





Project Nurture Case Study

WTO/World Bank 'Aid for Trade'

Introduction

The Coca-Cola Company, TechnoServe and the Bill & Melinda Gates Foundation launched Project Nurture in January 2010. This four-year, \$11.5 million partnership program is designed to enable more than 50,000 smallholder fruit farmers in Kenya and Uganda to double their income by 2014. The program works with mango and passion fruit farmers in select areas to enable them to grow their incomes by improving the productivity and competitiveness of their fruit. It also links them to new markets, such as those provided by The Coca-Cola Company's



locally produced juices, as well as fresh domestic and fresh export markets. Project Nurture seeks to empower these smallholder farmers by offering training programs, facilitating financial services and helping them organize to access inputs and sustainable market channels for their mangoes and passion fruits.

Company Background

The Coca-Cola Company is the world's largest beverage company, refreshing consumers with more than 500 sparkling and still brands. Led by Coca-Cola, the world's most valuable brand, the Company's portfolio features 15 billion-dollar brands including Diet Coke, Fanta, Sprite, Coca-Cola Zero, vitaminwater, Powerade, Minute Maid, Del Valle, Simply and Georgia. Globally, we are the No. 1 provider of sparkling beverages, juices and juice drinks and ready-to-drink teas and coffees. Through the world's largest beverage distribution system, consumers in more than 200 countries enjoy the Company's beverages at a rate of 1.7 billion servings a day. With an enduring commitment to building sustainable communities, our Company is focused on initiatives that reduce our environmental footprint, support active, healthy living, create a safe, inclusive work environment for our associates and enhance the economic development of the communities where we operate. For more information about our Company, please visit www.thecoca-colacompany.com.

Motivation and Focus

As part of its 2020 Vision, The Coca-Cola Company seeks to more than double its servings to over three billion per day worldwide by the year 2020. In line with this vision, the Company aims to triple its global juice business during that same period. One approach to achieving this growth is a continued emphasis on locally sourcing juice ingredients. The Project Nurture partners are taking an innovative approach to encouraging this growth by working with smallholder farmers in select areas to enable them to participate in its supply chain; establishing a new market channel for their fruits and a local source of ingredients for locally produced juices in The Coca-Cola Company's beverage portfolio. This partnership has been designed for replication in other markets and hopefully will serve as a model for The Coca-Cola Company as it grows its juice business around the world.

Description of Initiative

Project Nurture focuses on building capacity in the local mango and passion fruit farming sector in Kenya and Uganda by leveraging the core strengths of each partner to increase the quantity and quality of the fruit smallholder farmers grow and supply. TechnoServe, an international non-profit committed to reducing poverty through business solutions, is the implementing partner in both countries and is leading the local engagement and mobilization of smallholder farmers. TechnoServe's approach is to identify existing or establish new smallholder farmer collectives, called Producer Business Groups (PBGs), to strengthen local







farmer networks, increase the effectiveness of training programs and improve the economics of their market interactions. Additionally, the project team is working with financial institutions to facilitate better access to credit for smallholder farmers, giving them the opportunities they need to invest and grow their businesses.



Training programs are conducted both in person and through the distribution of crop management guides developed specifically for mango and passion fruit farmers participating in Project Nurture. To date, more than 1,000 lead farmers and 90 government extension workers have been trained in person on good agronomy practices with dissemination to over 23,000 farmers mobilized in both Kenya and Uganda by December 2010. Led by the TechnoServe project team, PBGs also are exposed to business and governance training, to ensure the group has the appropriate structures in place to operate as an organized business unit. Written materials developed for the project include crop protocols and topical guides,

offering mango and passion fruit farmers technical support in crop husbandry and agronomic practices such as pruning, plant nutrition, post-harvest handling and grading.

To create sustainable demand for the smallholder farmers' fruit, Project Nurture is targeting four major market channels for the mangoes and passion fruits grown as a part of the project. These markets cover both fresh and processed channels, including: exporters, high-end market consolidators, open-air market traders and processors. By strengthening the capacity of the farmers to be ready for export and local market interactions, the project partners facilitate relationship building between participating farmers and key stakeholders in each of the market channels. This helps the farmers gain greater market access and selling power for their fruits. To increase the amount of fruits processed and made available for inclusion within The Coca-Cola Company's beverage portfolio, the project works closely with local juice processors to encourage them to invest in facility upgrades and advising them on the technical and business requirements to meet the standards of international buyers. Strengthening the capacity of the small- and medium-scale processors is critical to enable them to access expansion capital. Additionally, the project facilitates advance orders of mango and passion fruit puree for use in beverages.

Long-term sustainability has been a fundamental consideration during the planning and implementation of Project Nurture. Implementation takes place over a four-year period to enable the project team and farmers to identify and replicate successful approaches and ensure lasting and positive results. The project team has established a monitoring and evaluation (M&E) system to measure results and identify successes and opportunities for improvement. A comprehensive baseline survey was taken in the second half of 2010 to benchmark key data points, such as annual household expenditure, annual household incomes, gender participation and other factors.

Although Project Nurture is in the initial phases of implementation, positive results are beginning to show. In the fourth quarter of 2010, Minute Maid Mango Nectar became the first Coca-Cola product in Kenya to use locally sourced juice puree from a processor whose production facilities were upgraded and approved for use as a direct result of this project. With more time ahead, Project Nurture is expected to expand in reach and impact by continuing to implement its core activities.