Summary of progress reports submitted by the Project Executing Agencies (PEAs) on projects currently being implemented

Background

The ICO, as the designated Supervisory Body for the following Common Fund for Commodities (CFC) coffee projects, assists with monitoring the implementation of projects, which include among others, reviewing the attainment of objectives, identifying constraints and checking expenditure. This document summarizes individual progress reports submitted by each PEA for each project being implemented (see Section IV of document PJ-12/11) and includes at the end a list of acronyms used in this document. Copies of the full six months reports are available on request from the Secretariat.

Annex I: Pilot Rehabilitation of Neglected Coffee Plantations into Small Family Production Units in Angola – CFC/ICO/15 (PEA: INCA)
Annex II: Reconversion of small coffee farms into self-sustainable agricultural family units in Ecuador – CFC/ICO/31 (PEA: COFENAC)
Annex III: Developing the potential of Gourmet Robusta coffee in Gabon and Togo – CFC/ICO/42 (PEA: CABI). Report to be circulated at a later date.
Annex IV: Increasing the resilience of coffee production to Leaf Rust and other diseases in India and four African countries – CFC/ICO/40 (PEA: CABI).
Annex V: Access to finance for the development of diversification crops in coffee producing areas – CFC/ICO/30 (PEA: FGCCC/OCIBU)
Annex VI: Building capacity in coffee certification and verification for specialty coffee farmers in EAFCA Countries – CFC/ICO/45 (PEA: EAFCA)
Annex VII: Competitive coffee enterprises programme for Guatemala and Jamaica – CFC/ICO/46 (PEA: ANACAFE/CIB)

Action

The Projects Committee and the International Coffee Council are requested to take note of this report.
1. Period covered by the report: 1 January to 30 June 2011

2. Status of Project implementation

2.1 Component 1: Production (rehabilitation) of coffee

The plantation of coffee trees in the renovation scheme reached 6,524,451 with an enormous potential to increase the production and productivity in the coming years. In order to improve the renovation scheme 4,000,000 polybags for coffee seedling production have been purchased and are being distributed. Two hundred kilos of high quality seeds of “amboim” coffee were produced and are now being distributed.

This semester, the volume of green coffee produced was 1,050 tons, compared to 529 tons for the whole of 2006. This is encouraging and denotes an increasing trend in productivity.

Aiming to improve the post harvest processing, 49,000 m$^2$ of patios for drying coffee have been renovated and a leaflet on good agricultural practices for pruning, harvesting and drying has been developed and distributed to farmers’ associations and to project extension staff. However, most farmers in Angola continue to dry their coffee without proper drying patios.

Regular provision of market related information is provided by the project Management Unit. It includes prices paid to coffee farmers and information about the main coffee buyers. The average price for green coffee paid to coffee farmers during the period was US$1,400 compared to US$1,350 per ton in the same period in 2010 and US$660 per ton in 2006. The total quantity of coffee commercialized in the project during the period was 850 tons of green coffee.

Micro-credit for coffee production

For micro-credit, an amount of US$1.8 million has been granted for 4,887 farmers. The farmers’ associations involved, through a contract with the participating bank, BPC, have opened a bank account on behalf of its members. Each farmer has so far received a loan of US$500 (Kz 50,000) at an interest rate of 12% per annum.
Quality Improvement measures

In addition to the existing 13 hulling equipments, 3 big hullers have been rehabilitated and are now serving the project. INCA installed 2 new hullers improving the efficiency of the post harvesting process. It is hoped that this will dramatically diminish the processing costs, encouraging farmers to sell their coffee only after being hulled.

The cup testing at the INCA Research Station of Gabela started in June and performs analysis of the coffee produced. Reports on the quality of coffee of each association will be prepared hoping to improve the competition and thus the demand on quality of the coffee produced amongst the associations.

Component 3: Resettlement of displaced farmer families

The selection of lands and settlers has been completed. The main activity was the rehabilitation of schools constructed in the initial phase of the project at the villages of Chulo, Maria Augusta, Damba do Cungulo and Quitandala where 1,526 students are attending this academic year. The local Administration of Amboim, in collaboration with the project, is rehabilitating a health post at Ichingo, 8 km from Damba do Cungulo where more than 2,000 patients were seen.

During the period there was an increase in food crop production, mainly beans, a process initiated by the project in 2007. About 150 tons of beans were produced by farmers participating in the project and sold at 200 kz/kg (around $2). This had a great impact in the livelihood of the farmers and also in the coffee production, since the money earned has been used in the weeding and/or pruning of coffee plantations.

To improve activities related to coffee production amongst the resettled families, training sessions addressed to association and cooperative leaders were organized and field schools introduced in addition to existing demonstration plots.

Component 4: Support services

Strengthening of farmer organizations

Some 4,917 participating farmers (families) have been organized in 105 associations and grouped in 13 cooperatives. Although farmers involved have been allocated lands, the legalization of land tenure for each farmer has not yet been achieved due to bureaucracy and the high costs involved. At the same time 904 leaders were trained in organization and management of associations.
Support to research and experimentation

The training sessions in field schools, as well as in the 17 demonstration plots, were attended by 1,420 farmers. This improved the farmers’ vision of maintaining their coffee farms.

Results of the experiments on the technique for the rehabilitation of neglected coffee plantations in Amboim have been published in a local specialized scientific magazine in January this year. In addition, the established coffee varietal trial at the INCA research station of Gabela is being maintained and the results of the experiment recorded.

Strengthening of coffee related services for technical assistance

The extension service is provided by INCA staff under a full cooperation arrangement with CLUSA. Farmers are being trained in their respective groups and training of field leaders of associations in extension services is a permanent ongoing activity.

Component 5: Institutional support

Establishment of a market information system

Leaflets and newsletters aiming to improve farmers’ perception on coffee and other agricultural products have been produced on a regular basis. Information on local and international market of coffee, prices of inputs and fertilizers, trends of niche markets in the world as well as the certification process of organic coffee has been published in the newsletters.

Training of INCA staff

Regular training sessions, especially in good agricultural practices, were organized for 10 INCA staff and 95 field leaders were trained in coffee husbandry, namely pest control, fertilization, harvesting techniques, patio preparation and data collection. At the same time, and aiming to cope with CFC regulations in terms of reporting, one member of the INCA staff was sent to Amsterdam and trained in financial procedures.

Component 6: International technical assistance

A supervision mission of the CFC and the ICO was carried out during the period. A report was produced and important recommendations addressed. It is expected to formalize the non cost extension period requested by the PEA.
**Resource utilisation**

The total project cost is US$8,531,477 comprising a grant of US$1,989,973 and a loan of US$2,760,016 from the CFC, and a counterpart contribution of US$3,781,488 from the Government of Angola. The balance of the CFC contributions at 30 June 2011 is around US$1.13 million, comprising a grant of US$362,896 and a loan of US$772,624. The remaining commitment of the Government of Angola is US$1.1 million.

The remaining loan has still to be requested. However, in accordance to the loan agreement signed between the Government of Angola and the CFC, loan repayments have started as previously scheduled. This represents a very encouraging sign of the strong commitment of the Government of Angola to the project. Nevertheless, the process for requesting the remaining loan is in place.

The Government of Angola has requested the continuation of the project for another two years without financial implications.
RECONVERSION OF SMALL COFFEE FARMS INTO
SELF-SUSTAINABLE AGRICULTURAL FAMILY UNITS IN ECUADOR
(CFC/ICO/31)

Period covered by the report: 1 January – 30 June 2011

Component 1: Organizational strengthening

The Association of Agro-Industrial Producers ‘AAPAGRIN REFINCA’ (consisting of 10 organizations) was legally constituted on 30 June 2011 to act as an interest group for strengthening the process of agro-business in the province of Manabí, as was the Association of Agricultural Producers ‘16 of July’ (16 de Julio) in the Zaruma Canton, province of El Oro to lend continuity to the activities taken on by the project.

Component 3: Agro-industry and joint marketing

The modules for producing roasted and ground coffee, which were set up in the provinces of Manabí, El Oro and Loja, processed 385 quintals of green coffee, equivalent to 308 quintals of roasted and ground coffee. This coffee is offered on the local market. 1,700 litres of honey have been collected and processed, which are sold at an average price of US$10 per litre.

Income levels for the coffee farms have improved due to better production and productivity levels, backed up by joint coffee marketing processes.

The 2011 coffee harvest has begun. The organizations involved in joint marketing have a base agreement of US$240 per bag of 125 pounds of dry parchment in Manabí and up to US$300 in the province of Loja. Intermediaries had to lower their prices in order to compete with these organizations.

Roasted and ground coffee, balanced feed and honey produced by the project beneficiaries in the province of Manabí are being marketed under the name ‘REFINCA’ (a shortened form of the project name: ‘Reconversión de Fincas’). The products linked to the project have been registered with this name at the Ecuadorian Institute of Intellectual Property.

Component 4: Project dissemination

Project dissemination sessions have been offered to the Polytechnic School of Chimborazo and the Polytechnic School of the Armed Forces, as well as to the Italian non-governmental organization COOPI.

The visit by the COOPI delegation led to the drafting of a project proposal to improve agro-industrial activities in the province of Manabí. This draft was presented to the municipal authorities of the city of Milan in Italy. In addition, the U.S. company Intelligentsia Coffee visited the farms involved in the project in Manabí and Loja. This company showed a special interest in marketing coffee produced by the project beneficiaries in the province of Loja.
A dissemination workshop, organized by COFENAC, was held in Guatemala and was attended by farmers’ delegations from IHCAFE Honduras, Anacafé – Guatemala and the ICO. Cuba was not able to participate.

Assessment of resource utilization

Contributions from CFC funds amount to US$935,724, representing 83.7% of the total financing for the project.

Social and environmental effects of project implementation

The Revolving Funds (RF), amounting to US$134,995, has handed over 1,200 micro-loans in cash, for sums of between US$50 and US$300, of which 98% have been recovered. This has encouraged savings among farmers and has helped to energize the economies of the areas involved in the project, by making available to families easily accessible credit at low interest rates.

Environmental effect: The farm reconversion plans and the application of environmentally-friendly technologies have marked the beginning of the process of improving production units. Adequate planning enables for a more efficient use of the farms' resources.

Joint marketing is becoming a useful tool in reducing the need for intermediaries, allowing for the gathering of substantial volumes of coffee which is then traded directly with exporters and/or processors. This process ensures more equitable exchange (fair price and weight) which, in turn, improves family incomes.
DEVELOPING THE POTENTIAL OF GOURMET ROBUSTA COFFEE IN GABON AND TOGO
(CFC/ICO/42)

Report to be circulated at a later date.
INCREASING THE RESILIENCE OF COFFEE PRODUCTION TO LEAF RUST AND OTHER DISEASES IN INDIA AND FOUR AFRICAN COUNTRIES (KENYA, RWANDA AND UGANDA) (CFC/ICO/40)

1. Period covered by the report: January to June 2011

2. Status of project implementation

Implementation of the project activities progressed according to the 2011 work plans and budgets.

Component I: Identification of needs and resources: rural community responses to CLR disease and the sourcing and production of coffee genetic material

- Mobilization of key stakeholders continued during the period under review.
- All countries involved continued to maintain homogenous seed production sites for supply of seed for existing varieties and for future genotypes.
- Farmers’ demand for improved coffee varieties continued in India and Kenya. In Kenya, the release of the new variety, Batian has compromised the demand for Ruiru 11 and traditional varieties. Currently demand for Batian is at 78%, for Ruiru 11 is at 21% while that of traditional varieties is at only 1%. In India demand for seed is at 3.8 MT for 2011/12 season for traditionally coffee growing areas.
- Maintenance of nursery facilities continued in all countries.
- Kenya continued with epidemiological studies.

Component II: Conservation and identification of coffee varieties and disease races

- Field gene banks, which accommodate a wealth of genetic material in all the five countries, were maintained. In Rwanda the activity involved maintaining the existing field gene banks (Rubona, Ntendezi and Ngoma research stations). Uganda continued to maintain field gene banks of 135 lines at Kituza, Kawanda and Bugusege. The process of relocating germplasm from Kawanda (liable to destruction due to proximity to Kampala city) to Kituza and Bugusege has continued.
- Studies completed in the previous period to determine Coffee leaf rust races have revealed a range of previously unknown races in Africa and India.
Countries in Africa continued using their existing IPR protocols for transfer of genetic material, except Kenya which developed its own IPR policy.

**Component III: Field trials on-farm and on-station**

- Nursery trials only continued in India. In order to repeat the evaluation of seedling growth and vigour of the target selections, nurseries have been raised in five different locations. Data will be recorded on six month old seedlings during August 2011.
- On-station and on-farm varietal trials for screening varieties for resistance to CLR and Coffee Berry Diseases were continued in all participating countries. Data being collected included disease (Coffee Leaf Rust), growth and yield, except for Uganda where due to two subsequent droughts the country had to replant, and collected the first growth and disease data this year. Coffee beans were also collected for cup quality assessment in Kenya and India, where coffee trees in the trial sites gave economic yield.
- Biocontrol and fungicide trials were also continued during the period.
- Data collection and analysis is progressing well in all countries

**Component IV: Scientific management, information systems and communications**

- Preparation of information materials for use in communication strategies with farmers and other coffee stakeholders, including learning activities for FFS groups continued.
- FFS activities and other communication events were carried out in all countries.
- A project website, which was developed last year continued to be used by project team members and other stakeholders.

The cash flows for the project have been efficient and effective following timely disbursements by the Common Fund for Commodities (CFC). It is hoped that the process will remain efficient to enable project activities to progress as planned.

The PEA has enhanced the level of communication with partners on financial matters. Issues raised by partners have been addressed amicably; claims are now being received bi-monthly and a lot of improvement has been made from the consistency of claims. It is hoped that this will continue during the coming and subsequent reporting periods. It is also worth mentioning that with the support from the Common Fund for Commodities (CFC), partners have had a smooth implementation of planned activities due to adequate cash flows and supervisory follow-up by the project co-ordinator.
5. **Assessment of technical progress**

Project activities were implemented according to the 2011 project work plans and budgets. Uganda was able to get the first set of data (agronomic) during the reporting period after two subsequent droughts which affected varietal trials in the country. Kenya has even registered three varieties called Batian which were evaluated under the project, but were developed earlier by the CRF. Data from field evaluation of the varieties were used in presenting a case for registration of the varieties by the Ministry of Agriculture in Kenya.

6. **Social and environmental effects of project implementation**

The project is showing great potential for production of resistant varieties or provision of sources of resistance to CLR and other diseases, which will have a positive impact on social and environmental aspects in the participating countries. Coffee farmers will be able to save money used for controlling diseases; and environmentally, resistance to diseases will result in reduced use of fungicides. In Kenya and India resistant varieties are already being taken up by farmers.

7. **Forward planning of project implementation**

Planned activities for 2012 will be discussed and agreed upon at the planning meeting, which will be held together with the Mid-term Evaluation workshop.

8. **Lessons learned**

The project has generated a lot of interest from farmers and policy makers due to the potential for identifying resistant varieties and improving the quality of the coffee. Although substantial progress has been made, it was not anticipated that drought would hit Uganda the way it did, and this will greatly delay the progress for varietal evaluation in Uganda.

9. **Conclusions and Recommendations:**

The project is progressing well; however, there may be need to consider an extension after next year to accommodate full varietal evaluation in all countries.
ACCESS TO FINANCE FOR THE DEVELOPMENT OF
DIVERSIFICATION CROPS IN COFFEE PRODUCING AREAS
CFC/ICO/30

Period covered by the report: 1 January to 30 June 2011

Status of project implementation

Component 1: Evaluation of participating producers and their needs

In Côte d’Ivoire, a second wave of 74 producers, of whom 32 for crop production and 42 for animal husbandry, had been selected for funding in December 2010. Unfortunately, the post-electoral crisis of December 2010-May 2011, in particular the shutdown of the banking system, meant it was not possible to finalise loan requests.

In Burundi, the third wave of producers was selected. Capacity building for producers in the areas of good farming practices, marketing of diversification products and loan management continued.

Component 3: Financing and support for development of diversification crops

In Côte d’Ivoire, despite the difficulties, 8.29% of loans to the first wave of 327 producers was repaid. However, restructuring of loans by banks will permit a higher rate of reimbursement.

In Burundi, the third wave of 273 producers was provided with a total of US$45,511 in financing for crop season B 2011. The recipients are six associations of coffee growers involved in cabbage, manioc, onion, potato, rice, and banana growing and goat farming. This season animal husbandry represents 52% of the US$23,378 loan total, involving 171 beneficiaries. The total loans for the three seasons A 2010 (October 2009), B 2010 (February 2010) and B 2011 (February 2011) amount to US$291,859, the loan repayment rate being 67.6% or a total of US$197,313. Repayments are continuing to replenish the revolving fund.

Component 4: Financing and support for development of domestic and foreign markets for diversification products

In Côte d’Ivoire, the five cooperatives at the five sites have received the following equipment: five tractors with trailers, six manioc grinders, five coffee and corn husking
machines, five weighing scales and five motorbikes. The five warehouses are under construction. In Burundi, the following equipment had been delivered to the 12 associations of producers in 2010: 100 sprayers, seven rice hullers, 11 manioc grinders, 12 weighing scales and six warehouses. Four new warehouses have been completed and presented to beneficiaries in the first half of 2011. The final two warehouses are under construction.

Component 5: Development of value added products

Component 5 has not been performed in the two countries owing to a shortfall in available resources.

Component 6: Training of producers

In Côte d’Ivoire, in February 2011 the 49 leaders of the cooperatives received training in the following modules:

- The cooperative, organization and operation
- Formulating a schema to market diversified products
- Formulating a schema to manage community equipment
- Loan repayment modalities

In Burundi, in March and April 2011 DPAE training staff provided instruction to the 273 loan beneficiaries for season B 2011 on the following topics:

- Cultivation techniques for the selected crops
- Goat farming
- Harvest management
- Loan management and repayment

The Bujumbura Workshop

A workshop on the status of the project in the two countries took place from 1 to 3 August 2011 in Bujumbura, Burundi. It was attended by 60 participants: the Burundian Authorities, the CFC and the ICO, the delegation of Côte d’Ivoire and the project beneficiaries. Chaired by the Burundian Minister for Farming and Animal Husbandry, the workshop provided Burundi and Côte d’Ivoire with an opportunity to take stock of activities in both countries. The project’s importance to small coffee growers was underlined in terms of the access being provided to loans to boost their farming output and income levels.
Participants expressed the hope that the Project would be extended so that they could conclude all activities, particularly replenishment of the revolving fund and the marketing strategy for diversification products. The two countries would be submitting extension requests to the CFC and the ICO to this end and to ensure the advances achieved under the project could be sustained.

Moreover, during visits to the Burundian Authorities, the CFC and ICO representative and the delegation of Côte d’Ivoire expressed a strong desire to forge closer cooperation between the two countries in the area of agriculture.

3. Resource utilization

The Bujumbura workshop included a presentation on resource utilization since inception of the project, with the following main points:

- In Côte d’Ivoire, CFC disbursements amount to a total of US$1,361,156 and total expenditure US$1,231,512. In Burundi disbursements total US$789,650 and total expenditure US$536,335. It should be noted that these expenditure totals include loans to producers.
- A total of US$510,300 in CFC Project Implementing Agency funding has not yet been received. Of this sum the total for expenditure is US$386,004.
- In respect of counterpart contributions, those by Côte d’Ivoire to 30 June 2011 total US$792,170 and those by Burundi US$229,607.
- Analysis of these financial data reveals that the CFC has disbursed almost all of the funds earmarked for the Project.

4. Future programme

The programme for the second half of the year comprises: further technical training and capacity building for beneficiaries on the ground, product marketing, revolving fund replenishment through loan repayments, processing of diversification products, and the granting of loans to new waves of producers.
BUILDING CAPACITY IN COFFEE CERTIFICATION AND VERIFICATION
FOR SPECIALTY COFFEE FARMERS IN EAFCA COUNTRIES
CFC/ICO/45

1. Period covered by the report: 1 January – 31 June 2011
   - Completion of the signing of Memorandum of Understanding with the National Coffee Institutions. This was accomplished by 31 March 2011 which was the deadline set.
   - Progress with baseline surveys in participating countries.
   - Farmer group mobilization.
   - Undertaking stakeholders’ meetings.
   - Exhibition of project activities at EAFCA, SCAE and ISEAL Conferences. Separate reports on these activities are available.
   - Training of 39 master trainers from the 9 participating countries.
   - Commencement of training of certification auditors. The training is in four batches and the first group will complete the training on 26 August 2011.
   - Commencement of training of trainer-of-trainers (TOT).
   - Undertaking project audit for the year ended.

Lessons learnt from the project implementation process include the following:

   - The project approach was refocused to the approach of a pilot study in the participating countries. This was tailored to suit the project budget.
   - In-kind cooperation from the National Coffee Institutions has been received resulting in successful attendance at project meetings and training sessions.
   - Significant cooperation has been received from certification standard owners on project collaboration.
   - The inclusion of auditors in the project training strategy is yielding positive results.

In a nutshell, the implementation process of the project is on course with the capacity building activities being implemented.

III Project implementation results

(a) Training of Master Trainers

A total of 39 master trainers from 9 countries were trained. The training sessions were held in Nairobi, Kenya.
(b) Completion of development of training manual

The training manual is posted on the EAFCA website under the CFC/ICO web page (www.eafca.org). The manual was developed by Coffee Management Services of Kenya, who were contracted to undertake this assignment,

(c) Project baseline surveys

The project baseline surveys have been concluded in five participating countries. These are Zambia, Zimbabwe, Malawi, Uganda and Burundi. The rationale for these surveys is to lay the basis for estimating the project impacts at the time of concluding the project activities.

(d) Project information dissemination

The dissemination of information in the project is being undertaken through the existing communication channels of the project executing agency (PEA). The national coffee institutions in the project participating countries are also involved in dissemination of project activities. Other platforms being utilized for dissemination of activities are stakeholders meetings in the participating countries, coffee club meetings and coffee conferences.

(e) Farmer group mobilization and identification

Coffee farmers being targeted in this project are those with basic good agricultural practices truck record and well located for trucking project results and impacts.

V THE WAY FORWARD

The sequence of activities being pursued in the project entail training of master of trainers, training of auditors, and trainer-of-trainers and farmers.

VI CONCLUSIONS AND RECOMMENDATIONS

The sustainability to the project lies in the training of the professionals upon whom certification capacity will be drawn by the farmers. The multiple certification strategy being employed will render the farmer ability to switch different standards at minimal switching costs. In addition, farmers will have leverage with regard to market options, improved productivity, improved quality and sustainable environment. The recommendation is to engage the beneficiaries and stakeholders on a continuous basis for the attainment of the overall project goal.
COMPETITIVE COFFEE ENTERPRISES PROGRAMME
FOR GUATEMALA AND JAMAICA
CFC/ICO/46

1. Period covered by the report: 1 January – 30 June 2011

2. Status of Project implementation

Component I: Production

Plant nurseries in Guatemala involve 24 of the 35 project organizations and include construction of nurseries under the ‘learning by doing’ programme to renew part of their coffee plantations. The outreach of this activity in Guatemala is progressing in accordance with project objectives.

In the case of Jamaica, of the three cooperatives involved (which group 400 smallholders) two will build their own nurseries and all material for the seedbeds and their irrigation has now been provided. The remaining cooperative received 40,000 seedlings for coffee plantation renewal, thus achieving 30% of this activity’s implementation during the first year.

The technical assistance for yield improvement brings together 1,500 smallholders to participate in the activities organized by the Project Executing Agency (PEA), Anacafé, technicians with regard to: i) Management of production systems: preparation of land for seedbeds; ii) Group work; and iii) Post-harvest: courses on wet processing of coffee, traceability and management of by products.

Two technical aspects that received particular emphasis were soil analysis and training. Additional training consisted in launching in the Cobán (Alta y Baja Verapaz) and Fraijanes (Santa Rosa, Jalapa and Jutiapa) project regions, activities designated as ‘field day’ and ‘day of the coffee grower’ with the object of promoting the exchange of knowledge and experience regarding the different coffee production processes in the regions. This was supplemented by conferences, with an exhibition area involving 15 commercial companies that promote coffee through tastings. This activity in Guatemala involved 62% of the project beneficiaries.

In the case of Jamaica, the three cooperatives involved received similar training courses on production system management, group work and post-harvest procedures. In addition, in Jamaica 64 soil samples were taken from the three organizations, following which the most
suitable fertilizer to be applied for each plot was acquired. This was given to the producers together with personalised technical assistance, since a majority (75% of the beneficiaries) lack basic knowledge of the crop. All the beneficiaries took part in a seminar given by a professional barista on how to prepare an excellent cup of coffee. Furthermore, two cooperatives were given the following office equipment: one executive chair, four visitor chairs, one desk, one computer, one UPS, one multipurpose unit and one blackboard.

For plantation management, 16 organizations from Guatemala received training on tissue renovation, phytosanitary control and soil fertilization in their plantations. Producers were shown how to construct the CBB traps, to increase production levels by correcting soil acidity, and how to carry out the necessary fertilizing. This activity is a first step prior to the subsequent one of organic fertilization and biological disease control.

In Jamaica the three cooperatives received 65 sprayers, 85 fertilizer spreaders, 2,613 CBB traps, 166 machetes and 44 pruning saws. The soil samples are still being analysed.

**Component 2: Post-harvest**

Training courses were attended by 22 technicians from Anacafé to subsequently train producers in Guatemala on how to carry out the building or renewal and/or restructuring of wet processing plants, which will in part be financed through loans.

**Activity 2.3 Improvement of wet processing plants**

In Guatemala 17 producer organizations will improve their wet processing plants to achieve lower water use, better waste management and the ability to fulfil government legislation and certification requirements, as well as obtaining better bean quality.

Work undertaken include a pre-drying patio, one solar type dryer and 11 masonry constructions to install pulping equipment in five organizations.

For the management of by-products, in Guatemala nine organizations built four treatment plants for residual waters, they remodelled an existing plant, constructed three tanks for the production of worm compost and remodelled another one. Upon delivery of these works, training activities were initiated on how to best operate and make use of them.
Component 3: Promotion of local consumption

Activity 3.1 Quality

In Guatemala a three-day tour to San Pedro La Laguna-Sololá was conducted to show small coffee growers changes and renovations to wet processing plants carried out to fulfil the rulings on residual water emission.

In Jamaica 147 smallholders participated in a tour and observed shade management practices and pest and disease control on farms in the Blue Mountain region. They were also able to observe all stages of processing from the reception of the beans, separation by density, pulping, fermentation, washing, and the treatment of pulp and residual waters. The following stages were also demonstrated: drying in patios or mechanically, storage, dry processing (elimination of the husk), bean selection and cupping in the laboratory.

Activity 3.2 Feasibility Study

A quantitative market survey was carried out to ascertain the main characteristics and constituent factors determining coffee consumption on the Guatemalan market in the two regions of the project. From this it emerged that ‘coffee remains one of the three principal drinks consumed by Guatemalans, together with water and fresh (fruit) drinks prepared at home and is boosted through the preference of drinking it ‘black’, but always sweetened, mainly with sugar. This will be followed up with the opening of two coffee shops sponsored by two project cooperatives.

Conclusions and recommendations

Project implementation is proceeding as planned. With respect to credit, the Common Fund for Commodities (CFC) loan has still not been assigned to a borrower. Possible candidates for this role are Banrural and Oikocredit. It is hoped to achieve the assignment of the loan as soon as possible in order not to delay second-year activities.

First-year training activities increase the chances of qualifying for credit of involved producers since with improved management of processing an important selection criterion of Oikocredit is secured (generating in its operations a positive social and environmental impact) and with group work a satisfactory credit relationship is facilitated between Banrural and new organizations of small farmers without a previous credit record.
In Jamaica progress has been slow but successful; the beneficiary cooperatives for the first time received the opportunity of participating in a project that offers them technical assistance, which over such a long period the Coffee Industry Board (CIB) was not able to offer.

It is recommended that the coordination of the project in Jamaica should involve at least one mission more than those that have been planned for the year in order to increase control over the progress of the activities.
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anacafé</td>
<td>National Coffee Association (Guatemala)</td>
</tr>
<tr>
<td>CBB</td>
<td>Coffee Berry Borer</td>
</tr>
<tr>
<td>CFC</td>
<td>Common Fund for Commodities</td>
</tr>
<tr>
<td>CIB</td>
<td>Coffee Industry Board of Jamaica</td>
</tr>
<tr>
<td>CLR</td>
<td>Coffee Leaf Rust</td>
</tr>
<tr>
<td>COFENAC</td>
<td>National Coffee Council (Ecuador)</td>
</tr>
<tr>
<td>CRF</td>
<td>Coffee Research Foundation</td>
</tr>
<tr>
<td>DPAE</td>
<td>Direction Provinciale de l’Agriculture et de l’Elevage (institution in charge of extension services)</td>
</tr>
<tr>
<td>EAFCA</td>
<td>Eastern African Fine Coffees Association</td>
</tr>
<tr>
<td>FFS</td>
<td>Farmer Field Schools</td>
</tr>
<tr>
<td>FGCCC</td>
<td>Guarantee Funds of the Cooperatives Coffee-Cocoa</td>
</tr>
<tr>
<td>INCA</td>
<td>Instituto Nacional do Café de Angola</td>
</tr>
<tr>
<td>IPR</td>
<td>Intellectual Property Rights</td>
</tr>
<tr>
<td>OCIBU</td>
<td>Coffee Board of Burundi</td>
</tr>
<tr>
<td>PEA</td>
<td>Project Executing Agency</td>
</tr>
<tr>
<td>RF</td>
<td>Revolving Fund</td>
</tr>
<tr>
<td>SCAE</td>
<td>Speciality Coffee Association of Europe</td>
</tr>
</tbody>
</table>