

# Doubling coffee incomes of farmers in Uganda with cash and fertilizer advances

## Impact expected

Improved livelihoods and bankability of 53,000 smallholder coffee farmers and sustainability of NKG's sourcing strategy.



53,000



Sourcing strategy

## Financing Facility

To support smallholder coffee producers in Uganda with cash and fertilizer advances, IDH, NKG and ABN Amro Bank entered into a risk sharing partnership of USD 9 million to reach 53,000 coffee farmers.

### SECTOR:



Coffee

### COUNTRY:



Uganda

### PROJECT PARTNERS:

- Neumann Kaffee Gruppe (NKG), the world's largest coffee trader
- ABN Amro Bank
- IDH

### ORGANIZATIONS INVOLVED:

- Mastercard Foundation Fund for Rural Prosperity
- IPC - Internationale Projekt Consult
- Yara International
- Hans R. Neumann Stiftung
- GIZ (the German Development organization)

### PROJECT DURATION:

2017 - 2021

### IDH CONTRIBUTION:

First loss risk participation up to the value of:

**USD\$1,5m**

# How It Works

NKG's exporter company Ibero Uganda, with support from ABN Amro Bank and IDH, provides fertilizer and cash advances to farmers through the newly created Ibero Uganda Farmer Financing Unit. The farmers are selected based on the repayment capacity assessments. Besides having an access to finance, farmers will receive education and training on good agricultural practices and financial literacy.

This program shall enable farmers to increase their productivity and thus generate higher income, get access to a more transparent pricing structure, and develop a financial track record, which increases their bankability and ability to access local formal credit lines.



## More info?

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