

USAID Joins Nespresso and TechnoServe to Support South Sudan's Coffee Farmers

\$3.18 million investment will accelerate development of the country's coffee market

New York, 7 April 2016 – Nespresso and TechnoServe, a development non-profit organization, are pleased to announce a new partnership with the United States Agency for International Development (USAID) to strengthen efforts to rebuild the coffee industry in the new country of South Sudan and improve coffee farmer livelihoods. USAID will invest \$3.18 million during three years in the project, which has already helped revive South Sudan's coffee industry, diversify its export market and raise the household incomes of smallholder coffee farmers.

Since 2011, Nespresso and TechnoServe have worked directly with local farmers to revive high-quality coffee production in South Sudan, while developing commercial channels to enable its sale and export. Nespresso has already invested over \$2.5 million in the project. The country's coffee industry was decimated after years of civil war, and oil now comprises 99 percent of its exports.

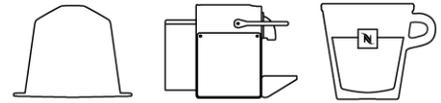
To date, more than 700 farmers have been integrated into the [Nespresso AAA Sustainable Quality™ Program](#), which provides support, training and technical assistance to improve sustainability and productivity, while maintaining the highest quality coffee. South Sudan's first wet mills (equipment to process coffee cherries into coffee beans) have been established, and the first coffee export was sold as a Nespresso Limited Edition in France last year.

“This new partnership with USAID will be instrumental to accelerate the progress Nespresso and TechnoServe have already made, working directly with South Sudanese farmers,” said Jean-Marc Duvoisin, CEO of Nestlé Nespresso. “This funding injection will allow us to scale up the project and help an even greater number of farmers grow and sell high quality coffee for international export at a higher price, thus creating a better quality of life for farmers and their families.”

George Clooney, Nespresso Brand Ambassador commented, “Coffee is a much-needed source of income for farmers in South Sudan – a country still ravaged by war. Investing in grassroots development and empowerment of local farming communities will help provide the foundation for sustainable economic development. This commitment by USAID is a strong signal of the relevance of the program that Nespresso and TechnoServe have built up with these communities, allowing it to reach even more farmers in more areas of the country.”

“The existence of the programme 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,” said South Sudanese coffee farmer Daniel Lomoro. “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. Nespresso and TechnoServe have strengthened us and taught us to be self-reliant.”

“We can also see that it can lift the family, lift the nation and can bring good things,” added 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.”



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 South Sudan'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 helped establish nine cooperative-owned wet mills.

"In a severely conflict-affected country like South Sudan, it's important that we invest in people to help improve livelihoods, reduce extreme poverty and give people hope about the future," said USAID Assistant Administrator for Africa Linda Etim. "By helping expand the success that Nespresso and TechnoServe have already achieved in improving the livelihoods of South Sudan's coffee farmers, USAID is planting seeds of hope at a very fragile and uncertain time for the people of South Sudan. We're encouraged to see a company like Nespresso investing in long-term growth in South Sudan and look forward to working together to expand economic growth and opportunity in the country."

Through its focus on improving smallholder livelihoods, this partnership also complements the goals of the U.S. Government's global hunger and food security initiative, [Feed the Future](#), helping to reduce poverty and malnutrition through agricultural development.

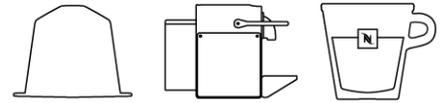
"Despite great difficulties, the coffee farmers of South Sudan have shown extraordinary determination to improve the future for their children, their communities, and ultimately, their country," said William Warshauer, President and CEO of TechnoServe. "Working with us and Nespresso, they have been proud to share their unique coffee with the world and to contribute to a more sustainable economic base for their country. With increased funding from USAID, coffee has the potential to eventually become one of the biggest non-oil exports for South Sudan, which could have important positive economic and political implications down the road."

Nespresso Sustainability Innovation Fund

Nespresso has also launched its Nespresso Sustainability Innovation Fund, which has been established to facilitate investment from Nespresso in coffee origin revival and coffee supply chain resilience projects that go beyond the usual business operations of the company. Nespresso is committing an initial \$10 million in specific innovative coffee value chain initiatives in the coming three years (2016-2018).

These announcements come as part of the fourth annual meeting of the Nespresso Sustainability Advisory Board.

Photos and video available here: www.nestle-nespresso.com/media/mediareleases/USAID-joins-Nespresso-and-TechnoServe-to-Support-South-Sudan-Coffee-Farmers



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About Nestlé Nespresso SA

Nestlé Nespresso SA is the pioneer and reference for highest-quality portioned coffee. Headquartered in Lausanne, Switzerland, *Nespresso* operates in 64 countries and has more than 12,000 employees. In 2015, it operated a global retail network of over 450 exclusive boutiques. For more information, visit the *Nespresso* corporate website: www.nestle-nespresso.com.

About the *Nespresso* AAA Sustainable Quality™ Program

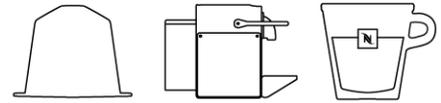
The *Nespresso* AAA Sustainable Quality™ Program, launched in 2003 in collaboration with the NGO The Rainforest Alliance, empowers coffee farmers by investing in community infrastructures, paying cash premiums for superior coffee and best agricultural practices, and providing farmers with training, financing and technical assistance to continuously improve quality, sustainability and productivity – the three pillars represented by the “triple As” in the program’s name. This approach drives improvements in social, environmental and economic conditions for coffee farmers and farming communities. <http://www.nestle-nespresso.com/sustainability/the-positive-cup/coffee>

About the *Nespresso* Sustainability Advisory Board

The *Nespresso* Sustainability Advisory Board is composed of experts and thought leaders in the area of sustainability. It has been established to solicit views and provide insight and recommendations to enhance the *Nespresso* long-term sustainability strategy and to serve as a base for partnerships on sustainability initiatives. Members include long-time *Nespresso* brand ambassador George Clooney, partners including The Rainforest Alliance, Fairtrade International, TechnoServe, IUCN and Pur Projet and *Nespresso* management. <http://www.nestle-nespresso.com/sustainability/sustainability-advisory-board/sustainability-advisory-board>

About TechnoServe

TechnoServe is a leader in harnessing the power of the private sector to help people lift themselves out of poverty. A nonprofit organization operating in 29 countries, we work with enterprising men and women in the developing world to build competitive farms, businesses and industries. By linking people to information, capital and markets, we have helped millions to create lasting prosperity for their families and communities. TechnoServe



has earned a 4-star rating from Charity Navigator for the last 10 years, placing us in the top 1 percent of all its rated nonprofits.

With nearly 50 years of proven results, TechnoServe believes in the power of private enterprise to transform lives. www.technoserve.org

About USAID

USAID is the lead U.S. Government agency that works to end extreme global poverty and enable resilient, democratic societies to realize their potential. Recognizing coffee's contribution to poverty reduction and development, USAID devotes significant resources to improving the productivity and incomes of smallholder coffee producers in Africa, Latin America, and Asia, in particular through Feed the Future, the U.S. Government's global hunger and food security initiative. USAID is the largest donor to South Sudan. USAID has adjusted its development assistance since the current conflict began to best help meet the needs of the South Sudanese people. www.usaid.gov