



# EL SALVADOR

## Centroamérica





Café de El Salvador  
*Drink it... and smile*



# COFFEE PROFILE



# BACKGROUND

# GEOGRAPHICAL SETTING

- **20,740**  
km<sup>2</sup>

- **6.3 Million**  
Population

- **14**  
Political Administration

- **Spanish**  
Language



- **Tropical Climate Zone**

# ECONOMIC SETTING

## Main Economic Indicators

**CURRENCY:**  
**US\$**

INDICATOR	2010	2011	2012	2013	2014	2015
Population (million)	6.2	6.2	6.2	6.2	6.3	6.3
Men	2.9	2.9	2.9	2.9	3.0	3.0
Women	3.2	3.3	3.3	3.3	3.3	3.3
GDP (US\$ million)	9,076.0	9,277.2	9,451.7	9,626.3	9,763.5	10,003.2
GDP per capita (US\$)	1,465.5	1,486.9	1,502.7	1,517.4	1,525.2	1,548.4
GDP growth rate (%)	1.4%	2.2%	1.9%	1.8%	1.4%	2.5%
Interest rate (%)	3.0%	2.2%	3.0%	3.7%	3.9%	4.5%
Inflation (%)	1.2%	5.1%	1.7%	0.8%	1.1%	-0.7%
Total exports (US\$ million)	3,363.6	3,754.2	4,102.6	3,801.8	3,985.3	3,947.5
Agricultural share of GDP (%)	12.6%	12.8%	12.3%	12.4%	12.2%	12.2%

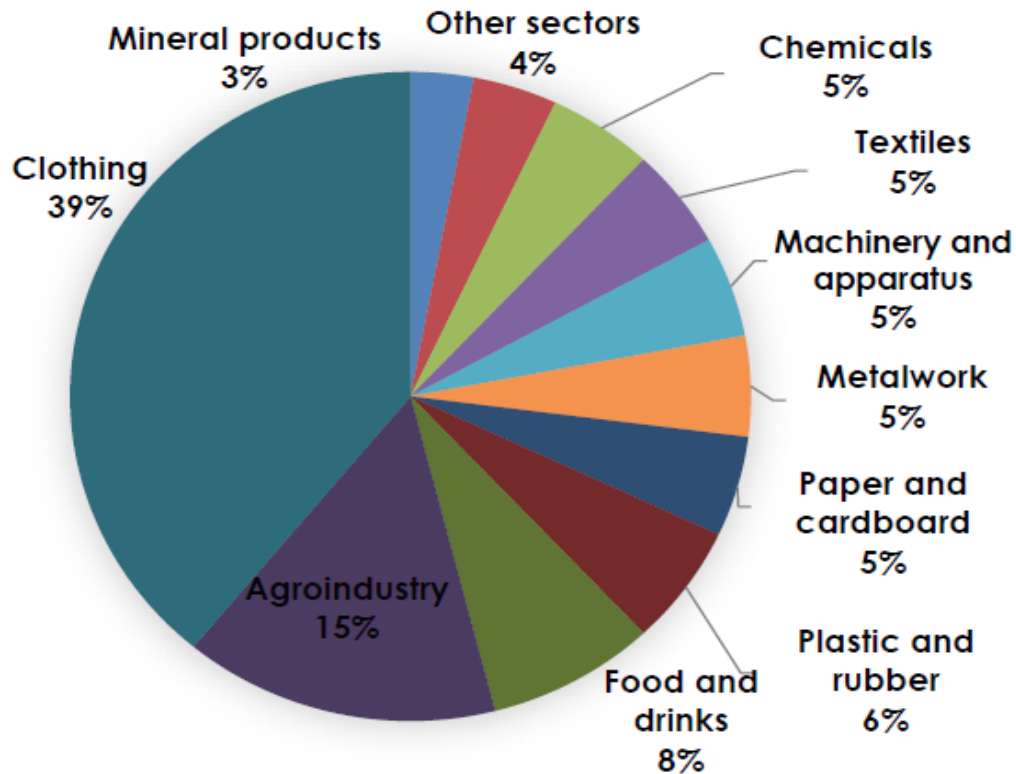
Source: Central Reserve Bank of El Salvador (BCR) and Economic Commission for Latin America and the Caribbean (ECLAC)

\* Current figures

\*\* Interest rate for one-year deposits

# PRINCIPAL EXPORT SECTORS AT THE PRESENT TIME

Graph 1:



\* 2014 figures

# COFFEE HISTORY

**1740**  
Coffee brought into El Salvador

**1855**  
First Export of Salvadoran Coffee

**1864**  
Economic Take Off

**1930**  
Coffee growing, and sowing in new coffee-growing areas

**1950**  
Modernization of coffee-growing began

**1975**  
Intensification of coffee-growing:  
The Pacas variety was widely planted.

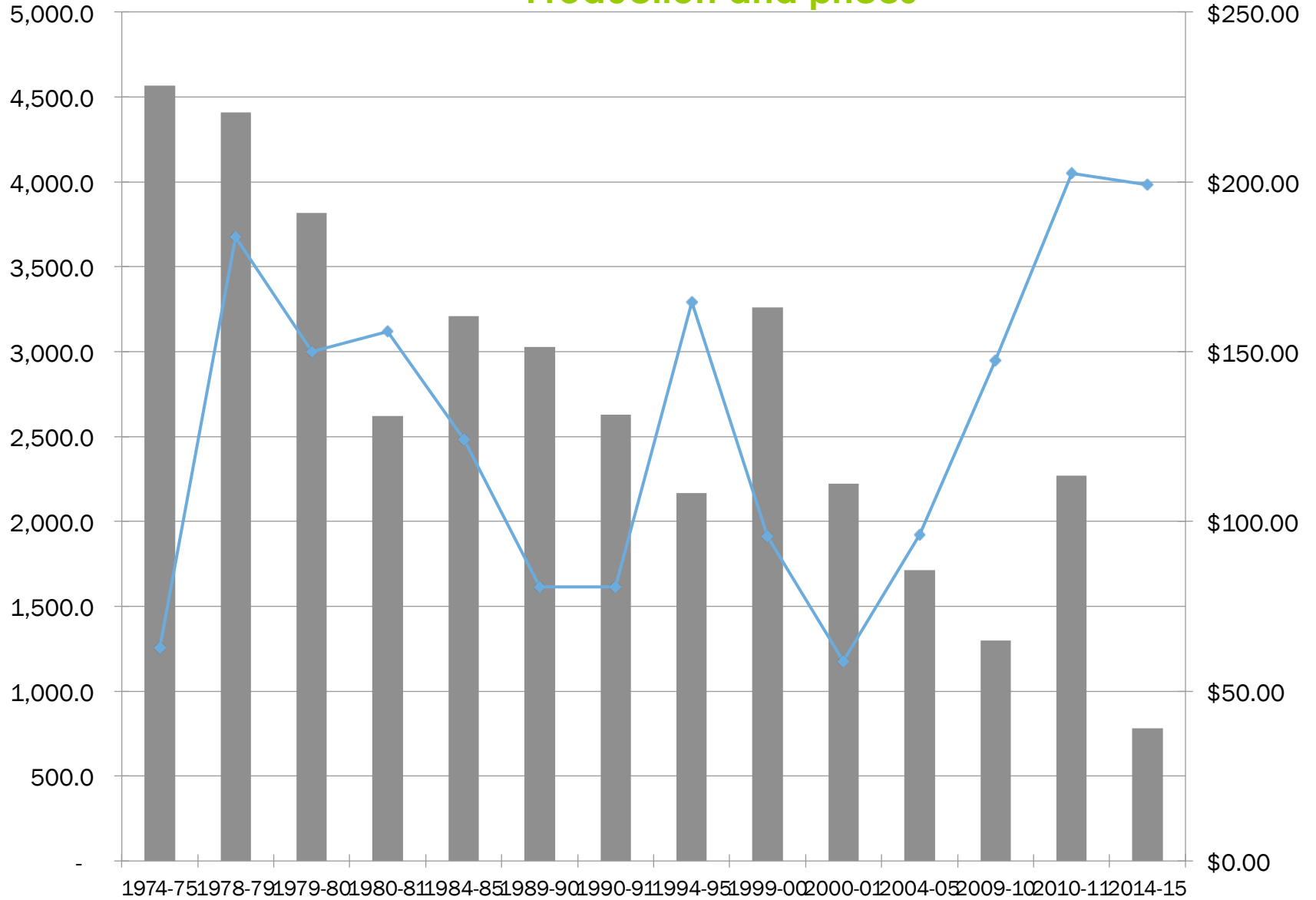
**1980**  
Production fell for internal civil strife

**1990**  
Huge fall in prices

**2000**  
Considerable drop in production

**2014**  
Began government policies of recovering  
Of coffee growing

## Production and prices







# Coffee-growing areas in El Salvador



Café de El Salvador  
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Alotepec  
Metapán

El Bálsamo  
Quezaltepec

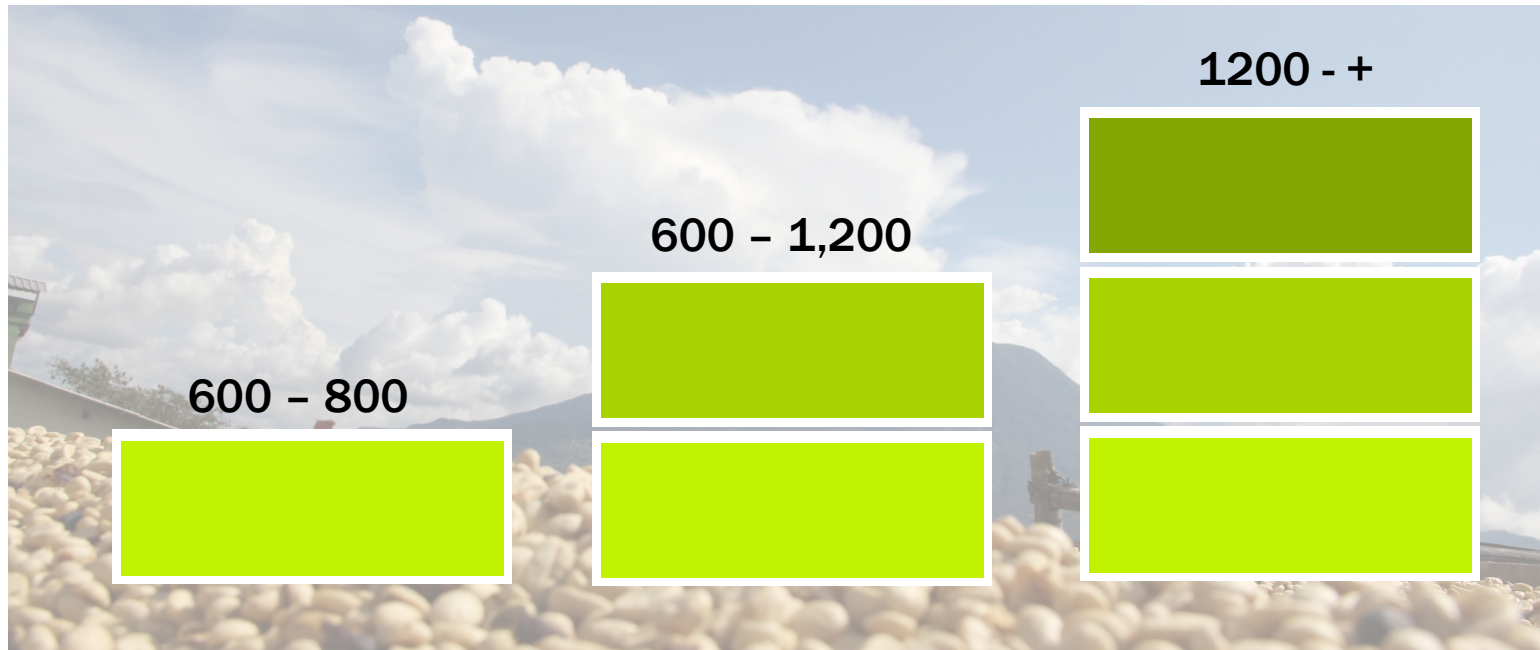
Apaneca  
Ilamatepec

Chinchontepec

Tecapa  
Chinameca

Cacahuatique

# ALTITUDE



## LOWLAND

(Central Standard-CS):  
Produced between 600 to  
800 m a.s.l.

## MEDIUM ALTITUDE

(High Grown-HG):  
Produced between 800  
and 1,200 m a.s.l.

## HIGH ALTITUDE

(Strictly High Grown-SHG):  
Produced above 1,200 m  
a.s.l.

# VARIETIES

Bourbon	62%
Pacas	31%
Pacamara	2%
Otros	5%

# TYPES OF COFFEE

## \* Differentiated or speciality coffee:

- Gourmet (certified by the Council)
- Fine
- Organic
- Sustainable (Rainforest Alliance, 4C)
- Fair Trade
- Natural speciality coffees

## \* Processed

- ✓ Roast and ground
- ✓ Soluble

Main Coffee-producing Areas Varieties Altitude Area (ha) % (h)	Varieties	Altitude	Area (ha)	% (ha)
<b>Mountain range Apaneca-Ilamatepec</b>	64.2% Bourbon 25.6% Pacas 10.2% Mixture of Bourbon, Pacas and others	From 500 to 2,365 m a.s.l. (1,640 – 7,759 ft)	66,550	50.1%
<b>Mountain range El Bálsamo-Quezaltepec</b>	51.8% Bourbon 22.5% Pacas 25.7% Mixture of Bourbon, Pacas and others	From 500 to 1,960 m a.s.l. (1,640 – 5,430 ft)	37,545	28.3%
<b>Mountain range Chichontepec</b>	71.7% Bourbon 7.4% Pacas 20.9% Mixture of Bourbon, Pacas and others	From 500 to 1,000 m a.s.l. (1,640 – 3,280 ft)	6,075	4.6%
<b>Mountain range Tecapa-Chinameca</b>	69.5% Bourbon 22.2% Pacas 8.3% Mixture of Bourbon and Pacas	From 500 to 2,139 m a.s.l. (1,640 – 7,017 ft)	15,705	11.8%
<b>Mountain range Cacahuatique</b>	65.3% Bourbon 20.6% Pacas 14.1% Others	From 500 to 1,663 m a.s.l. (1,640 – 5,456 ft)	4,815	3.6%
<b>Mountain range Alotepec-Metapán</b>	30% Bourbon 50% Pacas 15% Pacamara 5% Others (Catuaí y Catimor)	From 1,000 to 2,000 m a.s.l. (3,280 – 6,561 ft)	2,200	1.7%

The image shows several large, woven sacks filled with dark red coffee beans. The sacks are arranged in a row, and the beans are piled high inside them. The background is a plain, light-colored surface, possibly a concrete floor or a wall. The overall scene suggests a coffee processing or storage facility.

# COFFEE PRODUCTION

# PRODUCTION SYSTEMS

## PERFORMANCE PER HA

**Normal conditions:**

10 - 25 bags

**Current conditions:**

5 - 12 bags

## PRUNING SYSTEM

- Multiple vertical
- Hard cutting back

**1.67 mts x 1.67 mts**

3,575 plants/ha.

**100%**

All coffee plantations  
are grown  
under shade

**33%**

Coffee with sustainable coffee  
certifications

**2%**

Organic Coffee

## COFFEE SEASON:

Seeding	June-July
Harvesting	October - March
Management activities	Permanent



# FARM SIZE

Size	MEN	WOMEN	LEGAL PERSONS	Total	AREA UNDER CULTIVATION (ha)
<b>0.01 a 3.50 ha</b>	10,943	5,987	57	<b>16,987</b>	18,399
<b>3.51 - 7.00 ha</b>	1,056	566	50	<b>1,672</b>	15,437
<b>7.01 - 17.50 ha</b>	315	202	199	<b>716</b>	18,049
<b>17.51 - 35.00 ha</b>	737	512	129	<b>1,378</b>	8,492
<b>35.01 - 70.00 ha</b>	139	78	180	<b>397</b>	19,674
<b>Over 70 ha</b>	79	47	262	<b>388</b>	52,839
<b>TOTAL</b>	<b>13,269</b>	<b>7,392</b>	<b>877</b>	<b>21,538</b>	<b>132,890</b>



# VOLUME OF PRODUCTION

60 kg

MONTH	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
October	35,960	101,170	140,735	9,475	62,740	35,410
November	386,275	328,485	407,115	54,685	193,400	193,390
December	561,250	361,525	380,935	214,210	221,390	161,890
January	379,365	231,755	185,310	147,180	121,185	83,565
February	189,480	74,275	63,495	42,410	42,135	39,400
March	73,595	34,885	25,000	21,120	16,145	13,575
April and May	247,035	31,670	36,995	17,230	12,120	15,970
<b>Total</b>	<b>1,872,960</b>	<b>1,163,765</b>	<b>1,239,585</b>	<b>506,310</b>	<b>669,115</b>	<b>543,200</b>



# PRODUCTION COSTS

Data in US\$  
x ha

Establishment costs/  
initial investments

VARIABLE	2011/12	2012/13	2013/14	2014/15	2015/16
Inputs	2,152.00	2,152.00	2,300.00	2,300.00	2,350.00
Labor	3,145.00	3,165.00	3,158.00	3,163.00	3,165.00
Administration	68.00	70.00	72.00	72.00	74.00
Other (interests, unforeseen events, etc.)	490.00	508.00	510.00	510.00	516.00
<b>Total</b>	<b>5,855.00</b>	<b>5,895.00</b>	<b>6,040.00</b>	<b>6,045.00</b>	<b>6,105.00</b>

Annual production costs

VARIABLE	2011/12	2012/13	2013/14	2014/15	2015/16
Labor	570.90	597.00	507.90	472.90	503.00
Inputs	644.40	650.40	662.10	649.40	662.40
Other costs (fixed and financial)	152.47	156.15	152.45	151.38	155.55
<b>TOTAL</b>	<b>1,367.77</b>	<b>1,403.55</b>	<b>1,322.45</b>	<b>1,273.68</b>	<b>1,320.95</b>



# CROP LOSSES

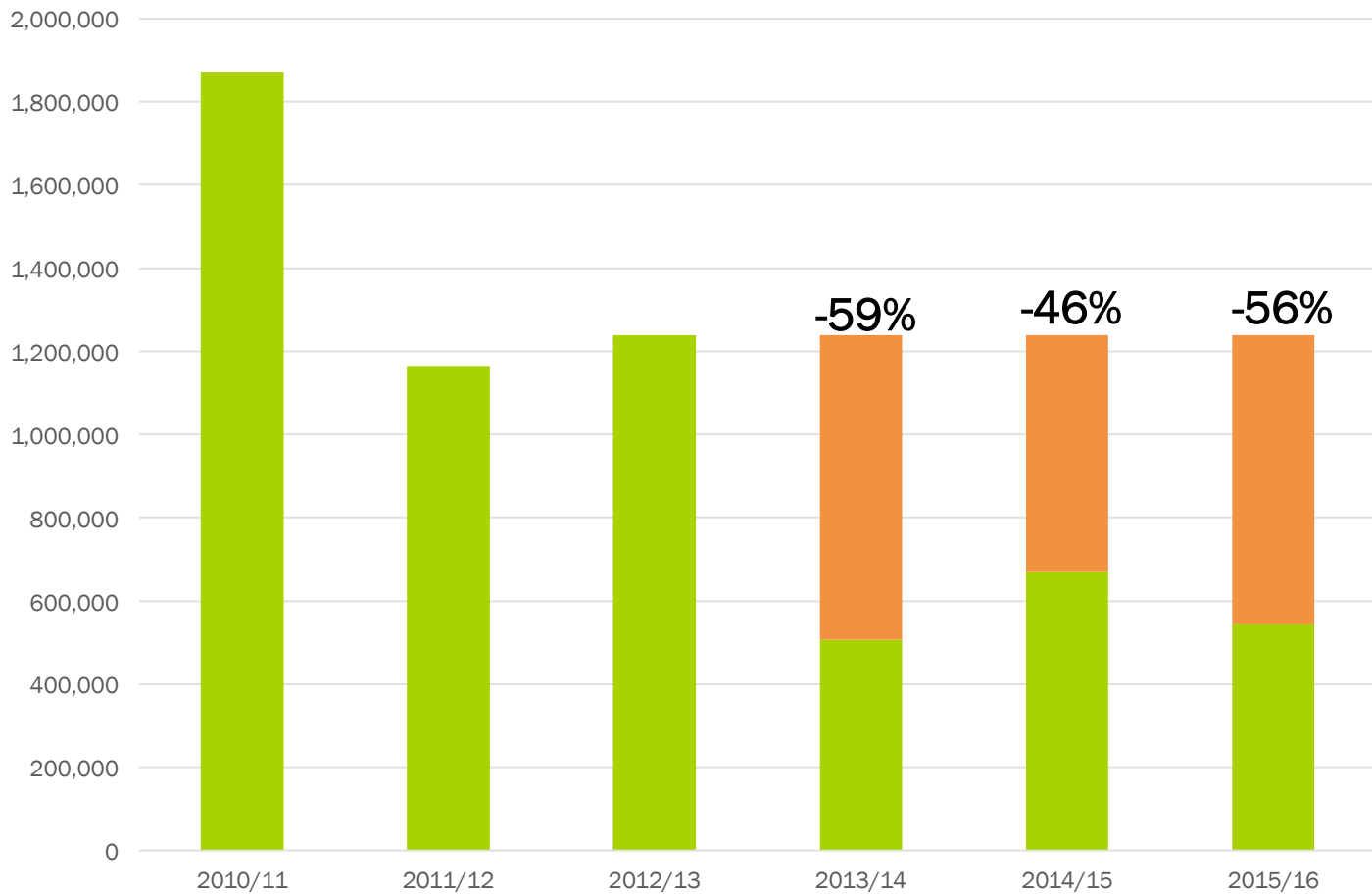


Due to pests  
and Diseases



Due to adverse weather

# CROP LOSSES DUE to adverse weather



# FARMER'S INCOME

Average price paid  
to Coffee Growers  
(US Cents/Pound)

Year	2010	2011	2012	2013	2014	2015
Average price paid to coffee growers	113.29	189.11	121.75	84.25	118.10	90.08
FOB Price	163.23	253.08	174.97	125.98	177.76	135.58
Share Average FOB Price	69.4%	74.7%	69.6%	66.9%	66.4%	66.4%

# CENTA CAFÉ

National Agricultural Technology  
Centre, a state body from 2014

- Research
- Technical Assistance visits
- Training

## SUPPORT PROJECTS:

- Delivery of rusts-resistance plants:
- Delivery of fungicides:
- Analysis of soils and foliage samples

**13** RESEARCH  
PROGRAMMES

**PROMECAFÉ**  
**PROCAGICA**

# RESEARCH AND EXTENSION



# COFFEE PROCESSING

**96%** Washed coffee from berry to green coffee, takes place at processing plants

**4%** Semiwashed, honey or natural processing

## PREPARATIONS

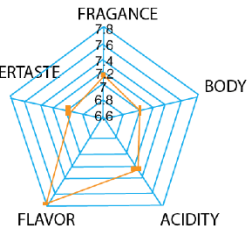
**AMERICAN**  
Maximum 12 defects

**EUROPEAN**  
Maximum 8 defects

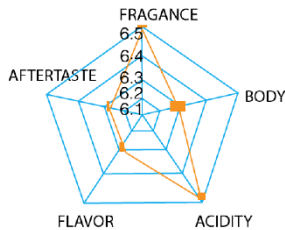
**Specialty Coffee:**  
They are based on the parameters set by the American Coffee Association

## CLASIFICACION AND TASTING IN CUP

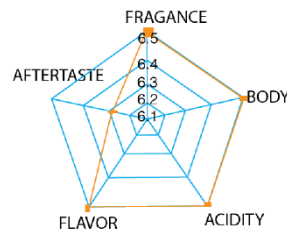
ALOTEPEC METAPÁN



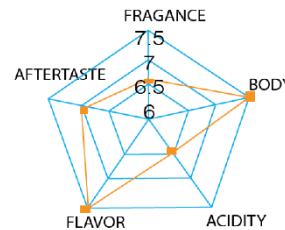
CACAHUATIQUE



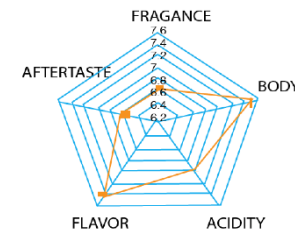
APANECA ILLAMATEPEC



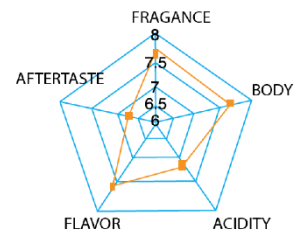
CHICHONTEPEC



EL BÁLSAMO QUEZALTEPEC



TECAPA CHINAMECA



# STAKEHOLDERS IN THE COFFEE SECTOR

81

FARMER'S ASSOCIATIONS/  
COOPERATIVES

8.3%

HECTARES OF COFFEE = 11,000 HA

6.5%

NATIONAL PRODUCTION



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**NATIONAL COFFEE  
AUTHORITY**





Salvadoran Coffee Council

**GOVERNMENT**  
**INSTITUTION**

**BOARD  
COMPOSITION:**

**4**

**REPRESENTATIVES FROM  
THE PUBLIC SECTOR**

- Minister of Agriculture
- Ministry of Environment
- Ministry of Tourism
- Central Reserve Bank

**4**

**REPRESENTANTIVES OF  
PRIVATE SECTOR**



## **MARKETING** CHANNELS

Registered producers:	<b>21,704</b>
Processors:	<b>76</b>
Parchment coffee producers:	<b>61</b>
Exporters:	<b>123</b>
Roasters:	<b>42</b>

# COFFEE ROASTING AND DOMESTIC CONSUMPTION

**8% to 10%**

Of national production is  
for use in local industry.

**40%**

Of coffee consumed  
nationally is produced in El  
Salvador

**2.7 kg**

**Per capita/year**



Growth in green coffee equivalent  
over the past five years:

**0.7 kg = 30%**

**81%** Coffee drinking population

**60%** Soluble Coffee

# COFFEE EXPORT

COFFEE YEAR	2010/2011		2011/2012		2012/2013		2013/2014		2014/2015	
	60 kg bags	Valor US\$	60 kg bags	Valor US\$	60 kg bags	Valor US\$	60 kg bags	Valor US\$	60 kg bags	Valor US\$
<b>COMMERCIAL</b>	<b>1,118,955.3</b>	<b>283,291,022.08</b>	<b>376,428.6</b>	<b>108,497,769.18</b>	<b>395,780.3</b>	<b>78,140,570.34</b>	<b>191,097.5</b>	<b>37,621,380.92</b>	<b>126,474.5</b>	<b>30,223,402.09</b>
CS	13,641.6	3,405,307.97	603.8	202,456.88	5,657.7	948,840.38	949.0	224,752.05	419.8	90,414.15
HG	717,829.3	179,066,932.07	244,914.4	71,118,219.46	276,300.8	54,867,750.45	89,430.3	16,379,992.89	81,166.4	19,271,571.32
SHG	387,484.4	100,818,782.04	130,910.5	37,177,092.84	113,821.8	22,323,979.51	100,718.2	21,016,635.98	44,888.4	10,861,416.62
<b>DIFERENTIATED</b>	<b>460,403.6</b>	<b>136,590,103.52</b>	<b>523,305.1</b>	<b>170,076,023.20</b>	<b>598,771.8</b>	<b>148,719,511.76</b>	<b>244,213.1</b>	<b>62,148,555.99</b>	<b>423,734.6</b>	<b>116,409,520.89</b>
Gourmet	14,819.9	5,924,645.86	3,870.1	1,725,211.62	1,442.3	1,034,122.86	422.8	496,246.71	346.7	433,127.97
Organic	16,847.0	5,193,605.40	7,041.8	2,544,638.64	9,182.8	2,515,849.88	1,199.5	356,475.00	1,973.8	709,641.38
Eco-friendly	213,186.2	58,518,333.74	170,928.5	52,377,842.97	154,426.3	34,942,565.12	71,009.1	15,224,458.93	96,425.8	24,434,376.94
Fair Trade	14,839.6	4,467,641.63	12,414.3	3,887,317.88	12,278.6	2,867,723.63	1,897.5	404,250.00	6,739.0	1,745,062.28
Fair Trade/ Organic	440.5	154,755.00	3,783.5	1,436,385.00	3,697.8	1,123,977.90	2,711.7	750,780.00	3,162.5	1,138,500.00
Gourmet/ Organic	667.6	279,425.00	169.4	68,983.55	201.0	98,913.90	219.1	113,037.34	71.5	28,964.99
Orgánico/ Organic	8,496.2	2,857,437.75	4,961.9	1,556,983.13	3,399.2	857,221.80	3,017.5	975,878.93	4,553.5	1,577,633.40
Natural	2,283.0	832,429.14	6,329.1	2,371,897.41	18,172.5	4,868,247.62	1,097.6	443,916.61	1,863.9	793,949.16
Fine	188,823.6	58,361,830.00	313,806.5	104,106,763.00	395,971.3	100,410,889.05	162,638.3	43,383,512.47	308,597.8	85,548,264.77
<b>SUB-STANDARD</b>	<b>157,854.8</b>	<b>39,187,713.38</b>	<b>160,427.3</b>	<b>33,736,970.87</b>	<b>179,019.4</b>	<b>24,798,732.75</b>	<b>62,917.7</b>	<b>10,101,699.57</b>	<b>45,009.9</b>	<b>7,221,905.24</b>
RL	85,127.6	20,866,965.00	82,793.1	17,745,886.73	110,193.0	15,330,906.75	47,476.6	7,398,012.34	28,967.4	4,869,001.86
PV	72,727.2	18,320,748.38	77,634.2	15,991,084.14	68,826.4	9,467,826.00	15,441.1	2,703,687.23	16,042.5	2,352,903.38
<b>PROCESSED</b>	<b>3,304.2</b>	<b>703,202.01</b>	<b>1,292.7</b>	<b>389,951.37</b>	<b>792.3</b>	<b>336,984.54</b>	<b>792.0</b>	<b>337,130.72</b>	<b>2,497.7</b>	<b>1,331,505.07</b>
Soluble	261.0	112,344.45	342.1	123,722.31	206.3	71,381.00	442.4	151,996.03	560.3	207,445.56
Toasted	3,043.2	590,857.56	950.6	266,229.06	586.0	265,603.54	349.6	185,134.69	1,937.4	1,124,059.51
<b>TOTAL</b>	<b>1,740,517.7</b>	<b>459,772,040.99</b>	<b>1,061,453.7</b>	<b>312,700,714.62</b>	<b>1,174,363.8</b>	<b>251,995,799.39</b>	<b>499,020.2</b>	<b>110,208,767.20</b>	<b>597,716.7</b>	<b>155,186,333.29</b>

# DESTINATIONS

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North America **51%**

Europe **31%**

Asia **16%**

Other **2%**

# EXPORTS OF CERTIFIED COFFEE

COFFEE YEAR	2010/2011		2011/2012		2012/2013		2013/2014		2014/2015	
	60 kg bags	Valor US\$	60 kg bags	Valor US\$	60 kg bags	Valor US\$	60 kg bags	Valor US\$	60 kg bags	Valor US\$
Sustainable/RA	213,186.24	\$58,518,333.74	170,928.55	52,377,842.97	154,426.30	34,942,565.12	71,009.10	15,224,458.93	96,425.80	24,434,376.94
Fair Trade	14,839.60	\$4,467,641.63	12,414.25	3,887,317.88	12,278.55	2,867,723.63	1,897.50	404,250.00	6,739.00	1,745,062.28
Fair Trade/ Sustainable	440.45	\$154,755.00	3,783.50	1,436,385.00	3,697.83	1,123,977.90	2,711.70	750,780.00	3,162.50	1,138,500.00
Gourmet/ Sustainable	667.60	\$279,425.00	169.36	68,983.55	201.02	98,913.90	219.08	113,037.34	71.51	28,964.99
Orgánico/ Sustainable	8,496.20	\$2,857,437.75	4,961.91	1,556,983.13	3,399.25	857,221.80	3,017.49	975,878.93	4,553.55	1,577,633.40
<b>TOTAL</b>	<b>237,630.09</b>	<b>66,277,593.12</b>	<b>192,257.57</b>	<b>59,327,512.53</b>	<b>174,002.94</b>	<b>39,890,402.35</b>	<b>78,854.87</b>	<b>17,468,405.20</b>	<b>110,952.36</b>	<b>28,924,537.61</b>





# COFFEE ON TRADE BALANCE

	EL SALVADOR (US\$ MILLION)							AVERAGE
YEAR	2009	2010	2011	2012	2013	2014	2015	2009-2015
<b>TOTAL</b>	3,866	4,499	5,308	5,339	5,491	5,273	5,485	4,963
<b>COFFEE</b>	230	213	464	300	234	111	149	259
<b>SHARE</b>	<b>6.0%</b>	<b>4.7%</b>	<b>8.7%</b>	<b>5.6%</b>	<b>4.3%</b>	<b>2.1%</b>	<b>2.7%</b>	<b>4.9%</b>



## SHARE OF COFFEE IN GROSS DOMESTIC PRODUCT (GDP)

YEAR	2009	2010 p	2011/p	2012/P	2013/P	2014/P
<b>National GDP</b>	8,954	9,076	9,277	9,452	9,626	9,814
<b>Agricultural GDP</b>	1,130	1,166	1,137	1,176	1,171	1,190
<b>GDP From Coffee</b>	110	146	129	113	70	56
GDP from Coffee/ GDP Country	<b>1.2%</b>	<b>1.6%</b>	<b>1.4%</b>	<b>1.2%</b>	<b>0.7%</b>	<b>0.6%</b>
GDP from Coffee/ Agricultural GDP	<b>9.7%</b>	<b>12.5%</b>	<b>11.3%</b>	<b>9.6%</b>	<b>6.0%</b>	<b>4.7%</b>
Agricultural GDP/ GDP Country	<b>12.6%</b>	<b>12.8%</b>	<b>12.3%</b>	<b>12.4%</b>	<b>12.2%</b>	<b>12.1%</b>





# EMPLOYMENT GENERATED BY THE COFFEE SECTOR

Coffee Year	Man days*	Employment by year**
<b>2012/2013</b>	21,625,000.00	86,500.00
<b>2013/2014</b>	8,750,312.50	35,001.25
<b>2014/2015</b>	11,564,500.00	46,258.00
<b>2015/2016***</b>	9,562,500.00	38,250.00

\*One bag generates 16.5 man-day of work, including agro-industrial activity under normal conditions

\*\*One year's work= 250 days

\*\*\*Preliminary data for harvest to 30 april 2016

# IMPACT ON THE ENVIRONMENT

4%

PRIMARY  
FOREST

7%

COFFEE  
PLANTATIONS

CONSERVING BIODIVERSITY

IMPORTANCE FOR WATER RESOURCES:

715 m<sup>3</sup>/h

CARBON:

190 ton/ha annual

CARBON SINK:

13,178 ton

# PROSPECTS FOR COFFEE PRODUCTION

- Renewal of El Salvador's Coffee Plantations

<b>30%</b>	PUBLIC SECTOR
<b>40%</b>	PRIVATE SECTOR



Café de El Salvador  
*Drink it... and smile*



**THANK YOU  
VERY MUCH**



ConsejoCafeSV