

Project Title: Sustainable coffee production in the upper watershed area of the Río Lempa (PCS CARL)

Location:

- Municipalities of La Palma and Metapan
- Production of about 250t
- Altitude around 1,000-1,400 m
- Arabica
- washed processing

Project Partners: Comision Trinacional Trifinio (CTT)
 Deutsche Investitions- und Entwicklungsgesellschaft (DEG)
 International Coffee Partners GmbH (ICP)
 IBERO El Salvador
 TECHNOSERVE
 PROCAFE
 EU
 Comision Trinacional del Plan Trifinio
 Interamerican Development Bank



Project Duration: 3 Years;
 from 07/2007 to 06/2010

Project Value: EUR 0,55 mio

Problem Description: In El Salvador, the livelihoods of approx. 100.000 people (23.000 farmers) directly depend upon on growing coffee. However, the sector is undergoing severe changes: Productivity and exports have been decreasing, labor costs are on the rise while the pressure of urban regions onto coffee land is getting more intense. Only 25% of the coffee plantations are seriously operated, another 25% subsist while 50% can be considered as abandoned. Productivity has fallen to an average of 7 bags/ha while potential is above 30 bags/ha. With a total of 1.3 million bags, the harvest 2006/2007 has been the worst in 60 years.

As only 12% of the surface of El Salvador is classified as forest, coffee plantations have been regulating infiltration, reducing surface runoff and limiting soil erosion as well as silting of water reservoirs. The project area "Trifinio", in the upper watershed of the Río Lempa, is El Salvador's main source of water supply and at the same time an important coffee growing area with high quality potential. Due to lack of resources and inadequate management practices, during the past years environmental degradation has led to an increased occurrence of landslides and inundations.

„Trifinio“ is a remote mountainous zone with a total population of about 600.000 that is shared between Guatemala, Honduras and El

Salvador. Due to its difficult geographic conditions, 150.000 people in small farming communities on Salvadoran territory generate the lowest income per capita in the whole country. In 1988, the countries ratified an agreement for a joint regional development plan (Plan Trifinio) and the setup of a multilateral institution (Comisión Trifinio). One of the most important tasks of this institution is to ensure the sound management of the watershed of Río Lempa, a likely source for future conflicts among the three countries. Already, there is a growing dispute about water use and quality issues. Comisión Trifinio is a central project partner and plans to spread the results to rural areas in the other countries.

Project Approach: Aim of the project is to improve the economic, social and environmental conditions of coffee farming communities in the Trifinio area. The project includes 250 small coffee farmers on the El Salvador part of the upper Río Lempa which over a period of three years will receive technical support and training in order to increase productivity, improve coffee quality, control production costs and organize themselves in producers associations.

In the first step, relevant data regarding quality, productivity and environmental conditions on each farm are recollected and processed. A quality map and a baseline study allow efficient monitoring of quality development over time. Based upon the identified deficiencies and needs, in the second step an improvement program is developed which consists of three main elements:

1. **Know-How transfer to farmers**, on group and individual level. Already existing tools such as a farmer's handbook will be adapted to the conditions in the project region. Farmer field schools (FFS) will be set-up for training and monitoring. The training program strongly emphasizes adequate social and environmental issue.
2. **Installation of adequate processing facilities** for washing, pulping, fermentation and drying in order to increase coffee quality, add product value and protect the environment.
3. **Organization of the farmers in producer associations** that will provide key services for farmers, such as credit supply, bulk fertilizer purchases, joint processing facilities and sales support. Nucleus of the project will be the cooperative and coffee processor La Palma. As a model for replication, it will receive training to enhance management capacity, administration of finances, transparency and technical/market know-how.

The project contributes to achieving Millenium Goal #7 "Ecologic Sustainability".

Beneficiaries: Direct beneficiaries are about 250 coffee farmers and their families forming the project's core target group.

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Project Office: La Palma, El Salvador