



INTERNATIONAL COFFEE ORGANIZATION
ORGANIZACIÓN INTERNACIONAL DEL CAFÉ
ORGANIZAÇÃO INTERNACIONAL DO CAFÉ
ORGANISATION INTERNATIONALE DU CAFÉ

PJ 36/12 Rev. 2

6 March 2013
Original: French
Available in English and French

E

Projects Committee
5th Meeting
7 March 2013
London, United Kingdom

Promoting coffee sustainability through increases in productivity, with particular focus on the participation of young people and women in Cameroon and the Central African Republic

Background

1. The present document has been submitted by the InterAfrican Coffee Organisation (IACO) on behalf of Cameroon and the Central African Republic, and contains a summary of the revised project proposal to promote sustainable coffee production through assistance to coffee farmers and young people to increase productivity/production, improve product quality and earn better farmgate prices in order to reduce their poverty levels.
2. The proposal has been sent to the Virtual Screening Subcommittee (VSS) for evaluation and will be examined by the Projects Committee in March 2013. A copy of the full project proposal is available from the Secretariat upon request.

Action

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

PROJECT SUMMARY

Project title:	Promoting coffee sustainability through productivity increases and participation by young people and women in Cameroon and the Central African Republic [Formerly: Promotion of domestic coffee marketing and consumption in the Central African Republic]
Duration:	Five years
Location:	Cameroon and the Central African Republic
Nature of the project:	Promoting sustainable coffee growing through productivity and quality improvements, as well as increased participation by young people and women in the value chain
Brief description:	<p>The project aims to support efforts made by the Governments of Cameroon and the Central African Republic to revive and rehabilitate their declining coffee sectors in order to stimulate the rural economy, generate income for the farming communities and reduce poverty among coffee farmers. The revival of coffee farming will take into account participation by young people and women in value chain activities in the two countries. For this purpose, the project will be organized around four main components: production, marketing, processing and domestic consumption. More precisely the project will comprise the following elements:</p> <ol style="list-style-type: none">i. Improving coffee productivity and quality.ii. Strengthening producer capacity in relation to coffee verification and certification.iii. Supporting marketing.iv. Increasing added value through promotion of local processing and domestic coffee consumption.
Estimated total cost (US\$):	US\$4,732,100 – Cameroon: US\$2,428,900 – Central African Republic: US\$2,303,200
CFC funding:	US\$3,029,150 (Grant) US\$980,000 (Loan)
Loan from the CFC:	– Cameroon: US\$489,000 – Central African Republic: 491,000

Counterpart contribution:	– Cameroon: US\$378,200 – Central African Republic: US\$444,750
Project Executing Agency:	InterAfrican Coffee Organisation (IACO)
Project Supervising Body:	International Coffee Organization
Estimated starting date:	October 2013

Project aims and justification

The project aims to support the efforts made by the two countries to revive and rehabilitate the declining coffee sector in order to boost their rural economies, generate income for coffee farming communities and reduce poverty among coffee farmers. The following objectives have been established for achieving the project aims:

- i) To increase productivity of coffee farmers to 1 tonne/hectare.
- ii) To improve coffee quality and thereby increase farmgate prices from the project starting date to completion.
- iii) To encourage, motivate and bring young men and women in Cameroon and the Central African Republic to participate directly in coffee production on a more permanent/sustainable basis.
- iv) To rehabilitate older and potentially productive coffee trees.
- v) To plant new coffee trees in fallow land or as a replacement for old trees.
- vi) To promote local processing and increase domestic consumption.

Logical Framework

Project title: Promoting coffee sustainability through productivity increases and participation by young people and women in Cameroon and the Central African Republic
 [Formerly: Promotion of domestic coffee marketing and consumption in the Central African Republic]

Estimated project starting date: October 2013

Estimated completion date: September 2017

Narrative Summary	Observed Verifiable Indicators	Means of Verification	Assumptions
<p>Programme Goal: The broad aim of the project is to promote sustainable coffee production by revitalizing the entire value chain from production to consumption, thereby reducing poverty in rural areas.</p>	<ul style="list-style-type: none"> • Increased productivity. • Increase in number of farmers attracted to coffee growing. • Progressive improvement in coffee quality in both countries. • Increase in incomes of coffee farmers. • Increase in domestic consumption. 	<ul style="list-style-type: none"> a. Project impact analysis report. b. Coffee trade statistics. c. National agricultural statistics. d. UNDP Human Development reports. e. ICO statistics. 	<ul style="list-style-type: none"> a. A favourable macro-economic environment is established. b. That government policy aimed at reducing poverty in coffee farming communities stays on course. c. That rebel activities in the Central African Republic do not spread to disrupt project implementation in the selected areas. d. Continued government involvement in reducing poverty in rural areas.
<p>Project Purpose:</p> <ul style="list-style-type: none"> a. To construct a producer database. b. To achieve sustainable improvement of coffee productivity and quality. c. To strengthen producer capacities in the field of coffee verification and certification. d. To support coffee marketing in order to encourage active producer participation in the value chain. e. To support local processing and develop domestic coffee consumption. f. To support effective participation by young people and women for the recovery of the coffee in the two countries. 	<ul style="list-style-type: none"> a. Accurate information on producers and project areas. b. Increases of at least 30% in yield of rehabilitated old coffee farms. c. Yield of at least 1 tonne/ha attained in new clonal plantings established. d. Increases in incomes of coffee farmers. e. Number of young people and women selected by the project. f. Increase in number of young people attracted to coffee farming. g. Farmgate prices effectively paid to farmers. h. Increased number of sales outlets managed by young people and women. i. Coffee research active again in the Central African Republic. j. Project results accepted by beneficiary governments and national budgets committed to project expansion. 	<ul style="list-style-type: none"> a. Agricultural statistics. b. Project monitoring reports. c. Mid-term and final project reports. d. ICO statistics. e. Trade statistics. 	<ul style="list-style-type: none"> a. Coffee farmers have the capacity and are happy to participate in the project. b. Governments and public and private institutions actively participate in the project. c. The Common Fund agrees to make regular transfers of the grant to finance project activities. d. Adequate support measures proposed by the project for young people and women to induce them to participate in the project. e. Local coffee prices competitive enough compared with other beverages. f. Appropriate regulatory provisions to organise the roasting profession and ensure public health.
<p>Outputs:</p> <ul style="list-style-type: none"> a. Database and information on coffee areas and farmers. b. Improvement in productivity of old coffee farms. c. Rehabilitation of cuttings centre in the Central African Republic 	<ul style="list-style-type: none"> • Selection of at least 16,000 farmers in Cameroon and 9,000 in the Central African Republic. • Creation of data management software. • Yield increase of 100 kg/ha. • Planting of rooted cuttings. 	<ul style="list-style-type: none"> a. Project impact studies. b. Farmer surveys. c. Agricultural statistics. d. Trade statistics. e. Reports of coffee chain regulation bodies. 	<ul style="list-style-type: none"> a. World coffee prices maintained at remunerative levels. b. Coffee chain regulation structures continue to support the project. c. Relatively good coffee collection infrastructures

Narrative Summary	Observed Verifiable Indicators	Means of Verification	Assumptions
<p>Outputs (contd):</p> <ul style="list-style-type: none"> d. Establishment of nurseries. e. Development of new high-yield clonal coffee plantings/improved production. f. Premium prices paid for quality coffee. g. Farmgate prices effectively paid to farmers. h. Coffee farmers have financing on a permanent basis. i. Coffee farming has become an alternative source of youth employment. j. Women's role in coffee farming strengthened. k. Effective and well-managed farmer organisations. l. Cultivation practices for certified coffee adopted by farmers. m. Coffee is once more major export crop in the Central African Republic and Cameroon. n. Expansion of coffee processing activities to supply the domestic market. 	<ul style="list-style-type: none"> • Yield of 1 tonne/ha and increased farmer incomes. • Young people and women involved in coffee farming. <ul style="list-style-type: none"> a. Farmers' organisations have access to bank credits. b. Food security situation in the Central African Republic improved. c. Value-added activities increased. d. Exports of certified coffee. e. All ground coffee sellers listed and supervised in the Central African Republic. 		<ul style="list-style-type: none"> d. Local coffee processors have enough processing capacity to satisfy local demand. e. Young people and women have access to land. f. Young people find agriculture an attractive employment option.
<p>Inputs: Activities and Resources</p> <ul style="list-style-type: none"> a. Reference surveys on current situation of coffee farmers and selected production areas. b. Rehabilitation of existing coffee trees through maintenance and pruning. c. Renewal of coffee farms with participation of young people and women d. Training coffee farmers in good agricultural practices. e. Improving coffee quality. f. Strengthening capacity of farmers in certification and verification procedures. g. Strengthening capacity of farmers' organisations in internal marketing. h. Developing access to credit for farmers and their organisations. i. Strengthening local processing capacity. j. Developing domestic consumption. k. Project coordination, supervision, project evaluation and dissemination of results. 	<p>Level of effort/expenditure</p> <p>Component 1: US\$1,574,600 Component 2: US\$841,000 Component 3: US\$828,600 Component 4: US\$256,000 Component 5: US\$1,231,900</p> <p>Total: US\$4,732,100 CFC: US\$4,009,150 Grant: US\$3,029,150 Loan: US\$980,000 Cameroon: US\$2,428,900 Central African Republic: US\$2,303,200 Counterpart contribution:</p> <ul style="list-style-type: none"> • Cameroun: US\$378,200 • Central African Republic: US\$344,750 	<ul style="list-style-type: none"> a. Project progress report by PEA. b. Annual Audit Reports. c. Monitoring and other periodic reports. d. Participation of Steering Committee. e. Intermediate evaluations and final report. f. ICO and CFC supervision reports. 	<ul style="list-style-type: none"> a. All financing duly assured in accordance with calendar of activities and working plans. b. Good coordination of activities by the Project Executing Agency and collaborating institutions. c. Both countries continue to remain committed to the project.

SUMMARY OF PROJECT COST - CAMEROON AND CENTRAL AFRICAN

SUMMARY COST TABLE PER COMPONENT (US\$)

	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL	TOTAL	CFC Funding		Counterpart
							CFC	CFC-Grant	CFC Loans	RCA+CAM
							4,009,150	3,029,150	980,000	722,950
Composante 1: Amélioration de la production et de la qualité du café	1,061,800	183,000	184,400	107,000	38,400	1,574,600	1,189,000	1,189,000	0	385,600
Sous-composante 1.1: Elaboration d'une base de données sur les producteurs	67,200	0	0	0	0	67,200	29,200	29,200	0	38,000
Sous-composante 1.2: Réhabilitation des vieilles plantations	201,600	0	0	0	0	201,600	131,000	131,000	0	70,600
Sous-composante 1.3: Rajeunissement du verger avec la participation des jeunes et des femmes	437,600	167,800	161,800	85,800	15,800	868,800	609,800	609,800	0	259,000
Sous-composante 1.4: Renforcement des capacités des producteurs et des encadreurs	355,400	15,200	22,600	21,200	22,600	437,000	419,000	419,000	0	18,000
Composante 2: Amélioration de la qualité du café et renforcement des capacités pour la certification	250,000	339,000	114,000	56,000	82,000	841,000	639,500	539,500	100,000	201,500
Sous-composante 2.1: Amélioration de la qualité de café	210,000	168,000	68,000	10,000	82,000	538,000	338,000	238,000	100,000	200,000
Sous-composante 2.2: Renforcement des capacités des producteurs en matière de certification	40,000	171,000	46,000	46,000	0	303,000	301,500	301,500	0	1,500
Composante 3: Renforcement des capacités des producteurs dans la commercialisation intérieure	702,000	42,200	42,200	42,200	0	828,600	819,600	137,600	682,000	9,000
Composante 4: Développement de la valeur ajoutée : transformation et consommation locales	42,000	80,000	44,000	15,000	5,000	256,000	226,000	28,000	198,000	30,000
Sous-composante 4.1: Renforcement de la capacité de transformation locale du café	37,000	43,000	39,000	10,000	0	199,000	179,000	13,000	166,000	20,000
Sous-composante 4.2: Développement de la consommation intérieure du café	5,000	37,000	5,000	5,000	5,000	57,000	47,000	15,000	32,000	10,000
Composante 5: Coordination, Supervision, Suivi et Evaluation du projet	347,100	189,700	223,700	189,700	281,700	1,231,900	1,135,050	1,135,050	0	96,850
TOTAL PROJECT COST	2,402,900	833,900	608,300	409,900	407,100	4,732,100	4,009,150	3,029,150	980,000	722,950