

FINAL REPORT OF THE NWCA/ICP/GTZ PROJECT.

1. PROJECT CONTEXT AND OBJECTIVES

The North West Cooperative Association (NWCA) is a farmers' association comprising about 35 000 coffee farmers living in the North-West-Province of Cameroon. The average size of their farms is one hectare. Most of the rural households of Cameroon (70%) live under the poverty line. These farmers are grouped in primary co-operative societies, which form unions at the next higher level. Since the last 12 years the farmers of NWCA have been selling their coffee in the international market through NWCA. However, their coffee does not compete favourably because of its lack of popularity in the world market and poor quality (which does not meet that of the world market). The abandonment of coffee quotas regulated by the International Coffee Agreement in 1989, led to high volatility of world market prices. Moreover, from 2000 to 2003 the producer prices for coffee fell drastically. Coffee farms were either abandoned or farmers preferred the cultivation of other crops.

NWCA, which was founded in 1950, was formerly a regulated association. The liberalisation of the Cameroonian coffee market in 1992 led to the deregulation of NWCA and the government stopped to provide direct financial support to the organisation. NWCA had then to operate as a private organisation in the open market which the association did not succeed to adapt its internal organisation and working methods sufficiently to these far-reaching modifications of the framework conditions. This led to very high running costs of NWCA and reduced the coffee price offered by NWCA to its members. In this way the income of the farmers who are members of NWCA further reduced when they sold their coffee through the North West Cooperative Association Limited (their organization).

EDE conducted a comprehensive study on the situation of NWCA financed by the Centre for Development of Enterprise of the European Union (EU). This study was a detailed analysis of the status and problems of NWCA by that time and formed the basis for suggesting to the shareholders of International Coffee Partners (ICP) to support NWCA within a project. The problem analysis could not have been better and was doubled checked by a dialogue and workshop during preparation of the project. In the study, reference is made to all facets of the problem situation, including the necessary change in mentality.

ICP projects are usually different, focusing on smaller groups of producers (250-2500) in order to work with them in a more intensive way on raising competitiveness, transfer know-how and support the orientation towards sustainable production. In the case of NWCA it decided to make an exception and implement a project even though it was clear that three (3) years would not be enough due to the challenge and dimension (it was going to use an approach which would focus on key problems with other components to be covered by other donors).

The project concept therefore was not made up of a three years project but reflected the real challenges which existed to put NWCA back on a track of sound development. The project is based on an initiative of International Coffee Partners GmbH (ICP) which has the large international coffee roasting companies (Luigi Lavazza S.p.A./ Italy, Löffbergs Lila A.B./Sweden, Gustav Paulig/ Finland, and Tschibo Frisch-Roest-Kaffee GmbH/ Germany), and Neumann Gruppe GmbH, the world's largest group of green coffee specialist companies, as shareholders on corporate social responsibility and taking into consideration the difficult situation of many coffee producers. ICP supports projects focusing at strengthening local capacities related to production, processing and marketing of coffee.

Projects which are implemented as public-private partnerships (PPP) provide the partner organisation the opportunity to establish and deepen its links with a (German) private partner. Taking into consideration the importance of the relationships of NWCA with international roasting companies, GTZ accepted to support NWCA within the framework of a PPP-project with ICP as private partner. ICP charged EDE-consulting with the implementation of the project. Within that context the following objectives and results were formulated.

Overall goal: Improvement of the living conditions of small scale coffee farmers and their families organised within the cooperative structure of the North West Province.	
Project purpose: <i>The management of NWCA works efficiently and assures the provision of the associated small farmers with advice, inputs and marketing services</i>	
RESULTS/OUTPUTS	INDICATORS
Result 1: NWCA (apex level, unions and primary societies) is thoroughly restructured and is applying modern management practices.	Project purpose: 1.1 Co-ordination and communication within the whole structure of the co-operatives are functioning sufficiently and in time. 1.2. Efficient provision of the small farmers with services by NWCA is assured.
Result 2: NWCA (apex level, unions, primary societies) financial administration is efficiently structured and performs transparently.	2. Audits confirm correct financial management corresponding to the newly introduced OHADA-format.
Result 3: Sustainable production of coffee marketed by NWCA is promoted.	3.1 Results of cup testing confirm the increase of quality 3.2. Grading results confirm the increase of physical quality.

<p>Result 4: Marketing operations of NWCA are improved.</p>	<p>4.1. Clearly more marketing channels are known for different qualities, compared to the period before the implementation of the project.</p> <p>4.2. Exact descriptions of quality are used in marketing operations.</p>
<p>Result 5: NWCA coffee processing equipment supports operations effectively and efficiently.</p>	<p>5. Costs related to processing and break down of machinery are minimised.</p>
<p>Result 6: Project experience with relevance to national agricultural policy is documented and in discussion.</p>	<p>6.1. Documented experiences and best practices are available.</p> <p>6.2. Presentation of and discussion on the project approach and the related experiences have taken Place in an adequate framework.</p>

The project plan was based on the assumptions that the prices in the international coffee market will increase in the medium run and that the economic and political situation in Cameroon will remain stable. It was also supposed that the implementation of the project activities will be continued within the framework of general promotion of coffee production in Cameroon.

Cameroon has specific guidelines for the development of the rural/ agricultural sector. These guidelines have been considered within the framework of the poverty reduction strategy paper (PRSP) of August 2003. The PRSP mainly aims at development of agricultural production, sustainable natural resource management, rural sector financing and local development. The goals and activities of the project correspond, thus, to the Rural Sector Development Strategy as well as to the targets and fields of intervention of the PRSP of Cameroon.

The available planning document is partly based on a joint workshop with the participation of representatives of NWCA, ICP and the GTZ-office in Yaoundé. Results 1, 2 and 6 (management practices and financial administration of NWCA and dissemination of experiences) refer to the support to be provided mainly by GTZ; the other results (production, marketing, processing equipment) refer firstly to the support of ICP. The formulated activities take into consideration the large size of NWCA.

The activity “Assess the overall situation of the organisation: assets and coffee equipment, indebtedness, strengths and weaknesses” was introduced into the planning documents after the start of the project; based on this activity the restructuring process of NWCA was initiated. Corresponding to the principles of German technical co-operation cross cutting issues as gender and environment are taken into consideration. The present

project phase lasts from 11/ 2002 up to 10/ 2005 (3 years). The total amount available for the implementation of the project was € 520 000; GTZ contributed € 250 000, ICP € 220 000, and NWCA € 50000, (to a large extent in kind, e.g. office space, electricity, water, use of vehicles). ‘

ICP/EDE together with NWCA made strong efforts to get additional GTZ support, as well as support from the Rabobank Foundation (short-term expert for assessment of the financial situation), Dutch Development Cooperation (SNV Highlands), the Cooperative League of the USA (CLUSA), the Tropical Management (Kenya) Limited, CDI/VOCA-Coffee Corpse and many others. Fortunately, efforts put into the cases mentioned above were successful. Intensive lobbying was undertaken which was limited by the low support on the Cameroon Government’s part to NWCA (precondition for bi/multilateral support).

The difficult framework situation in such a large organization with vested historical interest and geographical distribution has to be seen. This meant that the strategy to realize a restructuring process had to be introduced in a cautious and smart manner. A large part of the project was therefore centred on organizational development of NWCA where the starting point was defined but a lot of activities had to be realized with a complex process orientation requiring cautious facilitation and flexibility.

In order to achieve such a dramatic change in an organization, a process oriented strategy (management change) had to be taken with all elements and consequences requiring intensive dialogue to gain required support; stepwise definition of activities; flexibility; with no precise milestones and quantitative indicators.

Against this background, the project with NWCA certainly has the function of a showcase where comprehensive experiences are made with modification and consolidation of processes in a large cooperative structure. If one analyzes the situation and image of the cooperative structure in other African countries in the East and West of the continent, it will be evident that, this approach recorded some successes.

It is important to recognize that NWCA Limited as an organization manage to get to the point where they are now under extreme difficult conditions and that the restructuring process was a precondition in raising the interest of Banks in view of support to a financial and business consolidation process so as to enable her carry out other organizational development aspects..

Monitoring of project progress was closely undertaken by the project team and partners (ICP/EDE/GTZ/SNV) through continuous contact with the General Manager (GM) of NWCA, the Project Coordinator, periodic visits and reporting. Equally, the GM of NWCA visited ICP/EDE in Hamburg a few times.

2. IMPLEMENTED INTERVENTIONS AND 3. REALIZED IMPACT

Outputs/ Results	Indicators	Implemented Interventions	Level of achievements	Realized Impact
<p>Result 1: NWCA (apex level, unions and primary societies) is thoroughly restructured and is applying modern management practices.</p>	<p><i>1.1. Co-ordination and communication within the whole structure of the co-operatives are functioning sufficiently and in time.</i></p> <p>1.2. Efficient provision of the small farmers with services by NWCA is assured.</p>	<p>Several sensitization exercises was launched to convince members of the necessity of the restructuring exercise and to begin to prepare them for the new role they must assume as members of commercially oriented cooperatives.</p> <p>With support from the BOD and General Assembly, the societies and unions were merged based on tonnage. Societies (50 tons) and unions (500 tons).</p> <p>Staff trained on a two day Modern Management practices workshop (860 society members and 36 Union and Apex staff).</p> <p>Prepared job descriptions for Union and society staff after restructuring and the retrenchment exercise.</p> <p>Working methods have been modified only to a limited extent.</p> <p>A uniform filing system has been introduced into the Primary Societies.</p> <p>Also, a draft reporting format and Manual to capture essential Union coffee movement (purchase, processing, and delivery) data critical to NWCA’s ability to</p>	<p>16 unions to 7 (<i>minus 9</i>).</p> <p>172 societies to 42 (<i>minus 130</i>).</p> <p>486 paid staff to 121 (<i>minus 365 staff</i>).</p> <p>3311 BOD/GA/SC members to 1438 (<i>minus 873</i>)</p> <p>Nothing done yet at the Apex-still 33 paid staff.</p> <p>A two-day, introductory workshop on modern management delivered to 117 participants in seven unions and another 38 at the apex. Facilitators for the workshops were two local consultants.</p> <p>For the first time, task based job descriptions have been prepared and circulated to the Unions/PSs for comment.</p> <p>Some societies and unions are still to master the use and importance of the filling system</p> <p>Two unions initiated the use of the format in reporting produce</p>	<p>The merging of unions and societies reduced considerably the number of elected representatives and staff employed by the unions and societies.</p> <p>The annual operational costs of NWCA also dropped by around an estimated 150-200 million FCFA and the price of coffee, which is paid to the farmers by NWCA, could be increased</p> <p>NWCA also sold some unused and non-core assets and equipment.</p> <p>In retrospect, it became apparent that far too many topics were addressed in too short a time and that many of the topics were too theoretical to be applicable on a day-to-day basis.</p> <p>Retrenched staff have become anti cooperative because</p>

		<p>plan and manage the buying campaign has been prepared and circulated.</p> <p>105 society managers and farmers trained on Cooperative Legislation in Cameroon.</p> <p>For rewarding very committed farmers, the project distributed some tools for cultivation and processing of coffee in the farms (tarpaulins, sprayers, pruning saws, pruning scissors, coffee pulpers) etc.</p>	<p>but non have used the format to report operations or finances.</p>	<p>their benefits were not considered when project was conceived and so they were not paid retrenchment benefits.</p> <p>The restructuring processed was basically aimed at reducing the running costs and were limited to societies and unions. The following will have to be looked into to make the impact of the restructuring aspect felt:</p> <ul style="list-style-type: none"> - NWCA still have to transform from a formerly government regulated organization with hierarchical structures, into a private business oriented service provider based on membership. - Staff salaries/wages should be based on realized outputs and generated incomes. - Modification of working relations between the different levels of NWCA
--	--	--	---	--

				<p>- Farmers become active owners of the organization.</p> <p>Only a very limited number of activities to improve management practices have been carried out. These measures are not sufficiently oriented towards the need to transform NWCA into a private business-oriented service provider organization based on membership.</p> <p>Comprehensive training programs, based on the needs of the organization, its staff, its elected representatives and the individual staff development plan will be needed.</p>
<p>Result 2: NWCA (apex level, unions, primary societies) financial administration is efficiently structured and performs transparently.</p>	<p><i>2. Audits confirm correct financial management corresponding to the newly introduced OHADA-format.</i></p>	<p>Senior staffs at NWCA, Union Managers, Stores Keepers and Book Keepers were trained on Modern management Practices including the introduction to the OHADA Accounting System (117) staff members of Apex and unions.</p> <p>Purchasing of the OHADA Accounting system related software.</p> <p>Two NWCA senior staff were trained on OHADA-financial Accounting (4</p>	<p>Staffs are already proficient in preparing the current Account Ledger. Apex and Union Bookkeepers were included in the two-day management training, whose topics included OHADA requirements and the type of changes in financial systems it would involve.</p> <p>The financial position</p>	<p>Because of the debt burden, ICP/EDE contacted Rabobank Foundation to get an external short-term expert assessing NWCA's financial situation in a report. Through this contact, SNV joined as additional supporting organization.</p> <p>Recently, ICP/EDE</p>

		<p>days)</p> <p>A one day follow-up training was carried out with an NWCA senior staff, and a local consultant to drill the Union Managers, Stores Keepers and Book Keepers on the OHADA Accounting System.</p> <p>All Societies and unions have been audited.</p> <p><i>A reporting format and manual to summarize Union financial data for transparent reporting and NWCA monitoring purposes was also created</i></p> <p>A financial reporting format has been prepared including an implementation manual. The manual has been distributed to Union managers, storekeepers and bookkeepers for familiarization after which a two days workshop will be organized to treat the different reports respectively.</p>	<p>for each society and union was established as of 1/1/05 with the preparation of balance Sheets by a Bamenda Accounting firm</p>	<p>has established a contact between NWCA and Afriland First Bank. A promising alternative to Amity Bank as partner bank of NWCA. On a parallel scale DEG bank of the KFW Group was also contacted by ICP/EDE to back this dialogue due to its good contact with AFB. DEG already expressed its interest in getting involved in a support scheme which could ensure financial consolidation of NWCA</p>
<p>Result 3: Sustainable production of coffee marketed by NWCA is promoted.</p>	<p>3.1 <i>Results of cup testing confirm the increase of quality</i></p> <p>3.2 <i>Grading results confirm the increase of physical quality.</i></p>	<p>The quality laboratory located at the NWCA complex regularly verifies the grading of both the samples submitted to buyers as well as the deliveries made by the Unions.</p> <p>The first element in a quality coffee is the beans. With old coffee plants (most plants have been in production since the early sixties), both yields and quality suffer.</p>	<p>The quality control officer traveled to TROPICAL in Kenya for cup tasting training.</p> <p>The results of the extension staff activities include</p> <p>a> establishing nurseries at each Union with 225,000 seedlings grown and transplanted; and</p>	<p>The structure and capacity of the extension service has to be strengthened and extended. On the other hand the contents have to be carefully defined.</p> <p>Entrepreneurial and organizational aspects can only be considered here to a</p>

		<p>Crop husbandry is the second critical factor. Through an exchange visit to Kenya, NWCA has identified a pruning technique that essentially revitalizes aged coffee plants with significant improvements in both yield and quality.</p> <p>The second remedy for aged plants is replacement. NWCA has been implementing both strategies.</p> <p>Ten extension staff recruited and trained.</p> <p>Three extension staff trained on Strategic Planning and Management of Poverty Reduction Programmes and Projects for two weeks.</p> <p>Introduction of Agro-forestry and soil conservation practices in the coffee farms in a training attended by 468 farmers.</p>	<p>b> establishment of Union (6) and farmer (11) demonstration plots where certain key husbandry techniques have been taught (pruning, inter-planting, handling, de-suckering) to section leaders, who are expected to pass on what they have learned to others</p> <p>800 farmers including the extension staff attended a two day training session facilitated by the Expert from Kenya on “Improvement of quality and quantity of coffee.”</p>	<p>very limited extent regarding the profile and cost of such structure.</p> <p>Regenerative pruning allows revitalizing old coffee plants and to increase considerably coffee quality and yield which we observed in the just ended season. A farmer who usually harvested five bags of coffee, after two years of practicing the new technology produced sixteen bags.</p> <p>The use of this technique also reduces the need for fertilizer and leads to the reduction of production costs.</p> <p>Because of the small number of extension officers only 316 and 32 union managers have been trained in the establishment of the nursery and demonstration plots, raising seedlings and the introduction of agro-forestry trees and soil conservation practices in the</p>
--	--	--	--	--

				<p>coffee farms.</p> <p>Regenerative pruning is a labour intensive technology which demands additional labour at the farm level. With the present situation of very low coffee prices, most farmers are not willing to carry out additional investment, which make the adoption rates very low.</p> <p>The improved method of quality control (cup testing) is applied at the level of NWCA Apex but not at the union levels. This is insufficient in view of its incentive effect on the farmers.</p>
<p>Result 4: Marketing operations of NWCA are improved.</p>	<p><i>4.1 Clearly more marketing channels are known for different qualities, compared to the period before the implementation of the project.</i></p> <p><i>4.2 Exact descriptions of quality are used in marketing</i></p>	<p>NWCA regularly attends International Fairs (SIEACA 2004, PROMOTE 2005, EURO Market) to promote its coffee.</p> <p>In additional, promotional visits to the US and Paris have been made by the GM.</p> <p>In addition, NWCA has been receiving marketing assistance from its buyers (especially Ruthfos) for training of its marketing</p>	<p>The primary societies and even the unions have limited role in the marketing of coffee. Modern coffee marketing and export requirements in the global coffee world define requirements which simply cannot and should not be met on these levels.</p> <p>Here the role of NWCA is prominent</p>	<p>Selling of sustainable coffee (certified) is not necessary a matter which is far distant. At present an establishment of Rainforest Alliance in West Africa is supported within a sustainable cocoa project. Other initiatives are quite dynamic, and are encouraging.</p>

	<i>operations.</i>	<p>staff.</p> <p>NWCA has been aggressive in seeking new, US markets. Currently NWCA is discussing joint venture negotiations with internal and external firms to introduce premium quality coffee internally and externally.</p> <p>Service supply is organized centrally at the Apex level.</p>	<p>and was intensively worked upon in the project. One component of this work which should gain more attention was a global and high ranking training of a senior NWCA staff in comprehensive coffee business over 18 months as participant of the Unique training initiative of the NKG Coffee Diploma (implemented by Neumann Gruppe Gmbh and InWent Gmbh.</p>	<p>ICP/EDE suggested participation of the GM of NWCA in the 4C initiative precisely in view of these positive perspectives.</p>
<p>Result 5: NWCA coffee processing equipment supports operations effectively and efficiently.</p>	<p>5. <i>Costs related to processing and break down of machinery are minimised.</i></p>	<p>Identified lines of machines and equipment in the whole chain.</p> <p>Support the Plant unit to carry out overhauling of machines and equipment and carry out minor/major maintenance of machinery in the just ended coffee season.</p> <p>Provide a transformation plant for the organization.</p>	<p>Functional machines and equipments were identified and the non-functional ones allocated to be used as spare parts for the functional ones.</p> <p>Minimized breakdown but a lot till remains to be done as regards the acquisition of spare parts to boost production and reduce processing and breakdown cost at the secondary processing level.</p> <p>Staffs at this unit were not involved in any particular training activity during the life span of the project, though they are doing</p>	<p>Development Cooperation/partners could assist in local transformation of coffee beans into ground or soluble /instant coffee for consumption locally, sub-regionally and why not internationally.</p> <p>Properly packaged coffee could be exported the world over (transfer of technology).</p> <p>To have this staff stay on and continue to maintain what the organization have in the form of</p>

			a good job.	machines and equipment, it will be necessary to elaborate on their staff development plan and organize a comprehensive training for them.
Result 6: Project experience with relevance to national agricultural policy is documented and in discussion.	6.1. Documented experiences and best practices are available. 6.2. Presentation of and discussion on the project approach and the related experiences have taken Place in an adequate framework.		See presentation of lessons learnt below. Lessons learnt presented to stakeholders (coffee and cocoa stakeholders) and National Coffee and Cocoa Board (NCCB) officials but not yet Project approach.	The discussion during the session was an eye opener to most of the stakeholders. Most of them were not aware of what was happening in the sector.

4. HOW CAN THE REALIZED IMPACTS BE USED FOR DEVELOPMENT COOPERATION IN GENERAL

Outputs/Results	Indicators	Realized Impact	How Realized impact can be use in development cooperation
Result 1: NWCA (apex level, unions and primary societies) is thoroughly restructured and is applying modern management practices.	1.1. Co-ordination and communication within the whole structure of the Cooperatives are functioning efficiently and in time. 1.2. Efficient provision of the small farmers with services by NWCA is assured.	The merging of unions and societies reduced considerably the number of elected representatives and staff employed by the unions and societies. The annual operational costs of NWCA also dropped by around an estimated 150-200	Result 1 has given NWCA farmers the opportunity to have more money in their pockets, thereby alleviating poverty and improving on their living conditions through downsizing of the structure. The realized impact may be watered down if the other aspects of organizational

		<p>million FCFA and the price of coffee, which is paid to the farmers by NWCA, could be increased</p> <p>NWCA also sold some unused and non-core assets and equipment.</p> <p>In retrospect, it became apparent that far too many topics were addressed in far too short a time and that many of the topics were too theoretical to be applicable on a day-to-day basis.</p> <p>Retrenched staff have become anti cooperative because their benefits were not considered when project was conceived and so they were not paid retrenchment benefits.</p> <p>The restructuring processed was basically aimed at reducing the running costs and were limited to societies and unions. The following will have to be looked into to make the impact of the restructuring aspect felt:</p> <ul style="list-style-type: none"> - NWCA still have to transform from a formerly government regulated organization with hierarchical 	<p>development are not taken into consideration.</p> <p>The impact realized through the execution of result one could also be used as a measuring stick for development cooperation-not all restructuring exercise is good the circumstances surrounding the institution should be well analyzed.</p> <p>If restructuring must be carried out, it will for sure lead to retrenchment of staff. If this is the case, staff benefits should be considered and discussed as to who will be responsible from the on set of the process.</p> <p>All the facets of a project should be taken into consideration when building any type of capacity. If resources are limited, activities could be handled in phases:</p> <p>Phase 1: Sensitization and education</p> <p>Phase 11: Restructuring based on issues from sensitization and education exercises.</p> <p>Phase 111: Task based job description for both staff and farmers' representative prepared and appoint staff.</p>
--	--	---	--

		<p>structures, into a private business oriented service provider based on membership.</p> <ul style="list-style-type: none"> - Staff salaries/wages should be based on realized outputs and generated incomes. - Modification of working relations between the different levels of NWCA - Farmers become active owners of the organization. <p>Only a very limited number of activities to improve management practices have been carried out. These measures are not sufficiently oriented towards the need to transform NWCA into a private business-oriented service provider organization based on membership.</p> <p>Comprehensive training programs, based on the needs of the organization, its staff, its elected representatives and the individual staff development plan will be need.</p>	<p>Phase 1V: Training of appointed staff and farmers' representative.</p> <p>Phase V: Coordination, supervision and on the spot coaching.</p>
<p>Result 2: NWCA (apex level, unions, primary societies) financial administration is</p>	<p><i>2. Audits confirm correct financial management corresponding to the newly introduced OHADA-format.</i></p>	<p>Because of the debt burden, ICP/EDE contacted Rabobank Foundation to get an</p>	<p>Financial administration of an organization may be efficiently structured and performs transparently, but</p>

<p>efficiently structured and performs transparently.</p>		<p>external short-term expert assessing NWCA's financial situation in a report. Through this contact, SNV joined as additional supporting organization.</p> <p>Recently, ICP/EDE has established a contact between NWCA and Afriland First Bank. A promising alternative to Amity Bank as partner bank of NWCA. On a parallel scale DEG bank of the KFW Group was also contacted by ICP/EDE to back this dialogue due to its good contact with AFB. DEG already expressed its interest in getting involved in a support scheme which could ensure financial consolidation of NWCA</p>	<p>when in debts; the debts must be dealt with or negotiated/elaborated with the participation of external professional advisers and the involved banks.</p> <p>If not, this may not have a positive financial growth on the organization</p> <p>If this is done, the accounts of the structure at all levels will reflect a true and fair position which might attract foreign partners.</p>
<p>Result 3: Sustainable production of coffee marketed by NWCA is promoted.</p>	<p>3.1 <i>Results of cup testing confirm the increase of quality</i></p> <p>3.2 <i>Grading results confirm the increase of physical quality.</i></p>	<p>The structure and capacity of the extension service has to be strengthened and extended. On the other hand the contents have to be carefully defined.</p> <p>Entrepreneurial and organizational aspects can only be considered here to a very limited extent regarding the profile and cost of such structure.</p>	<p>The marketing and sales of high quality coffee will consolidate sustainable production as incomes generated will inspire farmers to increase production. With increased in yields, Development cooperation/partners could ascertain market outlets.</p> <p>Through this output, farmers have been empowered with techniques to produce quality coffee. Women and youths have also been encouraged to</p>

		<p>Regenerative pruning allows revitalizing old coffee plants and to increase considerably coffee quality and yield which we observed in the just ended season. A farmer who usually harvested five bags of coffee, after two years of practicing the new technology produced sixteen bags.</p> <p>The use of this technique also reduces the need for fertilizer and leads to the reduction of production costs.</p> <p>Because of the small number of extension officers only 316 and 32 union managers have been trained in the establishment of the nursery and demonstration plots, raising seedlings and the introduction of agro-forestry trees and soil conservation practices in the coffee farms.</p> <p>Regenerative pruning is a labour intensive technology which demands additional labour at the farm level. With the present situation of very low coffee prices, most farmers are not willing to carry out additional</p>	<p>grow coffee through the facilitation of the extension officers.</p> <p>If the above is achieved, there will be less rural exodus and improved livelihood.</p> <p>The combination of indigenous knowledge and scientific proven techniques may go a long way to attain the objectives of development cooperative initiative.</p>
--	--	--	--

		<p>investment, which make the adoption rates very low.</p> <p>The improved method of quality control (cup testing) is applied at the level of NWCA Apex but not at the union levels. This is insufficient in view of its incentive effect on the farmers.</p>	<p>If positive results are achieved from a pilot exercise, the technology should be vulgarized to the whole structure/population or target group in order to have a complete/holistic effect.</p>
<p>Result 4: Marketing operations of NWCA are improved.</p>	<p><i>4.1 Clearly more marketing channels are known for different qualities, compared to the period before the implementation of the project.</i></p> <p><i>4.2 Exact descriptions of quality are used in marketing operations.</i></p>	<p>Selling of sustainable coffee (certified) is not necessary a matter which is far distant. At present there is establishment of Rainforest Alliance in West Africa is supported within a sustainable cocoa project.</p> <p>Other initiatives are quite dynamic, which is encouraging. ICP/EDE suggested participation of the GM of NWCA in the 4C initiative precisely in view of these positive perspectives.</p>	<p>The two marketing staff trained has made the marketing department more professional as has hitherto been the case.</p> <p>The Cup testing carried out before coffee shipment has given the organization a positive feedback from foreign buyers.</p> <p>The updated marketing information on a daily basis through the internet is also another quitus to the development cooperation's efforts.</p> <p>With the above successes recorded from the intervention of development cooperation, they have to continue the good work and be more flexible based on the field realities and global trend of affairs.</p>
<p>Result 5: NWCA coffee processing equipment supports operations effectively and efficiently.</p>	<p><i>5. Costs related to processing and break down of machinery are minimised.</i></p>	<p>Functional machines and equipments were identified and the non-functional ones allocated to be used as</p>	<p>Assistance for local transformation of coffee beans into ground or soluble /instant coffee for consumption locally, sub-</p>

		<p>spare parts for the functional ones.</p> <p>Minimized breakdown but a lot still remains to be done as regards the acquisition of spare parts to boost production and reduce processing and breakdown cost at the secondary processing level.</p>	<p>regionally and why not internationally may be considered if the quantity and quality of the NWCA farmers' production stays on a rise.</p> <p>Properly packaged coffee could be exported the world over (transfer of technology)</p>
<p>Result 6: Project experience with relevance to national agricultural policy is documented and in discussion.</p>	<p><i>6.1. Documented experiences and best practices are available.</i></p> <p><i>6.2. Presentation of and discussion on the project approach and the related experiences have taken Place in an adequate framework.</i></p>	<p>The discussion during the session was an eye opener to most of the stakeholders. Most of them were not aware of what was happening in the sector.</p>	<p>The regenerative pruning an experience at the project lauded by the Minister of Agriculture in Cameroon may be extended to all coffee growing areas.</p> <p>Any development activities carried out without the participation of all concerned (meaning, stakeholders, beneficiaries, actors etc) may lead to a failure-some will be building while others will be destroying.</p>

5. LESSONS LEARNED

1.). Multi-Sectorial Approach Needed: Small holder farmers mentality is slow to change from government managed cooperatives with subsidies to self autonomous business oriented cooperatives. Since different inputs are needed to carry out sustainable coffee production, a multi-sectorial approach is needed to promote coffee production. The collaboration and participation of actors such as the following are needed: Input suppliers e.g. chemicals and fertilizers; Finances-micro credit-financial institutions; Research and development; training

2.). Diversification- coffee and other crops. Not to depend on only one cash crop but to diversify into other product will not only reduce their dependency on the international coffee price but will also allow to have a more regular income-inflow over the year. Why spend time producing coffee whose price will be determined by someone else and earnings come from it only once a year. When promoting diversification, the demand in the local, national and regional markets should be considered when selecting products to be promoted

3.). Liberalization (quality, price etc.)

International Coffee prices as witnessed a few years behind have been very low, consequently farmers received farm gate prices far below production costs.

Because of low prices of coffee and high cost of inputs, the quality of the small quantities harvested from neglected farms has fallen very drastically.

Taking into consideration the specificity of the demand in the international coffee market, improved quality of the locally produced coffee can contribute to generate higher incomes for the farmers. Higher quality will give access to specific segments of the international coffee market (certification) and will allow realizing a premium.

4.) Management and control in the cooperatives:

The need to have a business oriented mind is also very crucial in every step taken: what it will cost? Who will pay for the cost and for what gains?

The weaknesses observed in the management of the liberalization process need a lot to be done. The sector has been invaded by adventurers with little or no knowledge about coffee or cocoa. For the situation to be improved only professional should be allowed to be actors in the sector.

Cooperatives should have some sought of control either from the Apex or from the BOD, but there will be need to make sure that the controllers should have the skills and know-how to carry out their task diligently.

Farmers will do whatever it takes to improve their living conditions. With small land holding and low income, coffee farmers of the North West Province generally use very little quantities of chemical fertilizer because of its high price. The farmers are also using soil conservation practices and the use of organic methods to fight against diseases and pests. The social and environmental aspect could be analyzed easily but the economic (traceability) aspect might take long and involve cost. The above mentioned practices support the “Common Code for the Coffee Community (4C)” though the government has not yet adapted it.

The traditional land tenure system makes access to land for women relatively difficult. The few women involve in coffee production are either women working with their husbands and have no direct benefit from the activity or widows who have inherited their late husband’s land. The support of women regarding their organization in groups could therefore contribute to the increase number of women coffee farmers and women members of NWCA.

5.). Technical Support to farmers:

The extension services are an essential source of know-how for the farmers and so necessitate the need for the extension service in the coffee sector as well as a framework of a system to continuously up-grade the knowledge of the farmers in all the aspects of the farmers’ activities.

Lack of support services like, young farmers programmes, regenerative schemes, fertilizer subsidies have contributed to the fall in coffee production and quality. As earlier said, the problems negatively affecting the coffee sector are numerous. The need to reinstitute cooperative inspectors at the union levels and ensure that they have the skills and know-how to enable them carry out their functions is also very crucial.

6.). Finances.

A good financial backing is needed to promote technology transfer, micro credit, loans and support for farm operations.

Lack of credit for coffee operational activities. The cooperatives depend on Bank Loans to finance operations. Bank loans are not only expensive and cumbersome to come by, but are equally often not available for peasant agricultural ventures like those of the cooperatives.

Farm inputs have become too expensive and farmers are unable to afford even the basic ones.

7) Taxes and Subsidies- Fiscal

The fiscal conditions as relates to the coffee and cocoa sector need proper review. Clandestine operators in the sector go scoot free from fiscal controls while organized farmers institutions like the cooperatives are subject to sometimes humiliating controls by the fiscal control services.

8.). The need to decide on the modalities to elect BOD members.

Most often elected BOD members have no idea what the cooperative movement is all about and by the end of their first term, they are barely familiarizing themselves with what they are supposed to be doing. If they happen to be voted to run for the second term, it will be good but this is just when they would have started getting interested in what is expected of them

In order for them to effectively use their mandated period, it will be important to strengthen the criteria and modalities for electing BOD members. If this is not done, they will not look at the coffee cooperative as their business and may run it as such because they have nothing at stake. If staff and BOD members have to contribute reasonably to the business, they will think twice before taking some decisions. Issues to look at will be as follows: BOD members to show proof of active participation in the cooperative for X number of years, ability to contribute financially to the business-that is having an economic high number of shares, knowledge about the cooperative business, ability to produce a large quantity of coffee (not ability to purchase), etc. It will be a good idea to debate on what could be the reasonable contribution for members and the modalities of contributing in order to render NWCA business oriented.

9.) The existing opportunities to improve the income of the farmers by producing high quality coffee.

In the international market the Cameroonian coffee has not yet a reputation for high quality. Because of the specificity of the international demand for coffee, improved quality of locally produced coffee will contribute to generate higher incomes for the farmers. Higher quality will give access to specific segments of the international coffee market (certification) and will allow premium realisation. The concepts of Fair Trade, Organic Coffee, Rainforest Alliance and 4C etc. are known at the NWCA-apex; the unions and primary societies.

10.). In the NW province the conditions for production and processing correspond to a large extent to criteria of sustainable coffee production (4C) though not yet adopted by the government of Cameroon.

The farmers of NWCA – who own only small land-holdings and have low income - have quite some advantages regarding the adoption of the “Common Code for the Coffee Community” (4C). These farmers generally use very small quantities of chemical fertiliser, because of its high price; the extension service already promotes soil conservation practices and the use of organic methods for fighting pests and diseases; the small farmers use family labour; contract labourers are of limited importance.

A deeper analysis, however, shows that additional support is needed as certain practices do not correspond to the economic, social and environmental conditions of sustainable coffee production, as mentioned in the 4C code matrix. The traditional way of behaviour of farm labourers does not lead to collective bargaining of wages. Access of labourers to capacity and skill development is limited. The extension services focus at farmers, external labourers are not explicitly considered. For some criteria which are related to environmental dimensions, a more detailed investigation is needed. Regarding the economic dimension, the criteria relating to the supply chain (traceability) cannot be satisfied at present. However, it can be concluded that there exists a large potential for the cultivation of sustainable (4C) coffee.

11.). The extension services of NWCA are an essential source of know-how for the farmers.

The farmers highly appreciate the extension services which are supplied by the unions (though sponsored by the project for a year); these services are an essential source of know-how for the farmers regarding improvement of technologies, increase of yields and quality, and reduction of production costs through use of organic methods for pest control and regenerative pruning and reminds the farmers of the government sponsored coffee demonstrators and Inspectors. Two months barely after project support for the payment of extension staff’s salary, two unions are already having a hard time paying the salaries of their extension staff.

12.). The activities implemented within the framework of restructuring should be considered as first steps of a long term process.

The activities which were carried out for restructuring NWCA, mainly aimed at reducing the running costs of unions and societies. Many aspects, which are essential in view of

the necessary transformation of NWCA, could still not be taken into consideration, e. g. the redefinition of the relationships and of the tasks at the different levels of NWCA, the orientation of the number of staff at all levels at these new tasks, the formulation and application of corresponding criteria for the selection of staff, its training for these tasks and the implementation of activities to educate and inform elected decision-makers and member-farmers about the new role of NWCA.

13.). Gender aspects. Women, who contribute a considerable part of labour input, benefit mostly only indirectly from the income resulting from coffee production.

A large number of tasks which are related to coffee production, i.e. harvesting, washing and partly also weeding, are carried out by women. Because of the traditional patriarchal structures of the families and the resulting land tenure system, women, however, benefit only indirectly from the income which is realised through their labour input. They do not have any control over that income and depend rather on the goodwill of their husbands and the head of households in view of benefiting from it.

The traditional land tenure system makes access to land for women relatively difficult. But some women, generally widows, who have inherited land from their husbands, cultivate coffee farms under their own control. It seems that traditional leaders and other local authorities accept more easily to allocate land for coffee cultivation to women groups than to individual women. The support of women regarding their organisation in groups could thus allow to increase the number of women coffee farmers and women members of NWCA.

14.). Relations with government authorities and NGOs. First steps regarding the establishment of networking relationships with local NGOs and government authorities have been carried out. The establishment of linkages with private and non-governmental organisations, and also with government organisations at different levels has been started, e.g. the continuous collaboration with SNV and the organisation of the workshop on revamping the coffee sector together with government authorities. In view of access of the cooperative societies and their unions to additional support and advice, and their transformation into service provider organisations, it is of considerable importance to further intensify such linkages (networking); they will also facilitate the dissemination of the experiences of NWCA, and the representation of the interests of the coffee sector within the regional and national policy.