

Coffee Export Procedure

1.0 Introduction

Kenya is a specialty coffee producer, whose 100% Mild Arabica Coffee has cut a niche for itself in the international arena.

In Kenya's economy, coffee is the fourth leading foreign exchange earner after Tea, Tourism and Horticulture. Coffee industry directly and indirectly supports close to five (5) million Kenyans because of its transformative nature right from farm to cup along the value chain.

The sale of Kenyan coffee is either through the Nairobi Coffee Exchange (Central Auction) or through Direct Sales where a licensed grower marketer identifies overseas buyer and exports his or her coffee directly (Also termed as the second window).

2.0 Procedure or steps by step process for exporting coffee

a) Prerequisite: Licensing

Requirements for coffee Dealer/Exporter /Trader's license are as follows;

1. A certified copy of certificate of incorporation
2. A certified copy of memorandum and articles of association
3. A paid up share capital of not less than Kshs 300,000/=
4. Names of company directors, individual National ID/Passport No, Pin Numbers
5. Names and addresses of two business referees
6. Tax compliance certificate from Kenya Revenue Authority (KRA) for the Company
7. Clearance letter from the Nairobi Coffee Exchange (NCE) in the case of renewals
8. Compliance with Statutory requirements, including but not limited to, NEMA certificate (where applicable) Safety & Occupational Health Certificate (where applicable) and Local Authority Business Permit
9. A valid performance bond of Kshs 1,000,000/= in favour of the Authority
10. Proof of engaging the services of a coffee liquorer registered by the Authority
11. Undertaking to furnish the Authority with monthly returns
12. Any other requirements that may be prescribed by the Authority from time to time

b) Coffee export procedures in Kenya through Port of Mombasa

The trader obtains a movement permit to transport coffee to Mombasa -3 steps

- (i) A holder of a coffee buyer license
- (ii) Apply for coffee movement permit
- (iii) Pay for movement permit
- (iv) Obtain coffee movement permit for transportation.

c) Obtain International Coffee Organization (ICO) Certificate of Origin- 7 steps

- (i) A coffee buyer license holder must apply to KENTRADE licensing through the KENTRADE National Single Window
- (ii) Trader deposits an advance fee (pre-payment)-Kshs 3,500 for the initial 50 export consignments [Pre-payment is whereby a trader deposits a wholesome amount of money in advance where it is deducted from the account upon submission to the Coffee Directorate]
- (iii) Coffee directorate Opts in/Opts out the trader depending on validity of their licenses
- (iv) Trader makes application for ICO certificate of origin and obtains Unique Consignment Reference No (UCR)
- (v) Trader makes payment for the ICO certificate of origin online
- (vi) Trader submits application ICO certificate of origin online through Kenya Electronic Single Windows System (KESWS) to the Directorate
- (vii) The checking officer at the Directorate receives the application and views the attached documents, recommends and submit to verification officer who verifies and approves the certificate of origin
- (viii) The Trader monitors the status online, downloads and prints ICO certificate of origin for export.

d) Other pre-clearance documentation

- (i). Trader engages a contract clearing agent
- (ii). Trader/Agent books shipping space through a shipping agent
- (iii). Trader/Agent lodges a custom entry
- (iv). Pays merchant shipping levy
- (v). Obtains passed clearance entry request for KEPHIS inspection
- (vi). Pays for KEPHIS inspection
- (vii). Inspection carried out by KEPHIS

- (viii). Makes an application for Phytosanitary certificate/obtains Phytosanitary certificate
- (ix). Makes an application for Port Health release/obtains Port Health release certificate
- (x). Submission of clearance documents for verification
- (xi). Physical verification of cargo by KRA officers
- (xii). Lodge a pre-advice/obtain KPA invoice and receipt
- (xiii). Submit clearance documents to KRA booth gate clerk and export gate clerk
- (xiv). Scanning of the container
- (xv). Submit clearance documents to export yard clerk/obtain export certificate
- (xvi). Obtain bill of lading

3.0 Export license required and where to get them

a) Dealers /Export license-This license is issued by AFA Coffee Directorate. It enables the holder to Export/Import or roast and package (Value addition).

The holder of this type of license is expected to buy coffee for export from the Nairobi Coffee Exchange (Central Auction) and not from individual farmers.

b) Grower Market License-This license is also issued by AFA Coffee Directorate and it enables individual growers to export their coffee directly to buyers outside the country.

4.0 USA market access required documentation / export support documentation and where to get them

a) Common documents required

- (i). Photos, issued online - KEPHIS
- (ii). ICO: - International Coffee Organization certificate of origin (online Kentrade)- AFA Coffee Directorate
- (iii). EURO1/ GSP/COO- Chamber of commerce in process of full automation
- (iv). Quality certificate – BV/SGS
- (v). Fumigation certificate – BV/SGS
- (vi). Watch for OFAC- Office of foreign asset control- US Treasury