

Economic Liberalization and Privatization Effects on Technology Transfer in Eastern Africa and Kenya in Particular

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ABSTRACT

Macro-economic and coffee sector liberalization and privatization policies implemented and their effects on coffee production, processing, marketing and technology transfer have been evaluated. Pricing and foreign exchange policies have increased production incentives while equally increasing vulnerability of coffee industry participants to price and exchange risks.

Coffee yields have remained low, at 350 kg of clean coffee/ha as compared to average yields of 1000 kg/ha in Asia and Latin America. Clonal Robusta coffee and Arable hybrid varieties developed in Uganda and Kenya respectively have the potential to increase six-fold the current yields. The current varieties are also capable of producing four times the current yields.

Liberalization, Privatization and restructuring policies adopted have severely constrained use of farm inputs, availability of agricultural credit and exacerbated the already low extension to farmer ratios. These factors have become major constraints in technology transfer and adoption.

The need to develop appropriate production technologies in line with the new economic environment, the participation of farmer's organisation in technology transfer process and more agricultural friendly credit policies have been identified as main future challenges.