

CHALLENGES AND OPPORTUNITIES FOR SMALL COFFEE PRODUCERS IN WAYANAD, KERALA



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Background

One of the major crops that are grown in India is coffee. In India, coffee plantations are mainly done in the hilly regions of Kerala, Karnataka and Tamil Nadu. Other coffee producing regions in India would include; Maharashtra, Andaman and Nicobar Islands, Andhra Pradesh, West Bengal, Madhya Pradesh and Assam. However in these states, coffee is grown at a limited scale. The percentage of coffee production is 6.8%, 71% and 21.2% across Tamil Nadu, Karnataka and Kerala respectively (Majumdar, 2022). The rest of the states are collectively known to produce around one per cent of the overall coffee volumes in the country. Coffee varieties produced around the world are mainly two; Robusta and Arabica. The latter has a greater value in terms of beverage and therefore it fetches greater price in the global market. Coffee production in India is mainly the Robusta variety (India Brand Equity Foundation, 2022).

In India, the state of Kerala is the second largest coffee producers. Around 21.2% of the overall coffee production in India is from Kerala (Sumathi et al., 2017). The coffee economy of Kerala is driven mainly by Wayanad district. 85% of the overall coffee production in Kerala is from Wayanad. The aim of this research is to investigate the opportunities and challenges of coffee producers in the district of Wayanad in Kerala.

Problem Statement

Following the introduction of the Liberalization, Privatization and Globalization (LPG) policy, excellent quality of coffee varieties were imported into the country from Africa. This posed a major threat to the local coffee growers across India, including Wayanad. People engaged in coffee production in Wayanad had marginal and small land holdings and they found



it challenging to compete with international coffee imports, adding to their woes was the cost of fertilizers and other resources. Marginal farmers especially of Arabica coffee in Wayanad had to confront more challenges as compared to the bigger producers (M Gopinath Malaisamy, 2019). Though the LPG policy also opened access to global markets, small coffee producers seldom have the bandwidth or resources to increase their production levels to venture into the global market. This makes it imperative to investigate the challenges faced by coffee producers in Wayanad and also the opportunities available to them.

Literature Review

A study conducted by Abdul (2015), investigated the impact of economic reforms within the economy in India, especially in the agricultural sector in Wayanad. As per the study, the Indian state of Kerala had initiated several relief and rehabilitation measures as a response to several cases of farmer suicides. In addition, the research also presented a robust case for grounding the investigation on farmer suicides as per ethnographies of agrarian practice and the state of local development. Another study conducted by da Silva and Helio Lourenco da Costa (2015), examined the need for defining and bringing to the fore the present challenges that resulted in low rate of coffee production and lack of ample supplies for export. Their research adopted pertinent theoretical constructs to find an answer to their research question. Later on, they also highlighted the implications for farmers, government and organizations with the objective of facilitating further developments in the sector of coffee production.

Furthermore, Borrella et al. (2015) conducted a research to evaluate the constraints, opportunities and businesses of small and marginal coffee producers.



The study also investigated the manner in which restrictions arising from coffee production and transactional aspects acted as an impediment in coffee producers accessing market segments with high value. There was a need to have intermediaries to connect them to the high value market segments. In addition, the study also presented a cross-case analysis of three linked businesses which were facilitating direct trade associations among small and marginal coffee producers and specialty coffee roasters.

Research Aims and Objectives

Research Aim

The aim of this research is to investigate the opportunities and challenges of coffee producers in the district of Wayanad in Kerala. To achieve the aim of this research, the following objectives have been framed.

Research Objectives

1) To examine the socio-economic profile of coffee producers in Wayanad.

2) To assess the level of satisfaction of coffee producers in Wayanad.

3) To investigate the challenges faced by coffee producers in Wayanad.

Methodology

This research will adopt a quantitative methodology where surveys will be carried with close-ended questionnaires. The sample for the surveys would include; small and marginal coffee producers in the district of Wayanad. Data collected through the survey will be statistically analyzed with SPSS software version 25.



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