



INTERNATIONAL COFFEE ORGANIZATION
ORGANIZACIÓN INTERNACIONAL DEL CAFÉ
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Projects Committee/
International Coffee Council
5 – 8 March 2012
London, United Kingdom

Improving coffee productivity in Yemen

Concept note

Background

1. This document, submitted by the Government of Yemen, contains a concept note of a new project proposal for a fast track Project Preparation Facility (PPF) to develop a full-fledged Project to improve the agricultural capacity through introducing modern methods in agricultural and harvesting operations, and improving water efficiency.
2. In order to advance with the technical screening process, preliminary comments were requested, by the ICO Secretariat, to the CFC Project Appraisal Committee (PAC) in November 2011. The PAC considered that Yemen has received very little benefits from the CFC and as such deserves special priority consideration. Thus, the CFC is favourably disposed to considering a Fast Track project in the order of approximately US\$30,000 to facilitate identification of the needs of the sector by the main local stakeholders in Yemen.
3. The proposal will be forwarded to the Virtual Screening Subcommittee (VSS) for an evaluation and will be considered by the Projects Committee in March 2012.

Action

The Projects Committee is requested to consider this proposal as well as the recommendations of the VSS and, if appropriate, to recommend its approval by the Council.

PROJECT SUMMARY

1. **Project title:** Improving coffee productivity in Yemen
2. **Duration:** 3 years
3. **Location:** Yemen Governorates of Sana'a, Dhamar, Lahj, Abyan, Taiz, Mahweet, and Hajjah.
4. **Nature of Project:** To improve agricultural capacity through introducing modern methods in agricultural and harvesting operations, and improving water efficiency.
5. **Brief description:** The making use of, and developing traditional methods through organizing specialized training courses for farmers, guiders, and cadres.
6. **The estimated total cost:** US\$1,200,000
7. **Financing sought from the Fund:** US\$1,200,000 (grant)
8. **Co-financing:** US\$0
9. **Counterpart contribution:** US\$0
12. **Project Executing Agency (PEA):** tbd
13. **Supervisory Body:** International Coffee Organization (ICO)
14. **Estimated starting date:** tbd

Background

Yemen has a comparative advantage in coffee production globally and historically. Coffee growing has been a traditional Yemeni agricultural practice. Yemeni coffee commodity of the brand 'Mokha' is well-known in the world commodity markets. But in recent years, coffee production in Yemen has suffered from deterioration and negligence. This is due to several factors, including climatic ones such as rain shortages and climate change, particularly in the producing areas located in rough mountainous heights which are difficult for governmental or private developmental efforts to reach. In addition, the deterioration of agricultural terraces and lands planted with coffee and other crops, causes negative social impacts such as displacement of many farmers by migration to cities to look for other means of subsistence, and thus neglecting agriculture, including the coffee crop.

Moreover, farmers replace coffee crop with qat as to achieve quick financial profits, regardless of the damage caused by the qat and of its impact on health, social, economic and environmental aspects.

It is therefore important that the government intervenes through its programmes and plans to draw attention to this crop (coffee) through provision of development aid and technical assistance to strengthen the infrastructure in the region of production to form a base for future development perspectives and encourage farmers to settle in their areas and get interested in agriculture, especially in coffee crop.

Project components

- Establishing mini-nurseries in production areas and renewing old trees.
- Establishing modern irrigation systems aiming at rationing water-use and increasing the efficiency of irrigation, and horizontal expansion of the crop aiming at diversity of the targeted crops.
- Qualifying and training of agriculture conductors and the working cadre in coffee cultivation.
- Preparing a comprehensive inventory of the areas planted with coffee in all regions of the Republic and making a cadastral map.
- Training on the use of modern means of Post Harvest.
- Work towards the preparation of rules of classification and characterization of coffee crop according to scientific principles, technical and international standards.
- Maintaining expand the agricultural traces and follow modern technical methods in agricultural operations.
- Encourage agricultural producers and marketers to enter various marketing processes, and opening local markets and external export channels according to supply and demand rules.

Budget

Components	Justification	Duration	Cost
The establishment of mini-nurseries	Improve production quality and quantity in the production areas	36 months	US\$400,000
The establishment of modern irrigation networks	Raise the efficiency of water	36 months	US\$100,000
Encouraging producers and marketers of agricultural	Economic policy-making in order to raise the capacities of farmers	24 months	US\$50,000
Rehabilitation and training of farmers and extensionists	Increase the capacity of farmers	24 months	US\$50,000
Rehabilitation agriculture cadre	Introduce modern concepts in the cultivation and marketing of coffee	24 months	US\$100,000
Rehabilitation of the old nursery	Ensuring requirements needed to increase production	36 months	US\$200,000
The establishment of demonstration fields	Involve farmers in the modern production process	36 months	US\$200,000
Post Harvest	Reduce post-harvest losses	36 months	US\$100,000
Ensuring of equipment to the project	Facilitating the implementation of the management (materials and equipment) Project		US\$50,000
Total			US\$1,200,000