



## **Project backgrounder**

### ***Reviving high quality coffee production in South Sudan***

#### **Background**

The first major coffee company to re-enter South Sudan after its independence, *Nespresso* discovered high-quality coffee Robusta with unique aromas and very promising potential. Eager to bring this exceptional coffee to consumers worldwide, while helping farmers and their families secure new sources of sustainable business, *Nespresso* partnered with non-profit organization TechnoServe and the Ministry of Agriculture, Forestry, Cooperatives and Rural Development of the Republic of South Sudan to revive high-quality coffee production in the country. Implementation of the company's AAA Sustainable Quality™ Program is thus contributing to economic development in South Sudan, with *Nespresso* the first company to offer coffee from the country following its independence.

South Sudan has a long coffee history, but its coffee industry was largely destroyed during the civil war. Considered part of the cradle of coffee, South Sudan is one of the only places in the world where both Arabica and Robusta coffee grows in the wild. However, the coffee industry has had to be rebuilt from the ground up--trees had to be replanted, and smallholder farmers required basic access to inputs and technical support. The infrastructure to support coffee commercialization, such as the creation of marketing channels, also needed to be developed.

The opportunity to have a positive impact in South Sudan is significant. The country's economy is heavily dependent on oil and foreign aid, and coffee is its first agricultural export to Europe. Coffee has the potential to facilitate a "grassroots" form of wealth generation and economic development, in contrast to the country's centralized oil sector. It is also providing much-needed income for thousands of farmers and their families living in coffee communities, and has the potential to play an important role in helping to diversify the economic base of the country.

#### **About the revival of the coffee sector in South Sudan**

*Nespresso's* investment since 2011 of over US\$ 2.5 million in reviving the production of high-quality South Sudanese coffee demonstrates the potential for commercial coffee production in the country. As part of the expansion of the AAA Program in Africa, *Nespresso* aims to have invested over US\$ 3.4 million in the project by the end of 2016.

The program focuses on improving yields and coffee quality through the establishment of central wet mills and by providing training to farmers to improve their agricultural practices. At the same time, commercial channels are being developed to enable the sale and export of South Sudanese coffee.

Focusing on supporting farmers in Yei, where existing coffee production is concentrated, the partners have established a coffee replanting program and agronomy and quality training support for local coffee growers. The program also includes the identification of local entrepreneurs for coffee marketing services and leaf and soil surveys for the development of a soil improvement plan for coffee production in the Yei region.



## Progress and achievements

Through *Nespresso's* and TechnoServe's collaboration, the first five coffee cooperatives of South Sudan have been established. Six wet mills to process the coffee have been established in the Yei region. Central wet mills and the associated centralized processing approach play a key role in improving the quality of the coffee and ensuring its distinctive aroma profile. Thanks to this processing method, *Nespresso* can buy high-quality washed Robusta, a new category of coffee in South Sudan, while at the same time taking advantage of the intrinsic quality of the local Robusta coffee plants that have survived the long war period. The central wet mills also bring benefits to the farmers, such as the reduction of labour and time-intensive work.

*Nespresso* has managed to source several tons of South Sudanese washed Robusta parchment coffee in 2013, 2014, 2015 and again in 2016. The quality levels have proven excellent. The brand launched the first coffee from South Sudan as a Limited Edition in France in October 2015.

The coffee cooperatives receive support to enable farmer mobilization, registration and quality processing, as well as training to establish a well-structured and well-managed coffee cooperative. The farmers in each cooperative have elected leaders and oversight committees to establish strong governance. The cooperatives have been helped to create financial transparency sheets to ensure the provision of clear financial performance data.

Coffee cooperatives are responsible for collecting coffee cherries from the farmers, and perform specific post-harvesting practices to produce parchment coffee. They play a major role in building a commercial coffee value chain. Once processed, the coffee is then transported to Uganda to be hulled and screened to meet *Nespresso* quality requirements before being exported to Europe.

As part of the project, TechnoServe, on behalf of *Nespresso*, is providing training to smallholder farmers to create coffee nurseries, plant coffee trees and improve agricultural practices to increase their productivity and the quality of their coffee. Farmer trainers have been recruited amongst the local community and have been taught to deliver agronomy trainings. Some 1,000 farmers have participated in agronomy field training sessions covering topics such as coffee planting, composting, mulching and nursery establishment since their launch in August 2015. Over 700 of them are formally registered in the *Nespresso* AAA Sustainable Quality™ Program. This number will continue increasing as additional farmers join the trainings over time. Several coffee nurseries have also been set up.

A total of 24 cooperative leaders and wet mill staff have been trained in coffee processing and SMS bookkeeping. In addition, all cooperative leaders have participated in cooperative governance training. Sustainability overview training has been provided to 38 wet mill staff and cooperative leaders at their wet mills, with a self-assessment of sustainability mandatory practices conducted as part of the training. A marked improvement has been noted in record-keeping skills and cooperative leaders have a better understanding of their roles and responsibilities.

*Nespresso* and TechnoServe have laid the foundation for the resurgence of a vibrant, inclusive coffee industry in South Sudan that will create much positive impact in the country. They will continue to support the established coffee cooperatives by providing training on coffee quality and business skills and develop the marketing channels for coffee. They will



also continue increasing over time the number of farmers taking part in the Nespresso AAA Sustainable Quality™ Program in the country.

## Next steps

In addition to continuing to support the coffee revival project through training and infrastructure development themselves, Nespresso and TechnoServe have made significant progress in attracting additional funding from private and public donors, with the aim of scaling up the program to reach several thousand farmers in the next ten years.

As announced in April 2016, the United States Agency for International Development (USAID) is joining forces with Nespresso and TechnoServe to support South Sudan's coffee farmers through an investment of \$3.18 million for three years. USAID's contribution will help expand the existing initiative to support a thriving and inclusive coffee sector in South Sudan by increasing scale and ensuring lasting impact. The funding injection will also allow the program to be extended to new communities, allowing more farmers in South Sudan to benefit from the revival of their country's coffee industry.

The initiative aims to triple coffee incomes and improve household resilience. By 2019, the program will have trained 1,500 South Sudanese farmers, of whom at least 25 percent will be women, and have helped establish nine cooperative-owned wet mills.

## TESTIMONIALS

### What some South Sudanese farmers have said about the project so far:

*"I have seen that there is great change within the community. We want to produce the right quality. People now have hope. We will be able to pay school fees for children and in the end develop the country,"* said Joseph Malish Thomas, a South Sudanese farmer and leader of the Inutu cooperative.

*"Thanks to TechnoServe and Nespresso, which supported setting up a wet mill, it has given me, as a woman, less hard work – especially hulling [removing coffee beans from dried cherries]. I was using a grinding stone or a mortar; but now, we are using the wet mill for processing,"* said Hellena Atiku, a South Sudanese farmer from the Inutu Cooperative.

*"When TechnoServe started to come here and farmers heard how much they can make from coffee, it has awakened them,"* said Cosmas, chairman of the Inutu Cooperative.

*"The existence of the Program in South Sudan has helped us recover the coffee trees we had lost during the war; and since we started maintaining our trees and delivering to the wet mills our lives have completely changed. We can now afford to take our children to good schools and meet the basic needs of the family. This wouldn't have been possible without that technical support. I plan to plant more coffee trees next season because I want to buy a car and build a decent house for my family. Nespresso and TechnoServe have strengthened us and taught us to be self-reliant,"* said South Sudanese farmer Daniel Lomoro.



*“We can also see that it can lift the family, lift the nation and can bring good things,”* said South Sudanese farmer Nicholas Taban Solomon. *“One will not be poor as before. The poverty is reducing, and you will have a better life. So we advise that everyone should plant coffee for the future to uplift the nation.”*

*“The farmers became so happy. There was no market, but now they have a market. At any time, you [can] take the cherries directly and get the money. In the future, if all goes well, the farmers will grow,”* said South Sudanese farmer Richard Bida Augustin.

**The project also hires local agronomists to help train the farmers, including many women:**

*“Being a AAA agronomist has built my confidence...I thought that women and youth like me couldn’t plant coffee. Now, I don’t go to my father or mother to ask for money to buy soap; I am the one helping myself and now I can ride a motorcycle by myself”,* said Rejina Aba Justin, AAA agronomist, age 23.