

Despite the fact that coconut palms are plenty in coast province, and that coconut is Kilifi districts' main cash crop, it remains an under-utilized resource. Many view these palms as trees for providing coconut fruit, palm wine, firewood and leaves for making brooms and roofing houses. This perhaps explains why, other than these, there is no major significant economic activity related to the utilization of coconut palms. Data for this study collected by use of a descriptive research design employing a survey method (observation, interviews and focused group discussions). This method enabled the use of interview schedules, generalization and prediction. Most SMEs have not realized that coconut palms can be utilized more effectively to make a variety of products that can improve their incomes and the living standards of farmers within coast province. For this reason, this study has determined how coconut palms can be utilized effectively for sustainable income generation. In order to achieve this objective, constraints faced by entrepreneurs in their attempts to utilize coconut palms and the business opportunities that can be exploited for enterprise development were sought. Services that can facilitate the local community and entrepreneurs utilize coconut palms for income generation were identified. To guide enterprise development organizations and potential service providers, interventions that can be put in place to spur and facilitate the utilization of coconut palms sustainably for income generation have been recommended. The study report has highlighted the major constraints inhibiting the utilization of these palms as low prices and inadequate access to reliable markets. Failure to disclose regulations governing palm wine and difficulties in accessing licenses has been reflected as issues of major concern by the entrepreneurs. All SMEs were reported to be producing the very common and hence traditional products. Most of the production of coconut items is done in the villages. For this reason, and for farmers to reap maximum benefits from their produce, it is recommended that this tradition be strengthened by starting cottage industries within these villages. Based on the findings of this study, it is suggested that due to the high poverty levels in Kaloleni division and Kilifi district in general, the government should lobby for development organizations to come forward and assist these poor SMEs. This should be done exposing and capacity building selected service providers whom in turn would pass skills to other entrepreneurs at lesser cost. Finally, it is recommended that local investors be identified, assisted to select some of the non-traditional coconut products and also in sourcing for related technology. In addition, it is suggested that the same investors be assisted to put up model cottage industries producing different items. Given the many coconut palm products identified by this study, a plan of action for starting cottage industries is recommended. Enterprise development organizations should take a leading role in ensuring that these recommendations are turned into reality. Failure to implement these and other related measures will in effect translate to very low levels of business growth if not just maintaining the status.