

THE DAILY TIMES
WEDNESDAY, MARCH 24, 2010

Usadf grants Mzuzu coffee growers K70m

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COFFEE farmers in Mzimba south east and Viphya growers' cooperatives are expected to boost production of the cash crop following a K70 million grant from the United States Africa Development Foundation (Usadf).

The grant was presented following thorough appraisal of the two groups by the National Association of Business Women (Nabw), a partner in a five-year small and medium scale enterprise (SMEs) promotion programme Usadf implemented in 2008.

The grant was presented on Friday and Usadf programme director Mary Malunga said the grant to the two coffee growing

groups was meant to set them on a path to self-reliance.

"The two groups that have received this grant were thoroughly appraised and the findings indicated that they have great potential to contribute to the country's economy which is one of the principles that make our criteria for identifying a group or an SME to be a beneficiary of this programme," said Malunga.

She said almost 25 percent of the grant would be reinvested in community projects in areas surrounding the two cooperatives to ensure that communities benefit from the coffee cooperatives as they make their profits through various socio-economic initiatives.

Ministry of Trade and

Industry Principal Secretary responsible for SMEs, Nerbert Nyirenda praised Usadf, saying the grant would promote production of the cash crop.

"SMEs are a vital component in modernising the economy and strengthening the manufacturing base which is one of the country's priorities among priorities," said Nyirenda.

"And this grant will contribute tremendously to sustainability of well managed business entities that will produce high quality products which can compete on the regional and international markets."

National Coffee Growers Association (NCGA) Chief Executive Officer, Harrison Kalua said the grant would go a

long way in alleviating challenges which coffee growers in the country face.

"This is the first time that help is going directly to a cooperative and it will help the beneficiaries to increase coffee production as the current supply is not meeting the market demand," said Kalua.

He added that coffee growers across the country were failing to sustain their coffee trees, something that is leading to low productivity. He said the problem is due to farmers' inability to purchase fertilisers.

"We have 5 million coffee trees in the country yet we are currently producing 250,000 tons because even though we have been planting a million trees in the past 10 years most

of these die after two years due to lack of fertiliser," said Kalua.

"Again, the farmers do not have access to inputs, infrastructure and are currently using very old machines. All this is resulting in low production making the crop unable to sustain itself hence relying on loans to keep production moving."

He said there was huge potential in coffee after demand increased due to one of the world's leading coffee growers, Brazil, creating a vacuum on the market after it cut production.

The two coffee groups are the second set of coffee cooperatives to benefit from the USADF programme after three others, namely Misuku, Phoka and Nkhata Bay received a similar grant last year.