
 - More cows/ tanks
 - Higher price for coffee cherry
- 

THANK YOU

NGUVU could not carry out the work in Kenya without our partners and customers.

NGUVU partner in Kenya

The local NGOs, Riziki Kenya and Ugima Foundation, are our partners in Kenya. They are a key partner in running the activities in Meru, monitoring progress, handling local and national rules and interacting with the local community, so everybody understands how NGUVU wants to be an active player in the local development.

NGUVU partners

Social Foodies
Zibra A/S
Novozymes
Velux

NGUVU private customers

Thanks to everyone who has signed up to NGUVU's monthly coffee subscription:
<https://nguvu.dk/kaffe-private/>

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