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# STRENGTHENING THE COFFEE VALUE CHAIN IN PERU PROGRAM

## Quarterly Progress Report

April 1<sup>st</sup> – June 30<sup>th</sup>, 2011

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Submitted July 29, 2011

USAID Cooperative Agreement  
RFA No. AID-527-A-11-00001



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## LIST OF ACRONYMS

ADISA	Asociación Distrital Agropecuaria
ADP	Alternative Development Program
APAVAM	Association of Agricultural Producers of the Alto Mayo Valley
APCI	Agencia para Cooperación Internacional
APROCASS	Asociación de Productores de Café Agrario Selva Soritor
APROECO	Asociación de Productores Ecológicos
CAPEMA	Asociación Central Agropecuaria Perla del Mayo
CONAJOC	National Coordinator of Young Coffee Growers
CONAMUCC	National Coordinator of Coffee and Cacao Women Producers
CPCC	Peruvian Chamber of Coffee and Cocoa
CQI	Coffee Quality Institute
CVC	Coffee Value Chain
DEVIDA	La Comisión Nacional para el Desarrollo y Vida sin Drogas
DGCA	Directorate General of Agricultural
EC	European Commission
EDE	E.D.E. Consulting
EMMP	Environmental Mitigation and Monitoring Plan
FaaB	Farming as a Business
FFS	Farmer Field School
FLO	Fairtrade Labelling Organisations
GAP	Good Agricultural Practices
GDA	Global Development Alliance
GIS	Geographic Information Systems
HQ	Headquarters
ICP	International Coffee Partners
ICS	Internal Control Systems
IGV	Inpuesto General a las Ventas
INCAGRO	Programa para la Innovación y Competitividad del Agro Peruano
IPM	Integrated Pest Management
JNC	Junta Nacional de Café
M&E	Monitoring and Evaluation
MINAG	Ministry of Agriculture
MIS	Management Information System
MoU	Memorandum of Understanding
PEAM	Special Program of the Alto Mayo
PCC	Programa de Compensaciones para la Competitividad
PDA	Programa de Desarrollo Alternativo
POAs	Planes Operativos Anuales
POs	Producer Organizations
PP	Program Progreso
RITS	Relationship Information Tracking System
SCAA	Specialty Coffee Association of America
SCAN	Sustainable Commodity Assistance Network
SIGC	Sistemas de Gestion de Calidad
SH	Sustainable Harvest
STTA	Short-Term Technical Assistance
SCVC	Strengthening the Coffee Value Chain
TA	Technical Assistance
TOT	Training-of-Trainers
USAID	United States Agency for International Developmen

## I. EXECUTIVE SUMMARY

This second quarterly report for the Strengthening the Coffee Value Chain in Peru (SCVC) program covers the period from April 1 – June 30, 2011. During this period the program emphasized the incorporation of beneficiary producer organizations (POs) and program resource partners directly into program planning process through the signing of cooperation agreements. The SCVC program has signed over 15 agreements with participating POs and resource partners. The agreements have served as a platform for open and transparent discussions of needs and coordination of resources among coffee value chain actors in the program target regions. This openness has allowed the program team to actively engage the POs in the development of their action and training plans to help ensure value chain actors in the region are using the same calendar of activities to reduce duplication of efforts and ensure the POs accept and have ownership of the program interventions.

Based on the signed agreements the program initiated a variety of training activities in San Martín, Huánuco and Lima with program technicians, PO technicians, the San Martín regional government's *Programa Especial de Alto Mayo* (PEAM) staff and with the PO managers, quality control and administrative staff. Training topics included: organic compost and fertilizer production, systematic high pruning, good agriculture practices, coffee quality systems, barista techniques, cupping (Know Your Cup), financial risk management, and RITS software management and traceability system, among others.

During this quarter the baseline study strategy and methodology was executed. Baseline surveys were conducted with all participating POs and the survey data was checked for quality and inputted into our database and the statistical analysis program SPSS. The collected data is currently be analyzed.

The program conducted several activities to initiate the development of the organic fertilizer plant with Grupo San Martín (ADISA, Fruto de Selva, APAVAM, CAPEMA) and also supported POs in determining their eligibility to access AGROIDEAS (PCC) funds. For now only APAVAM and Fruto de Selva are eligible, and both have initiated the next phase of document collection and business planning for submission to AGROIDEAS.

The program initiated soil testing on the identified and selected demonstration plots, with 45 samples sent to *Universidad Nacional Agraria La Molina* for testing. We supported the POs in their Bio Latina organic certification process and began the Good Agricultural Practices (GAP) and Certification e-learning course, including the formation of study groups made up of producers and farmer leaders enrolled in the course. The GAP and Coffee Renovation Manual was finalized and sent to the designers for printing after the cover and acknowledgements were approved by USAID. Finally the program began food sanitary registration process with four of the producer organizations so that they can sell roasted coffee in the local and national markets.

Several administrative tasks were also accomplished during the period, including the identification and equipping of an office in Moyobamba, USAID vehicle waiver approval and subsequent purchase of a Mitsubishi 4x4 pick-up and four Yamaha motorcycles and other select procurements. Multiple coordination meetings were held with USAID and USAID implementers including USAID/PDA-Chemonics, Technoserve, and UNOPS. Program marketing materials (brochures, banners) were developed and approved by USAID. We continued the search for a DCOP, conducting multiple interviews and nominating our candidate Romulo Echegaray who was approved by USAID in early July.

## II. PROGRAM ADMINISTRATION AND MANAGEMENT

### Program start-up and administration

Several remaining start-up items were address during the quarter. In April the SCVC team identified and signed a lease for a field office in Moyobamba (Jirón Pedro Pascasio Noriega 723, Moyobamba). We have purchased the necessary office furniture and equipment, including computers for staff, and set-up telephone and internet services. We also purchased equipment for field operations including GPS units, small chainsaws for pruning, and handheld pruning shears. A guard for the office has not yet been hired, but there is an insurance policy in place to cover the office furniture and equipment against theft and other incidents. The vehicle and motorcycle waiver was approved by USAID and the program purchased one Mitsubishi 4x4 pick-up and four motorcycles. The pick-up was purchased in Lima and transported from Lima to Moyobamba via Tingo Maria. During this period we also requested the transfer of unused motorcycles from the Chemonics managed USAID/PDA program. The transfer is in process.

In addition, the SCVC program operation plan was registered with the *Agencia para Cooperación Internacional* (APCI) to allow for the *Inpuesto General a las Ventas* (IGV) exemption and reimbursement. The program received USAID branding/marketing approval for the program's Renovation and GAP Manual and for the program Spanish and English brochures and Spanish banner. The video of the barista show in Parque Kennedy was submitted for approval.

Program implementing partner, Solidaridad, employs the majority of field technicians and so several meetings were held between the SCVC program COP, Thelonious Trimmell, and Solidaridad's Peru representative, Gonzalo Cruz, to ensure the most effective and clear field level organizational structure to achieve the desired program results. An appropriate management structure was agreed upon and has been successfully executed.

ACDI/VOCA initiated weekly coordination meetings with implementing partners and field staff to ensure all parties are aware of program activities and planned interventions. Weekly meetings with implementing partners may be reduced to bi-weekly meetings in the next quarter, though at the beginning of the program it was necessary to have frequent meetings to ensure all partners were aware of each other's actions to minimize duplication of efforts.

### Producer Organizations, Municipalities, and Resource Partners

During the reporting period the program took several administration actions regarding beneficiary POs and local municipalities. The program conducted multiple coordination meetings with POs and signed cooperation agreements detailing the roles and responsibilities of the program implementers, program partners, beneficiary organizations and municipalities participating in the program.



Signing cooperation agreement with producer organization *Fruto de Selva*

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In April the emphasis of the program was on signing cooperation agreements with beneficiary coffee cooperatives/associations in Alto Mayo. Those that signed include the following: ADISA, CAPEMA, Fruto de Selva, APROECO, APAVAM, APROCASS, and CAS El Dorado. The only initially selected cooperative to not sign an agreement was Oro

Verde. Oro Verde has opted not to participate in the program for now as they feel the technical assistance that we are providing under the program is insufficient and they would like direct financial assistance and additional assigned technicians. We have indicated to them that the doors remain open and we are more than willing to support them with technical assistance and training.

In June, the SCVC program decided to remove the El Dorado cooperative as a beneficiary due to internal problems of the organization. This decision was based on the observations and assessment of SCVC program staff as well as on the decision of SCVC program ally Neumann Foundation/E.D.E. Consulting, who was working directly with El Dorado, to cease their work with the cooperative. A new beneficiary organization, Café Doncel, was added to the SCVC program to replace the El Dorado Cooperative and a cooperation agreement was signed with them.

During the reporting period the program initiated activities in Huánuco with the cooperative COPAIN (Naranjillo), the municipality of Hermilio Valdizan and in southern San Martín with the *Cooperativa Agraria Cafetalera Tocache* (CACT Ltda). While at the Specialty Coffee Association of America annual meeting in April, the producer organization COPAIN (Naranjillo) requested a meeting to discuss having the program provide guidance and training to them to improve their coffee quality. As a result of a meeting held in Tingo Maria we agreed to support COPAIN, who recently initiated the implementation of a coffee productivity program financed by *Fundo Empleo* and managed by Café Peru. In late June we signed a three party agreement between Café Peru, COPAIN, and the SCVC program that focuses on helping COPAIN establish a coffee quality program and the provision of select trainings centered on organic production, pruning, and quality management and control. A similar type of agreement was also signed with CACT Ltda.

In addition we had several meetings with the municipality of Hermilio Valdizan to discuss collaboration. In June the municipality initiated a coffee productivity program funded through *La Comisión Nacional para el Desarrollo y Vida sin Drogas* (DEVIDA), and in late June we signed a collaboration agreement with the municipality to provide select training, technical assistance and general guidance regarding their program interventions.

From its inception the SCVC program has coordinated with the San Martín regional government and its *Programa Especial de Alto Mayo* (PEAM). During this reporting period we formalized our coordination by signing a collaboration agreement that details the sharing of resources, including field technicians, equipment, and training activities. One of the first activities was to train the PEAM field technicians on the program's organic fertilizer, pruning and quality management strategy. The program also signed a cooperation agreement with Program Progreso, who is funding a three year capacity building program with Grupo San Martín (ADISA, CAPEMA, APAVAM, and Fruto de Selva). The agreement centers on

**Signed Coordination/Collaboration Agreements**

- *Asociación Distrital Agropecuaria (ADISA)*
- *Asociación Productores Agropecuarios del Valle del Alto Mayo (APAVAM)*
- *Asociación de Productores de Café Agrario Selva (APROCASS)*
- *Asociación de Productores Ecológicos (APROECO)*
- *Cooperativa Agraria Cafetalera Tocache (CAC Tocache)*
- *CAFÉ DONCEL, Asociación de Productores Sostenibles*
- *Asociación Central Agropecuaria Perla del Mayo (CAPEMA)*
- *Cooperativa Agraria Sostenible El Dorado (CAS El Dorado)*
- *La Cooperativa Agraria Industrial Naranjillo Ltda. (La COPAIN)*
- *La Central Café y Cacao del Perú (Café Perú)*
- *La Cooperativa Fruto de Selva*
- Neumann Foundation
- Program Progreso
- *Programa Especial de Alto Mayo (PEAM)*
- *Municipalidad de Hermilio Valdizan*

providing technical assistance and administrative support to Program Progreso's strategy. Finally we signed an agreement with the Neumann Foundation which funds the ProSocio project focused on building the business management and planning capacity of cooperatives with an orientation towards its members at the grass roots. We have collaborated on Farmer Field School methodologies and business planning training. In addition we sent draft cooperation agreements to the *Junta Nacional de Café* (JNC) and the *Camera Peruana del Café y Cacao* (CPCC); we have yet to sign an agreement with either organization though we are nearing an agreement.

### Long and Short-term Staffing Actions

During the reporting period there was only one long-term staffing change. Program implementing partner Sustainable Harvest replaced their program manager Bruno Pain with Susan Aleman. During the period we continued our search for the program's Deputy Chief of Party (DCOP)/Sub-Director. We interviewed multiple candidates and decided the most appropriate candidate was Romulo Echegaray, the program's Technical Coordinator. Mr. Echegaray was nominated on June 30th and approved by USAID on July 7th, 2011.

Ten Short-term Technical Assistance (STTA) assignments were completed in Peru during the reporting period, as detailed in the subsequent Table 1.

**Table 1: Summary of short-term Program Support**

Name	Dates Duration	Source of Program support	Topic/Purpose
<b>Raul Rodas</b>	April 14- 19	CQI & ACIDI/VOCA	Barista training for baristas participating in Peru's first national barista championship and the launching of the barista championship at the Sheraton and <i>Parque Kennedy</i> .
<b>Vilsic Bocangel</b>	April 15-25	ACDI/VOCA	Writing of an organic processing plant proposal for submission to Green Mountain and other funding sources.
<b>Alberto Scalla of Hencorp</b>	May 29 – June 3	Sustainable Harvest	Financial risk management training for coffee producer organization managers to provide them financial tools and strategies for managing price and market volatility.
<b>Erika Hernandez of Inter-American Coffee</b>	June 6 - 13	CQI	Know Your Cup (Conozco Tu Taza) Coffee cupping training activity with select members of seven producer organizations.
<b>Roberto Leonardo</b>	June 10 - Present	ACDI/VOCA	Diagnostic of four producer organizations' eligibility to apply for AGROIDEAS funds. Support to eligible organizations in the collection and submission of paperwork to qualify, and subsequent development of business plans.
<b>Dr. Álvaro Llobet</b>	June	Solidaridad	Training to program technicians on Good Agricultural Practices (GAP), including Integrated Pest Management (IPM) and Systematic High Pruning
<b>Adam McClellan Sustainable Harvest Relationship Coffee Manager</b>	May 14-16	Sustainable Harvest	Introduce Alvaro Prada (ADISA's Manager financed by PEAM) to the Macbook computer and iPad and provided a basic overview of how to use these tools to implement RITS. This training focused on administration, understanding the roles of different users, stations, and processes.

## Program Dissemination Events/Activities

*Specialty Coffee Association of America (SCAA) Conference:* Program COP Thelonious Trimmell and Technical Coordinator Romulo Echegaray participated in the conference along with several HQ based staff. The conference was held in Houston, Texas from April 28th – May 1<sup>st</sup>, during which time the program team met with implementing and resource partners (CQI, Sustainable Harvest, Progreso, Junta Nacional de Café, Camera de Café y Cacao, etc.) and coffee financiers (Root Capital, Alterfin, Robabank, etc). The SCVC team also supported representatives of the program's beneficiary cooperatives present at the conference (ADISA, Frutos de Selva, APROECO, CAPEMA, La COPAIN, and APAVAM) with introductions to buyers (Green Mountain, Café Intelligentsia, Atlas, Coffee Reserve Brands, etc) and financiers.

*Shared resource and coordination meetings:* Multiple meetings were held with a variety of partners and collaborators. In April the ACDI/VOCA team and USAID AOTR Tommy Fairlie met with the Lima based DEVIDA team and shared the SCVC program objectives, approach and activities – this was the initial meeting for further coordination at the regional level.

Program COP, Thelonious Trimmell, met with David Williams, Technoserve Regional Director, about ensuring good coordination among Technoserve and the SCVC program. Meetings were also held between SCVC staff and Technoserve in Tarapoto and Moyobamba to coordinate field activities and to compare beneficiary lists for Technoserve's component two, Olam Pilot activity, to the member lists of the cooperatives/associations. To date Technoserve has selected 125 participants and it was confirmed that none of them are members of a cooperative/association. Technoserve will continue to be vigilant about ensuring that new participants/beneficiaries under their component two are not members of associations/cooperatives.

ACDI/VOCA participated in coordination teleconferences with USAID (Tommy Fairlie & Carla Cisneros), Technoserve, USAID/PDA-Chemonics, and UNOPs. Meetings were also held with USAID/PDA-Chemonics in San Martin (Darwin Del Aguila, Segio Lopez, and Luisa Gonzales) to discuss coordination, resource/equipment sharing, and financial service activities, interventions, and plans.

Representatives of the program participated in the events during the U.S. ambassador's visit to San Martin, including the signing of the MOU with the President of the region. In addition program staff participated in the implementing organizations coordination meeting with USAID in Tarapoto on May 12th and in the USAID and San Martin Regional Government coordination meeting on May 13th in Moyobamba.

*Mesa Tecnica de Consumo de Café en Peru:* Discussions and preparations were made for the first Peruvian Barista Championship. Steps were taken after the championship to ensure momentum isn't lost and internal consumption continues to grow.

*Mesa Tecnica/San Martin:* The SCVC technical team and COP participated on multiple occasions during the reporting period, including participation with USAID AOTRs Tommy Fairlie and Carla Cisneros, where the COP presented the SCVC program.

*Mesa Tecnica/Huánuco:* The SCVC Technical Coordinator, Romulo Echegaray participated on one occasion where he presented the SCVC program to the members.

*Barista Shows:* Barista shows in the Sheraton and *Parque Kennedy* with Raul Rodas, April 18, 2011. Footage of the show was made into a short promotional video in support of national coffee consumption and the National Barista Championship.

*National Peruvian Conferences:* Participation in the *Camera Peruana del Café y Cacao* conference titled “*Rol del Café y el Cacao en el Desarrollo de la Agroexportacion.*” Our participation included a presentation of the SCVC program on Friday the 27<sup>th</sup> and a discussion panel where internal national consumption of coffee was the principal topic. This conference allowed for networking and sharing of information among the principal private and public sector value chain actors.

### Field Visits by AOTR

Organization and implementation of the field visit by Tommy Fairlie to Moyobamba on April 27<sup>th</sup>, 2011 and on June 1<sup>st</sup> with Sustainable Harvest employee Genevieve Edens. Activities consisted of meetings with implementing partners and beneficiary POs, and farm visits to PO members.

## III. COMPONENT ONE: ENHANCED PRODUCTION AND PRODUCTIVITY OF COFFEE FARMS

During this quarter, the SCVC program accomplished the following under component one.

*Identification and Development of Farmer Leaders/promoters and Demonstration Plots:* SCVC’s program partner, Solidaridad, began collecting basic information from the records of the organizations about the promoters and producers who wish to voluntarily rehabilitate their farms. Together with each organization’s management and technical teams, Solidaridad’s field technicians then programmed

visits to: verify the beneficiary and his or her plots, conduct a basic survey, collect soil samples in the case of promoters, conduct a rapid diagnostic of the coffee plot and establish an Annual Operation Plan together with the plot’s owner, record geographical reference points, and take “before” photos of the coffee farm. Solidaridad’s technicians were not able to complete all of these actions in the case of some of the visits because there was a wave of assaults and thefts in the region during which the technicians did not carry valuable equipment, and in some cases the owner was not present at the time of the visit and had someone else receive the technician. The missing information will be collected when the technicians conduct their second visits.

**Table 2: Soil Samples Sent to UNALM for Analysis**

Producer Organization	N° of Soil Samples
ADISA	6
APAVAM	11
APROECO	9
CAPEMA	9
APROCASS	0
FRUTOS DE SELVA	4
CAFÉ DONCEL	6
<b>TOTAL</b>	<b>45</b>

Irregular weather conditions have distorted the productive cycle of the coffee farms in the higher altitudes of Alto Mayo, as such the program decided to begin visits in the low and

medium-altitude zones where the harvest is coming to an end. This allows the program team to take better advantage of the production cycle and begin systematic high pruning, one of the fundamental aspects of increasing productivity under component one.

**Table 3: Hectares of Systematic High Pruning through June 30**

Producer Organization	Pruning by Technicians and Promoters	Counterpart Pruning by Producers	Total
ADISA	4.0	7.0	11
APAVAM	3.5	2.0	5.5
APROECO	2.0	3.75	5.75
CAPEMA	7.0	3.5	10.5
APROCASS	0.0	0.0	0.0
FRUTOS DE SELVA	7.0	11.5	18.50
CAFÉ DONCEL	0.0	0.0	0.0
<b>TOTAL</b>	<b>23.5</b>	<b>27.75</b>	<b>51.25</b>

*Training of technicians via e-learning courses:* The first e-learning course for program technicians, “Continuous Improvement,” ended in April. All ten technicians who registered passed the course, including technicians from the PO’s technical teams (Adisa, Capema, El Dorado, and Fruto de Selva).

The second e-learning course, “Good Agricultural Practices in Coffee,” began in June with 29 people registered, including technicians and promoters proposed by the beneficiary organizations. Based on previous experiences, and with the goal of maximizing participation and learning, SCVC program partner Solidaridad is offering each participant a computer and space in the Moyobamba field office to ensure internet access, and is also providing tutoring and follow-up to students who need it. Each Solidaridad technician also hosts study groups for students from the beneficiary organization that he or she works with.

*Development of training manuals and materials:* The Renovation, Rehabilitation, and Good Agricultural Practices Manual was revised by ACIDI/VOCA, The *Junta Nacional de Café*, Solidaridad, and other CVC program allies to develop a more comprehensive manual than the one provided by ECOSELVA. The final manual content is currently being redesigned and formatted for printing and distribution to program beneficiaries who wish to voluntarily rehabilitate their coffee plots. In addition Farming as a Business Spanish curriculum has been collected from other ACIDI/VOCA programs and is being adapted to local needs. Sustainable Harvest has developed several training videos and ACIDI/VOCA developed a barista video educating the public on internal consumption issues and barista techniques.

*Technical training for technicians, promoters, and producers:* In April members of the SCVC team (ACIDI/VOCA, Solidaridad, Neumann Foundation/E.D.E. Consulting, PEAM) conducted accelerated courses amongst the team in the Alto Mayo region of San Martin to integrate their theoretical and practical knowledge in the principal areas addressed by the SCVC program. The courses, led by SCVC



Training of SCVC and PEAM technicians in organic fertilizer production

program specialists Fernando Reategui and Jady Coronel and consultants, covered systematic high pruning, organic compost and fertilizers, environmental sustainability, harvest and post-harvest handling for improved coffee quality, and the role of women and youth in good family farm management. The courses were designed so that the technicians could easily replicate the training with farmer leaders/promoters and producers. These same courses were repeated in late June early July with the technical teams of the municipality of Hermilio Valdizan's coffee project, Technoserve technicians and the technicians from La COPAIN and Café Perú's *Fundo Empleo* coffee productivity project.

In May, SCVC program implementing partner Solidaridad, in Alliance with ECOSELVA & VOLCAFE, organized a course with Dr. Álvaro Llobet, a consultant from Costa Rica, an expert in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM) in



Systematic High Pruning training in the farm of Pedro Cachay Huamán, Las Malvinas

coffee and the creator and promoter within Peru of Systematic High Pruning (PSA) techniques. The two-day course was held in Moyobamba, with practical components taking place nearby. Sixty-one participants, including all of the SCVC program technical team, program allies, beneficiary organizations, and other institutions in the region received first-hand training from Dr. Llobet. Based on the success of this training, we are talking to Dr. Llobet about returning to provide additional training to the technicians and to monitor the work being implemented based on his May course.

*Organic Fertilizer Plant Development:* Multiple coordination and planning teleconferences and meetings have taken place between the teams of ACDI/VOCA, Sustainable Harvest and Colombian organic fertilizer specialist, Edgar Blandon to coordinate the appropriate plant design and develop the work plan and activities calendar for the implementation of the plant. In addition, the diagnostic for the plant has been completed, the plant's location has been determined, soil analyses have been collected, potential fertilizer nutrient sources (milk, bones, and other raw materials) have been identified, and photos to help determine the final architectural design of the plant have been taken. The current plan is being designed for Grupo San Martin in Alto Mayo, however the program has also initiated discussions with La COPAIN on potentially establishing a industrial organic fertilizer plant in Tingo Maria, Huánuco.

## Component One Work Plan Advances

Activities	Year One													Responsible	Target/ Deliverable	Advances/Notes		
	2011												2012					
	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan						
<b>1.1</b>	<b><i>Training curriculum and aids developed for technicians and farmers in farm rehabilitation, renovation, cultivation and maintenance</i></b>																	
1.1.1																ACDI/VOCA, Solidaridad, Neumann Foundation	1 adapted manual	Within the target region and elsewhere in Central and South America there exists a great many FFS experiences, we are in the process of systematically gathering information and unifying methodologies to create a FFS coffee manual
1.1.2																ACDI/VOCA, Solidaridad, Neumann Foundation, JNC	1 adapted manual	Manual has been developed and is in the process of being printed.
1.1.3																ACDI/VOCA, Solidaridad, SH, CQI	Varias training aids developed	GAP manual and videos developed, photos collected on good quality and agricultural practices, we are in the process of developing technical bolletins in coordination with USAID/PDA and Technoserve
1.1.4																ACDI/VOCA, Solidaridad	Varias materials developed	Sustainable Harvest has videos developed and all implementing organizations have collected photos and developed PowerPoint presentations
1.1.5																ACDI/VOCA	1 adapted manual	Farming as a Business Manual (FaaB) translated and in the process of being adapted to local needs.
<b>1.2</b>	<b><i>Training conducted with program and PO technicians in farm rehabilitation and renovation and in GAP, farm cultivation, evaluation, selection and maintenance</i></b>																	
1.2.1																Solidaridad, ACDI/VOCA, JNC, SH, OPs	53 field technicians and farmer leaders (promoters)	125 producer organization farmer leaders (promoters)
1.2.2																Solidaridad, ACDI/VOCA, SH, OPs	30 field technicians	Planned for July 11th in conjunction with the FFS training.
1.2.3																Solidaridad, ACDI/VOCA, JNC	Eight field technicians and 40 farmer leaders (promoters)	Initiated the online GAP course with nine SCVC program technicians and 26 farmer leaders, in addition 10 producers are registered to begin in July other course topics

	evaluation techniques, and other field practices.																	
1.2.4	Development of farm evaluation/survey instrument.													Solidaridad, ACDI/VOCA, SH	One survey instrument	A baseline survey and farm evaluation survey have been developed, where general producer data is requested, socioeconomic information gathered, and farm production, management and renovation data are collected along with GAP and quality of life information.		
1.2.5	Visit to each farm to gather basic information using the farm survey instrument and GPS mapping tools.													Solidaridad, ACDI/VOCA	30 farms	The program team visited and identified 85 demonstration plots, 42 of which filled out baseline surveys.		
1.2.6	Select and develop at least 40 demonstration plots on beneficiary farms.													Solidaridad, ACDI/VOCA	40 demonstration plots	85 demonstration plots have been selected and are in development.		
1.2.7	Peer-to-Peer Training: Organic Fertilizer Production													ACDI/VOCA, SH,	One training	The program conducted three peer-to-peer trainings, one with the program, OPs and PEAM technicians, another with the technicians from the Hemilio Valdizan coffee productivity project and the other with the technicians from La COPAIN and Café Perú Fondo Empleo.  Additional training is planned including through Sustainable Harvest who intends to bring experts from Colombia and Costa Rica.		
1.2.8	Design of an organic fertilizer production plant													ACDI/VOCA, SH,	One design of an organic fertilizer production plant	Coordination and planning teleconferences and meetings have taken place between the teams of ACDIVOCA, Sustainable Harvest and Edgar Blandon of Colombia to coordinate the work plan and activities calendar for the implementation of the plant.		
<b>1.3</b>	<b><i>Farmers start coffee farm rehabilitation and renovation plans and interventions with technical assistance from the PO technicians and program technical team</i></b>																	
1.3.1	Selection of producers to enter the program of rehabilitation of coffee plantations and GAP training, certification maintenance, etc													Solidaridad, ACDI/VOCA, JNC, POs	3,000 producers	The team has identified 2219 producers in seven organizations of Alto Mayo and with the addition of La COPAIN and the municipality of Hemilio Valdizan in Huanuco the program completes its year one target of 3,000 producers.		
1.3.2	Registration of members for rehabilitation of coffee plantations													Solidaridad, ACDI/VOCA, JNC	3,000 producers	TBD		
1.3.3	Production planning with select producers of each PO													ACDI/VOCA Solidaridad, POs, Producers, Neumann	40 plans tied to the demonstration plots	The team has developed 30 production plans with producers from the producer organizations		

													Foundation		
1.3.4	Farmers begin adopting GAP												POs, Producers	2,250 producers	35 producers have adopted systematic high pruning and other GAPs
1.3.5	Guidance to PO technicians and leaders in the design of rules and standards for the selection and production of coffee seeds and seedlings.												JNC, ACDI/VOCA	Guidance to JNC	Haven't initiated activities
1.3.6	POs begin to establish nurseries following technically sound protocols for production of planting material												JNC, ACI/VOCA	Guidance to JNC on their certification of nurseries program	We are planning to implement farm level germinators and nurseries with select producers
1.3.7	Training on harvest and post-harvest												ACDI/VOCA, POs, JNC, CQI, SH, Solidaridad,	Coordination among all partners	The team conducted one harvest and post-harvest training of technicians (ToT) to be replicated with producers
<b>1.4</b>	<b><i>PO farm level environmental planning, and improvement with oversight by PO technicians and ACDI/VOCA technical team</i></b>														
1.4.1	Development of farm level annual environmental plans												ACDI/VOCA, Solidaridad, SH	Eight POs	Environmental planning is part of the OPs organic and Fair Trade certification process which the team has support on multiple occasions, next quarter we will more formally document this support and the associated certification environmental plans
1.4.2	Promote the enrichment of coffee plots through the planting of trees												ACDI/VOCA, SH, Solidaridad	TBD, depends how many trees are on existing plots	The team is working with ADISA in developing a wooded species tree planting project with their members

#### IV. COMPONENT TWO: IMPROVED FARMER ACCESS TO NEW AND PROFITABLE MARKETS

During the reporting period ACDI/VOCA and its partners Sustainable Harvest, the Coffee Quality Institute (CQI), and Solidaridad conducted important technical assistance and training events detailed below:

*Cupping Training:* During this reporting period approximate 87 lead producers and technicians from POs in the San Martin, Alto Mayo region received basic cupping training to establish a base knowledge of the purpose and language of cupping. This fundamental cupping training usually precedes the more advanced Introduction to Cupping Training and selection of Q Candidates for Q Grader Training. Coffee Corps Volunteer Erika Hernandez delivered the one-day basic “Know Your Cup” cupping training to seven different producer organizations. During these trainings, individuals from the PO’s key staff positions of quality control, and lead farmers received an initial introduction to coffee cupping. Her training stressed “the validity of, and the need for, the Peruvian coffee industry to use SCAA standards and protocols to assess the quality of their coffee.” Ms. Hernandez remarked that, “I believe that this will help them (POs) understand why their organizations demand high quality and special care throughout the process.”

It is important to note that the Q Instructor Train-the-Trainer program selects qualified men and women to not only grade coffee using the Q Coffee System but also to perpetuate this quality coffee evaluation system in Peru. It is essential that the Q Coffee System be self-sustaining because three Q Graders are required to grade any one lot of coffee. As well, these professional cuppers must be recertified and recalibrated every 36 months to maintain their licensure and professional abilities. Training CQI’s institutional counterpart, Café Perú, to administer Q Grading Services will ensure that the Peruvian coffee industry has the capacity to carry out this coffee improvement work successfully and reliably into the future.

*Improving Internal Consumption:* To improve market access and increase the internal consumption of coffee the SCVC program and its implementing partners began training baristas and barista judges, and assisted with and financially supported the first national barista championship. The development of basic knowledge regarding the quality and attributes of specialty coffees produced in Peru is intended to increase local market consumption of coffee (domestic and international visitors), improve coffee quality, and vertically integrate a percentage of coffee production. K.C. O’Keefe, CQI SCVC program Coordinator, notes that, “Peruvian national consumption is reported to be extremely low, on average just one cup per person per week.” While in Peru, CQI trainer Raul Rodas participated in a press conference to promote the Peruvian National Barista Championship (PNBC). This included a short speech to the media (radio and television) and a half hour demonstration. A public barista show was also held in Parque Kennedy, Miraflores, attracting over 100 people and covered by the media. This was the first major public event for the SCVC program in Peru. A video of the event was created and used at other events and conferences, including the *Camera Peruana del Café y Cacao* conference titled “*Rol del Café y el Cacao en el Desarrollo de la Agroexportación*” and the *San Martin Mesa Tecnica de Café*.

Coffee Corps Volunteer Raul Rodas trained 14 Peruvian baristas in the basics of sensorial evaluations of coffee drinks, and espresso equipment and preparation, and prepared them for the Peruvian National Barista Championship. This was followed by the first annual PNBC. For this competition it was necessary to first train a group of barista judges in World Barista Champion (WBC) protocols and standards. More than 20 individuals participated in the WBC judge training, and 13 took the final WBC judges exam; five Coffee Corps

volunteers also received this training and helped judge the final competition. During the competition 15 baristas competed for the national title, with Karen Pisconte Dominguez, a barista with Café Verde, winning the first place position. Ms. Pisconte then traveled to Bogota, Colombia in June to compete on her country's behalf for the national WBC title, where she placed 20th among 53 competitors from around the world. In both competitions Ms. Pisconte used a naturally washed coffee from a farm in San Martin, Moyobamba owned by Dr. Apolos Landa – Finca Lomas de Juhingullo.

During the Peruvian National Barista Championship, Thelonious Trimmell and K.C. O'Keefe met with representatives of the World Barista Championship to discuss next steps in Peru to continue the momentum after the Peruvian National Baristas Championship and strategies to improve local consumption of coffee. The WBC now provides a license which covers six different coffee competition events. The *Central de Café y Cacao del Peru* holds this expanded license and so can organize any of those events. One or two of these may be of interest to Peru, including Latte Art.

*Technical Assistance in support of certification and recertification (FLO, Organic, UTZ, Rainforest Alliance, and others):* Solidaridad's technical team has been assisting APAVAM, Fruto de Selva, ADISA, Capema, APROECO, APROCASS, and Café Doncel with their maintaining of and applications for certifications. This assistance has included evaluation of internal control systems, revision of documents to comply with certifier's requirements, field visits to evaluate possible difficulties for certification, and training of organization members and staff to prepare for inspections.

## SUMMARY OF MARKET ACCESS VOLUNTEER CONSULTANT ASSIGNMENTS

**Title:** *Peru Barista Competition Training*

**Date:** April 15 – 17, 2011

**Coffee Corps Volunteer:** Raul Rodas

**Individuals Trained:** 14

**Assignment objectives:** The objects were: 1) review the basics of sensorial evaluation of coffee drinks; 2) review the basics of espresso and grinding equipment; 3) explain the rules and regulations of the World Barista Competition (WBC); 4) evaluate the students in a simulated barista competition setting and; 5) provide students with an orientation to the necessary steps needed to create a personal drink, a requirement of the WBC.

**Tangible Results:** Participants included 14 baristas from private and cooperatively owned coffee shops who planned to complete the in upcoming PNBC. Mr. Rodas provided three days of hands-on workshops including instructor lead discussions, course work and learning on espresso machines. After the three days of training Mr. Rodas stayed to work with Café Perú and ACDI/VOCA Peru to publicize the SCVC program.



Coffee Corps Volunteer Raul Rodas, three-time Guatemalan barista champion and second place winner at the 2010 World Barista Championship, works with Peruvian baristas in preparation for that country's first barista competition.



Pictured here are various members of ACIDI/VOCA's CVC team, including: K.C. O'Keefe, CQI; Oscar Gonzales, Sustainable Harvest; Thelonious Trimell, ACIDI/VOCA Peru; Karen Pisconte, Café Verde; Raul Rodas, Coffee Corp Volunteer trainer; Geni Fundes, Café Peru; Gladis, ArteBar

gave a five minute speech and then a half hour demonstration. Two national radio news stations and one television station were present. Tommy Fairlie, USAID Peru, and the AOTR for this program was also present.

At the request Thelonious Trimmell, ACDIVOCA'S Chief of Party, Café Perú coordinated a public Barista Show in the main plaza of Miraflores. This successful public demonstration attracted the attention of 100+ people and media coverage. This was the first major public event for the CVC project in Lima.

Raul Rodas was well received by the baristas. Of the 14 students eight were from Lima, five were from other coastal towns, and one was from a coffee producer organization, for a total of nine companies represented. Raul proved to be very competent as a trainer and had contiguous enthusiasm. While his training focused on preparing the baristas for the competition he also dedicated time towards quality coffee in general, including the importance of cupping coffees as a tool for supply discovery and roast quality control. As a result several of the students showed interest in potentially becoming Q Graders.

On Monday May 18th the Barista Competition was announced in a press conference at the Sheraton. Raul Rodas



The first group of baristas trained as part of ACIDI/VOCA's CVC project. Pictured here are:

Top row, left to right:

- Juan Jose Bozzo Cornejo, Café Latte SAC
- Marco Antonio Canales Avila, Exportadora Romex
- Luis Miguel Deza Hiraoka, El Despertar SAC
- Supho Rimache Teresa, Cusco Coffee-monin
- Raul Rodas, Coffee Corp Volunteer trainer
- Karen Pisconte Dominguez, Café Verde
- Rebeca Valle Anfossi, CAFÉ ARABICA
- Katherine Espinoza Bustamante, Cusco Coffee-monin
- Carlos Manuel Reyes Yopez, PAPPА CAFFE

Bottom row, left to right:

- Roberto Caldas Portugal, CAFÉ ARABICA
- Jemmy Arnold Carreño Paredes, Café Verde
- Juan Carlos Valero Puga, Coesti SA
- Dilmer Calle Cortez, Cenfrocafe
- Harrysson Neira López, Independiente

**Title:** Peru National Barista Competition, including Training Judges

**Date:** May 9 – 13, 2011

**Coffee Corps Volunteers:**

1. Gracia Ampuero Estremadoyro- Cafe Perú
2. Lourdes Cordova Moya - Camara Peruana del Café
3. Madeleine Villa – Café Perú
4. Angel Garcia – Sustainable Harvest
5. K.C. O'Keefe – Café Verde

**Individuals trained:** 25



Peruvian barista, Jueces, faces World Barista Competition judges and newly trained Peruvian barista judges for top honors at Peru's first national barista competition.

**Assignment objectives:** The objects were: 1) to train barista judges in WBC standards and protocols, and 2) assist with the Peruvian Barista Competition as judges.

**Tangible Results:** Peru's first barista competition, hosted by CQI's Peruvian in country partner Café Perú, was a success. The two training days brought great interest from the local industry, which impressed WBC representatives Jose Arreola, Roukiat Delrue and Rob Tuttle. More than 20 individuals participated in the training, and 13 individuals took the WBC Judges exam. K.C. O'Keefe passed as a certified judge and all five volunteers assisted in competition. Madeliene Villa assisted in general coordination, Gracia Ampeuro was the primary MC of the event, and Angel Garcia, Lourdes Cordova and K.C. O'Keefe participated as competition Judges.

While there was very high interest among the student judges, they demonstrated a poor level of understanding of basic barista concepts. This can be remedied by repeating this training with an additional day or two of practical exercises. Also, the coffee supply and equipment was a challenge for the instructors.



Competitor Jemmy in front of the cameras and judges at the Peruvian National Barista Competition.

The semi-final round took place in the basement meeting room of the Sheraton Hotel. While this location was functional it was not conducive to promoting public interest. It was logistically challenging since it was not the location of the finals round of competition. In the future is it is recommended that the entire three day event be in one public accessible location (mall), in an ideal part of town close to the most exclusive coffee shops (Miraflores).

The finals and awards ceremony took place at presentation hall of Sheraton. Karen Pisconte was named the first Peruvian

Barista Champion. She continued on to participate in the World Barista Championship, June 2<sup>nd</sup>-5<sup>th</sup> in Bogota, Colombia, where she placed 20<sup>th</sup> of 53 competitors. Her total score of 527 points brought her within only 20 points of 10<sup>th</sup> place, just missing the top 12 cut off for semi finals. This performance was extremely impressive for Peru, being the first time the country has participated. This success can be attributed to the April barista training of Raul Rodas, as well as individual training.

The competitors, judges and local industry have shown great interest in the continuation of the Peruvian competition in 2012. In addition many of the Q Graders in Peru have requested that the next national championship include a cupper's competition under the World Coffee Events umbrella, which Café Perú is authorized to execute. With a year's worth of preparation it's expected that the organizers could host a much larger, more public event in 2012.

**Recommendations for 2012 PNBC**

- 1) Pre-order coffee, and have the espresso calibrated by the roasting company with the instructors, prior to the trainings.
- 2) The entire three day event should be in one publically accessible location (mall), in an ideal part of town close to the most exclusive coffee shops (Miraflores).
- 3) The hosts should remember to publically thanking USAID, CQI, Nuova Simonelli and any other sponsor throughout the entire three day event, as is the custom in all WBC events.
- 4) The competition winners should be awarded prizes, as it the custom in all WBC events. The sponsors should be asked to provide gifts for the competitors, which is also the custom in all WBC events.
- 5) Three weeks is too short of a time for the PNBC winner to prepare for the international WBC. Championships should be at least 2 months prior to the world competition.
- 6) Plan for more barista training and WBC judges training for the Peruvian specialty coffee industry.
- 7) Include Karen Pisconte in upcoming CQI Coffee Corps and CVC trainings and events in Peru and Latin America.
- 8) Host a cupping competition for national cuppers and Q Graders to run in conjunction with the PNBC under the World Coffee Events umbrella in 2012.



Competitor Karen Pisconte in action. Karen won the Peruvian National Barista Competition and went on to place 20th in the World Barista Competition just a few weeks later.



The winners of the first annual Peruvian Barista Competition.

**Title:** *Coffee Cupping Training and Quality Improvement for Peruvian Producer Organizations*

**Date:** June 5 – 14, 2011

**Coffee Corps Volunteer:**

Erika Hernandez Tran

**Individuals trained:** 87

**Assignment objectives:** To provide course participants with a convincing experience as to the validity of and the need for the Peruvian coffee industry to use SCAA standards and protocols to assess the quality of their coffee. The one day curriculum was presented to beneficiary co-ops of the 2011 Coffee Value Chain program.

The purpose was to 1) present/explain SCAA evaluation standards and protocol; 2) allow participants to practice using SCAA evaluation protocols through physical and sensorial evaluation; 3) demonstrate the importance of the physical defect standard through controlled taste tests; 4) demonstrate the importance of the roasting protocol through controlled taste tests; 5) demonstrate the importance of the extraction protocols through controlled taste tests.

**Tangible Results:** This training allowed participants to understand the general standards, evaluation process and what other markets use to evaluate coffee quality. Coffee Corps trainer Erika Hernandez Tran believes that this type of cupping training helps POs understand why their organizations demand high quality and special care throughout the process. Ms. Hernandez observed that, for this group of farmers and managers, power points/discussions tended to not hold their attention but hands-on practice was of great interest to them.

**Recommendations:**

- 1) Each organization should establish a coffee cupping lab, and have a person in charge of quality. If each organization has their own coffee lab and trained cuppers they will be able to continue quality improvement training and avoid quality issues. They will be able to prepare samples that specific customer/market request.
- 2) Additional introductory level cupping course should be taught to these organizations to continue their coffee education.



CQI's *Coffee Cupping Training and Quality Improvements for Peruvian Producer Organizations* introduced over 85 key staff and managers for seven CVC coops to SCAA coffee cupping protocols and standards. Most importantly, it provided hands-on cupping experience for those who work directly with coffee in Peru.



Producers from Peru's San Martin region proved to be eager coffee cupping students.

## Component Two Work Plan Advances

Activities	Year One													Responsible	Target/ Deliverable	Advances/Notes
	2011												2012			
	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan				
<b>2.1</b>	<b><i>Provide feedback to POs and farmers regarding their coffee quality and what harvest and post-harvest practices should be modified to improve quality</i></b>															
2.1.1														SH, ACDI/VOCA, CQI	Three trainings	The program has provided one post-harvest training so far
<b>2.2</b>	<b><i>Provide feedback to and training of technicians and farmers in the management, adjustment, and calibration of coffee processing equipment and centralized wet and dry mill plants</i></b>															
2.2.1														SH, ACDI/VOCA, CQI, Solidaridad	Continuous TA	The team has been providing continuous group and individual technical assistance and training
<b>2.3</b>	<b><i>Develop Value Chain Linkages</i></b>															
2.3.1														ACDI/VOCA, Solidaridad, SH	Continuous TA	We have established contact and received quotations from equipment manufacturer IMSA, and have begun conversations with select input providers to ensure the supply of organic fertilizer additives which are currently not available in Tarapoto or Moyobamba.
2.3.2														ACDI/VOCA, SH, Solidaridad, JNC	Continuous TA. Year one sales increase by 10%	At the SCAA conference the program helped establish commercial and financial contacts for several of the beneficiary producer organizations. In addition the Sustainable Harvest Let's Talk Coffee Regional event in February and their strong linkages to markets have provided market opportunities for producer organizations. Also the CQI Coffee Corps volunteers often come from roasters, including the cupping trainer Erika Hernandez of Inter-American Coffee. Once the baseline is complete we will be able to determine sales increase from last year.
<b>2.4</b>	<b><i>Support the promotion of Peruvian coffee and local consumption</i></b>															
2.4.1														ACDI/VOCA, JNC, Solidaridad, SH	Continuous TA	The program has supported the training of baristas and barista judges and the first Peru National Barista Championship. To promote the Barista Championship the program supported a barista show at the Sheraton and in Miraflores Parque Kennedy where print, radio and TV media were present.





## V. COMPONENT THREE: INCREASED TECHNICAL AND MANAGEMENT CAPACITY OF PERUVIAN COFFEE ORGANIZATIONS AND INSTITUTIONS

During the quarter several of the most common problems facing new or transitioning POs were highlighted as being present with most of the beneficiary organizations that the program is working with, these include:

- Limited capacity to provide extension services to members;
- Poor communication with members and their committees, who are often not aware of their cooperative's actions on their behalf and have limited knowledge of the full coffee value chain and the business rationale behind management decisions;
- Board members have low levels of education, business knowledge and leadership skills;
- Low-volume production of quality coffee which limits consistent access to markets;
- Insufficient access to financing which limits the amount coffee the organization can purchase from its members and the immediate services that they can provide to members;
- Weak market access and trust among value chain actors;
- Limited internal systems and controls and document systems (manuals, written processes and procedures, etc);
- Weak administrative and accounting management; and
- Limited business management capacity of the general manager and limited available time to effectively address the long-term sustainability of the organization, all too often the manager is reacting and doesn't have the time to be proactive.

SCVC program focuses on addressing these issues and strengthening the organization so that it can be self-sustaining over the long-term and not request or require outside sources of technical and administrative support. Cooperatives and associations are hybrids between a product-based business and a service-oriented non-governmental organization (NGO) or company which means it needs to manage its product line and also should have the capacity to apply for and manage government and non-government funded projects as any service-oriented consulting firm or organization.

During the quarter, the SCVC program began to address several of these limitations facing the POs supported by the program. However, it has become evident that additional staff and resources are needed to effectively address these concerns and ensure the long-term sustainability of the coffee producer organizations.

Regardless of the program's limited resources to address the myriad of issues facing the cooperatives and associations, the program provided advocacy and networking and direct technical assistance and training to the organizations.

*Advocacy and Networking:* At the SCAA conference held in Houston, Texas Thelonious Trimmell and Romulo Echegaray supported the POs, APROECO, APAVAM, Fruto de Selva, and ADISA in linking to potential buyers and financial organizations. In addition we met with Program Progreso to discuss how best the SCVC program could support *Grupo San Martin* in finalizing its funding proposal and how the program could provide continued support in the implementation of the Progreso funded project which will begin as soon as *Grupo San Martin* finalizes a series of requirements and paperwork.

The team has participated in a variety of conferences, events and meetings with coffee value chain actors and stakeholders, including buyers and financial institutions. At these meetings and events we have shared the activities of the SCVC program and highlighted the beneficiary organizations participating in the program, which provides them with additional

credibility and trust and in turn opportunities for the organizations to reach new buyers, financiers, and donors. In addition the team has reached out to multiple buyers via phone and email to link them to the POs and have discussed with the principal financial institutions the needs and opportunities of the organizations.

The SCVC COP met with USAID regarding the Development Credit Authority (DCA) activities in Peru and the urgent financing needs of coffee cooperatives especially because of the current high coffee prices. The program is analyzing the possibility of organizing a stakeholder meeting with all financial service providers in the region (including new DCA recipients) to share the opportunities related to the coffee value chain and the positive experience and knowledge of current financial providers, e.g. Caja Maynas, Root Capital, Alterfin, Rabobank, etc.

*Training PO's management teams via the Coffee and Cocoa Management Certification:* The SCVC team is coordinating with CAPIRONA, a consulting institution and logistical operator of the Coffee and Cocoa Certification program in San Martín, for the implementation of this certificate program in the region. The private university "La Union," based in Tarapoto, was selected to provide academic backing for the program after an agreement with the César Vallejo de Trujillo University fell through. An agreement is being developed and is tentatively scheduled for approval in mid-August.

*RITS (Relationship Information Tracking System):* Following Sustainable Harvest's RITS implementation process, Adam McClellan (Relationship Coffee Manager for Sustainable Harvest) visited ADISA to develop a second training May 14-16. After Sustainable Harvest's earlier preliminary visit, their team was able to do testing and hands-on training of RITS. Part of this second training was to introduce Alvaro Prada (ADISA's Manager financed by PEAM) to the Macbook computer and iPad and give him a basic overview of how to use these tools to implement RITS. Mr. Prada was identified as the regional leader that can train and provide technical support to the other two cooperatives that will also pilot RITS beginning in Year 2 as part of the SCVC program. He has a great computer background and is also a good trainer.

This training focused on administrative work, understanding the roles of different users, stations, and processes. One of the main steps to track coffee is documenting coffee reception from individual farmers. At ADISA, Mr. McClellan was able to observe and take notes of workflow as coffee (in parchment form) was being delivered, samples taken, payments made, and logistics. This helped Sustainable Harvest's IT team to understand how coffee reception works in Peru to further refine the RITS system to make reception more easy and effective. Mr. McClellan also set up a receipt printer in the ADISA office and printed some receipts for producer payments, set up a Skype account for ADISA to improve communication and allow for further training, and configured their computer settings.

Mr. McClellan's visit during the harvest provided an incredible amount of feedback about the system for the Sustainable Harvest IT team from users: how it works, how it adapts to various contexts, and details that our team will need to prioritize in order to make the system better and more efficient for the Peruvian cooperatives.

As a next step, Alvaro Prada traveled to Lima at the end of May for the risk management training. While he was in Lima, Sustainable Harvest's staff worked to update him on changes and advances made in the RITS system.

Based on Sustainable Harvest's visits and calls with ADISA, its IT team has been working on system development in order to address specific needs and requirements for the coffee processing in Peru. This type of development is a key element for the second year of the program when we are planning to expand this pilot to additional coffee cooperatives.

Advances in software and programming development include:

- Both coffee collected as parchment and cherry can be tracked in the RITS workflow.
- Coffee brought to the coop can now be tracked by its organic status: organic, conventional, or transitional.
- RITS ensures that organic coffee remains separate from conventional coffee throughout the cooperative's workflow.
- RITS can now display weights in units other than kilograms. For example, at ADISA, weights will display in both kilograms and quintales (Peruvian measure for 46 kilograms).
- RITS now has an API, or communication framework, to allow external tools (like iPad apps or other web applications) to communicate directly with RITS data.
- RITS now allows users to print QR codes to connect physical bags of coffee with the information on RITS.
- RITS now displays a visual graph of cupping scores, to allow the user to easily see the variation between quality evaluation results.

*Risk Management Seminar:* This seminar was held by Sustainable Harvest from May 30th-June 2nd. Nineteen coffee cooperative organizations participated, including eight cooperatives from the CVC program, from which we had the participation of the managers or the person responsible for managing the financial systems.

Due to price variability as a result of changing supply and demand for coffee, cooperatives face an increasing financial risk as they strive to balance their costs with their income from coffee sales. At Sustainable Harvest's event Let's Talk Coffee in October 2010, Albert Scalla from Hencorp gave producers and attendees an overview of the market, speculation, and risk management practices. This year, it is important to follow up on that training with additional information and tools for cooperative managers to improve their business decision-making. This seminar in May provided coffee cooperative managers with the tools to manage interest rate variability, high levels of changes in the market value of collateral, and the ability to generate cash flow adequate to service debt.

This seminar provided an overview of quantifying price risk in coffee trading and provided participants practical tools to manage this risk. This training course was designed together by Hencorp and Sustainable Harvest as a practical guide for small- and medium-sized coffee producers to increase their awareness of how price risk is created and some of the options available for managing it.

Specifically, the Risk and Management seminar had the following objectives:

- Provide participants with an overall background on the basis and principles of stock markets so they can use this mechanism as a tool for risk management;
- Develop together with managers a common language for fixing contracts within the Sustainable Harvest supply chain;
- Provide alternatives for covering price fixing risk when the organizations have the coffee in stock;
- Create a network for real-time information for participants, so they can have access for current news on the market and to use this information to make quick decisions;
- Have practical activities with the market to use and practice what was learned.

In addition, the Risk Management seminar dedicated time for practical activities with the market to provide suppliers a better understanding, as well to encourage them to use the market and what they learn in this training. This practical training helped producers resolve doubts about using the new tools and mechanisms. Through these activities, we addressed

challenges, generated new strategies, and discussed potential ideas on how to assist producers for a better future exercise.

The seminar program highlights included:

- Introduction and fundamentals on market report;
- Introduction and practice of the futures market;
- Introduction and practice of the options markets (insurance);
- Introduction of structured financial products;
- Practical exercises.

Sustainable Harvest recorded segments of the Risk Management workshop with Albert Scalla on video in order to provide the same information from the training to organizations outside of Peru through our mobile educational program.

*Strengthening Producer Organization Member Business Knowledge:* The SCVC program resource partner, the Neumann Foundation through Proasocio initiated work with the CAC El Dorado cooperative; however because of internal management issues with the cooperative decided to identify an alternate cooperative to implement its program, they decided to work with APAVAM, and will initiate activities in July. Their program consists of the following interventions and activities which are very pertinent to the needs of the producer organizations.

Training PO management and technicians to be competent in:

- Designing and conducting learning strategies that permanently strengthen the capacities of members.
- Advising producers on using appropriate methodologies to facilitate the integration of business management tools to more effectively manage their productive and commercial activities, as well as their participation in their business oriented organization.

Training producers to be competent in:

- Making decisions on how to manage their farm production and marketing, taking into account market information and the characteristics of their production value chain.
- Participate in their organization in an informed, responsible and business oriented manner.
- Identify and apply principles and techniques for handling competitive production of their crop.

Some of the specific training topics include:

- How best to make decisions based on market demands.
- Knowing the costs and taxes of an agribusiness.
- Agricultural Business Planning.
- How best to organize and establish systems to effectively compete in the marketplace.
- Business oriented management of the producer organization.

Program participants also receive:

- Manuals of the specific training topics and other complementary reading materials related to the training topics.
- Information bulletins on the market

*Building Capacity to for Government and Non-government Funding Sources:* The program developed terms of reference, conducted interviews and checked references to hire short-term consultants to provide assistance to five of the target cooperatives in their application to

AGROIDEAS and or PROCOMPETE funds, including developing full business plans for each of the POs. In the process of determining their eligibility to access AGROIDEAS funds a diagnostic was conducted which determined that for now only APAVAM and Fruto de Selva are eligible and APROECO previously confirmed eligibility with several observations. The program consultants have initiated the next phase, document collection and business planning for submission to AGROIDEAS, with these three organizations. We anticipate that by next quarter a full business plan will have been submitted for funding. The process of collecting and organizing all the required information to apply for these funds is a huge undertaking for the organizations, and will serve them well when applying to other funding sources. Also the business planning process which they will be undertaking will build their capacity for future applications and internal management.

*Local and National Market Development:* The program provided technical assistance to four producer organizations in their food sanitation registration process. The organizations sent coffee samples to the SCVC Lima office which were sent to La Molina laboratory. The program team assisted in the filling out of applications and other required forms and provided the necessary follow-up. Their applications are still in process by are anticipated to be approved in July or early August.

### Component Three Work Plan Advances

Activities	Year One													Responsible	Target/ Deliverable	Advances/Notes	
	2011												2012				
	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan					
<b>3.1</b>	<i>Identify constraints and develop interventions plans to address needs</i>																
3.1.1															ACDIVOCA, Program Progreso, Neumann Foundation, SH, Solidaridad	By May 31, 2011	The has conducted multiple meetings with the management and board of directors of the producer organizations to determine weakness and needs, in addition the AGROIDEAS consultant conducted a diagnostic of five of the organizations to determine their capacity.
3.1.2															ACDIVOCA, Progreso Foundation, Neumann Foundation	Eight POs	The team has been supporting the four organizations that make up Grupo San Martin in establishing its legal status and providing guidance on the organization implications of establishing the group which will allow for greater economies of scale and shared costs and resources. This requires significant modifications to the organizations current organizational and management structure.
3.1.3															ACDIVOCA, Progreso Foundation, Neumann Foundation	Eight POs	The program team has developed individual training plans for each of the producer organizations and have initiated training with all organizations.
3.1.4															Solidaridad, Program Progreso ACDI/VOCA, Capirona	16 managers and management personnel	The team is coordinating with CAPIRONA to establish this certificate program in the region. The private university "La Union," based in Tarapoto, was selected to provide academic backing for the program which is tentatively scheduled to begin mid-August.
3.1.5															Neumann Foundation	All of One POs membership (APAVAM)	The Neumann Foundation will initiate farm level business plans with members of APAVAM in July.
3.1.6															ACDIVOCA, JNC	Two events	In discussion with JNC on how best to proceed.

	POs																	
<b>3.2</b>	<b>Improve financial management and access to capital and credit</b>																	
3.2.1	Coffee value chain finance training															SH, ACDIVOCA	2-3 trainings	Sustainable Harvest facilitated a training presentation by financial institutions at their regional Let's Talk Coffee event in Lima in February and in June they conducted a Risk Management training producer organization managers. In October Sustainable Harvest at their global Let's Talk Coffee event will provide a second Finance related workshop.
<b>3.3</b>	<b>Implement pilot traceability system for three POs</b>																	
3.3.1	Relationship Information Tracking System (RITS)															SH	Pilot system developed and tested with ADISA	Sustainable Harvest has been developing its RITZ pilot with ADISA, in May they conducted a test of the system which they will continue to do throughout the year to make adjustments and improvements on the system.
3.3.2	Software for traceability of certified products to include sustainable certifications, e.g. Org, FLO, etc.															Solidaridad	Pilot software with APAVAM, other interested POs can participate	APAVAM has implemented the certification traceability software
<b>3.4</b>	<b>Improve Access to MINAG's, Programa de Compensaciones para la Competitividad (PCC) Fund, now AGROIDEAS</b>																	
3.4.1	Conduct training for PO leadership to understand technical and financial requirements to access AgroIdeas of MINAG															ACDI/VOCA, MINAG (AgroIdeas)	One training	The AGROIDEAS consultants provided training to the management of five producer organizations on the technical and financial requirements to apply for AGROIDEAS
3.4.2	POs prepare and present project proposals to AgroIdeas for approval by MINAG.															ACDI/VOCA, Neumann Foundation, POs	Three POs	The program contracted consultants to support the organizations in their application and business plan to AGROIDEAS. Three organization are qualified to receive assistance.
3.4.3	Supervision of successful applications.															ACDI/VOCA, Neumann Foundation, POs	Continuous monitoring	Pending approval of applications.

## VI. PROGRAM MONITORING & EVALUATION

### Summary

During the reporting period ACDIVOCA initiated the baseline study, this included: baseline desk research with the collection and analysis of existing reports from targeted producer organizations; coordination and information sharing with DEVIDA , USAID and implementing organizations in the region; identification and signing of contracts with baseline survey data collectors; training of the baseline survey data collectors on proper data collection; baseline survey data collection with the members of the producer organizations; external quality review of baseline surveys to ensure accuracy of data collected; development of database for data input; data input; and data analysis.

### Coordination and Joint Monitoring

During the reporting period ACDI/VOCA coordinated with USAID and DEVIDA to standardize work methodologies and avoid a duplication of efforts. The following agreements were reached and activities achieved:

1. Incorporate ACDI/VOCA into the Inter-institutional Monitoring Committee (Comité de Monitoreo Inter-institucional).
2. Added questions of interest to ACDI/VOCA to the coffee questionnaires that DEVIDA will administer in the monitoring of legal crops.
3. Participate in the revision of the methodologies of evaluation, with the goal of standardization.
4. Take advantage of the experience of DEVIDA's monitoring team, so that the indicators for measuring the impact and results of the CVC program are included in the annual evaluation that DEVIDA executes. ACDI/VOCA will provide the directory of program participants for this evaluation.
5. Participate in the process of designing, planning, gathering and processing of the information.
6. Propose joint monitoring activities that allow for the integration and improvement of tools to collect information.
7. Take advantage of DEVIDA's operations capacity in generating maps and accessing databases, studies, and other documents that enable the improvement of the intervention strategy.

### Baseline Study

During this reporting period the SCVC team initiated the baseline study. The goal of the baseline study was to obtain an initial measure of the SCVC program indicators in the areas of intervention, which include ten producer organizations located in San Martín, Huánuco and Ucayali. The primary methodologies were the implementation of surveys of active members and interviews with the managers and board members of the beneficiary producer organizations.

#### Survey Methodology: Survey Pre-field work

*Sample design:* The survey sample was based on location—we used the organization's information on total active members and the coordinates for their locations, and used the National Institute of Statistics and Information's (INEI) 2007 database as a reference.

*Sample:* The sample was designed to be representative and provide reliable estimates in general as well as by beneficiary producer organization, where the sample unit is active members. In total the program will work with ten organizations located in the departments of San Martín, Huánuco and Ucayali. The design allows for the results obtained to be applied to the entire member population of beneficiary organizations.

*Sampling scheme:* The survey sample was designed under a probabilistic, two-step, clustered and systematic scheme proportionate to the size of the community and independent by the number of members of each producer organization.

- Probabilistic means that the units to be selected have a known probability greater than zero of being chosen.
- Two-stage because the selection of sample units is completed in two phases; in the first the locations are selected, and in the second the active members are selected.
- Clustered because the locations group active members and make-up the Primary Sampling Units.
- Systematic because the locations and active members within each SCVC beneficiary producer organization are selected systematically with a probability proportional to the number of active members, in steps of constant amplitude from a randomly chosen starting point.

*Sample Size:* Taking into account the required estimates and information based on the precision levels for surveys, and also the budget for the study, the sample for each producer organization was calculated based on the following formula:

$$n = \frac{n_0}{1 + \frac{(n_0 - 1)}{N}}$$

$$n_0 = \frac{Z^2 pq}{e^2}$$

Definitions:

Z = 1.96 indicates 95% confidence

p = Proportion of the variable of interest

q = 1-p

e = 0.05, which indicates the maximum margin of error where allowed

The formula for proportions is proposed by W COCHRAN COX, 1974. pp 110

*Sample Distribution:* The sample of clusters (locations) and of active members of the producer organizations was set based on the Levels of Inference:

Producer Organizations and level of organizational strength, summarized in the following table:

**Table 4: SAMPLE OF PRODUCER ORGANIZATIONS**

Nº	PO's	Number of Members	Total Area	Sample Size	Sample Distribution	Effective Sample
1	ADISA	152	2095	325	24	50
2	APAVAM	431			67	100
3	APROECO	305			47	70
4	CAPEMA	182			28	50
5	FRUTOS DE SELVA	334			52	80
6	CAFÉ DONCEL	166			26	50
7	COOPAIN	525			81	100
8	CAC TOCACHE	75	277	161	44	50
9	APROCASS	49			29	40
10	CAS EL DORADO	153			89	100
<b>TOTAL</b>		<b>2,372</b>	<b>2,372</b>	<b>486</b>	<b>486</b>	<b>690</b>

Source: Producer Organization Register of Members April 2011.

*Sample Selection:* The survey sample was selected independently by beneficiary producer organization.

### Survey Methodology: Field Work

*Training of Surveyors:* PowerPoint presentations, the survey, and a surveyor manual were developed for the training. The training promoted the active participation of the students, who conducted interviews using the most common cases as examples. 1 Field Supervisor and 15 surveyors were trained.

*Field Work:* Upon arrival to the community selected in the sample, the surveyor responsible introduces him or herself to the member, informs him or her about the objective of the study and requests authorization to begin working. The survey conducted was designed with procedures for information quality control.

*Review, Coding:* Upon finishing the work in the field, we began reviewing and coding the information collected. This consisted of recording the answers to all of the open-ended questions as well as those that had not been pre-coded, determining frequencies, and assigning a code to identify them in the database. A Dictionary of Codes was developed to complete this phase. In addition, data consistency was checked, a quality control step before entering the information into the database.

*Data entry:* The data was entered by temporary consultants. The data from the surveys was entered via an online system designed by a programmer. In this phase control measures were taken into consideration for all of the questions—the data entry software prevents the input of information that does not correspond to the answer options, and in the case of quantitative information it does not allow for data outside of the ranges established for each question.

*Cleaning of the database:* Using SPSS, a statistical analysis software, the information collected in the field surveys was validated and made consistent using syntax to label variables, clean the data, and create tables with information by beneficiary producer organization for the final report of the baseline study.

Below are the numbers of people trained as part of the SCVC program during this reporting period.

**Table 5: Number of Training Beneficiaries April-June, 2011**

Component	Type of Technical Assistance/Training	Date	Location	# direct beneficiaries	
				M	F
Market Access	Barista Techniques	4/15 – 17	Lima, SH office	5	9
Market Access	Barista Judges	5/09 – 13	Lima, Sheraton Hotel	19	6
Market Access	RITS visit	5/14-16	Naranjos, San Martin (ADISA)	2	0
Production/ Productivity	Systematic High Pruning	5/24	Moyobamba and Naranjos, San Martin (APAVAM – ADISA)	36	1
Production/ Productivity	GAP in Coffee	5/28	Moyobamba (FRUTOS DE SELVA)	94	5
Production/ Productivity	Organic Fertilizer Production	5/	Rio Negra, Rioja (SCVC and PEAM field technicians)	17	4
Production/ Productivity	Post-Harvest Handling	5/	Rio Negra, Rioja (SCVC and PEAM field technicians)	17	4
Organizational Strengthening	Risk Management Training	5/30- 6/02	Lima, SH office (Various organizations)	7	0
Market Access	Basic Cupping Training	6/5 – 14	Moyobamba & El Dorado, San Martin (Various organizations)	74	13
Production/ Productivity	Integrated Coffee Management	6/06-07	Moyobamba (Various organizations)	52	9
Production/ Productivity	Coffee Farm Planning	6/09	Moyobamba (APROECO)	6	1
Production/ Productivity	Coffee Production Management	6/13	El Dorado, San Martin (CAC EL DORADO)	10	1
Organizational Strengthening and Production	Organizing Farmer Field Schools	6/27	Moyobamba (Technicians, and promoters from various organizations, technicians from SCVC and PEAM)	73	5
Organizational Strengthening and Production	Farmer Field School Workshop	7/01-02	Moyobamba (Technicians from various organizations, SCVC and PEAM)	31	7
<b>Total</b>				<b>443</b>	<b>65</b>

## **Gender Integration**

The SCVC team continues to promote female participation and leadership by integrating practical gender messaging and activities at all levels of our interventions. This quarter we met with USAID implementers to better understand the needs and constraints of both women and men in the program's target regions, and to gather their experiences and recommendations for addressing gender disparities. We also began our search for a consultant to conduct gender training for program staff and partners so that we have a clear understanding and awareness of gender issues related to the program's scope of work and are better equipped to incorporate gender-equitable approaches into program activities. The training is scheduled for the end of August 2011.

The program team has discussed with the POs the need to incorporate more women into leadership and management positions and are reviewing their by-laws regarding gender policies and requirements within the organization to see if any modifications are in order that would support the integration of women into the organizations.

Baseline design included pertinent gender questions related to household and farm management which will help the program more effectively address gender bias in a constructive and productive manner.

The program team has taken steps to ensure the participation of the full family including ensuring that training invitations clearly request the presence of women, selecting times for training which are most appropriate for women taking into consideration their household and economic activities, providing space for children at training activities, calling on women during training activities to encourage their empowerment and knowledge sharing, and highlighting their important contributions.

## **Environmental Compliance**

The SCVC Program has been assisting the coffee POs and their members to implement activities that conserve and enhance the quality of flora, fauna, soil, water and air on the coffee farms. These activities have included training in organic fertilizer production, integrated pest management (IPM), and systematic high pruning to increase productivity and reduce the need to extend coffee farms or replant existing coffee trees. The program has effectively promoted the use of organic fertilizers and provided the necessary training and technology transfer to make it a viable and cost effective option for POs and their members. The organic fertilizer system utilizes efficient micro-organisms to rapidly breakdown biodegradable matter. The system more effectively stores nutrients to allow the plant to utilize them when necessary. Standard chemical fertilizers often are over-applied or easily dissipate or wash away becoming unavailable to the coffee tree. Organic additives like potassium are added to the organic compost based on soil testing which helps identify the specific soil deficiency and the plants needs to ensure good nutrient balance and a healthy productive coffee tree.

The program has supported the POs with their FairTrade, and organic certifications compliance, which have strict standards that follow the USAID environmental requirements. The organizations and their members are invested in maintaining their certifications which allows them to access higher value and premium markets. Failure to maintain certification has important financial implications to the organization and their members which is a significant motivator to ensure environmental compliance. These certification requirements have also contributed to the broad acceptance and demand for the program's organic fertilizer, systematic pruning, IPM and GAP technological package.

The program has been monitoring and documenting its technical assistance and training activities to ensure compliance with all USAID environmental requirements.

## Program Leveraging

Sustainable Harvest is working to develop a proposal together with *Grupo San Martín* to submit to the Green Mountain Foundation with the goal of raising funds to complete two activities planned within the SCVC program: the construction of the composting plant and the food security forum for women and technicians. The team learned recently that Green Mountain will review requests for support funds at the end of July. Sustainable Harvest and Grupo San Martín submitted a letter of interest to Green Mountain on July 1st and have been invited to submit a complete proposal. This proposal would amount to significant leverage, up to several hundred thousand dollars, to complement present SCVC program funding.

As mentioned elsewhere in the quarterly report, ACDI/VOCA has been working with several of the POs in their eligibility to apply for AGROIDEAS ([www.agroideas.gob.pe](http://www.agroideas.gob.pe)) funds; it appears that three organizations will be eligible. Once approved, the next step will be for the PO to develop a business plan with full budget to be submitted for funding, the program will be providing the necessary support to ensure that the PO submit a quality and viable business plan. AGROIDEAS available funding per organization’s business plan is a maximum of about \$400,000.

Table 6: Documented Leveraging to Date

The individual POs and their members have contributed a significant amount of time to improving their organization and individual capacity. This time is being documented in our leverage tracking system and will be reported in the next report.

Name	Leverage to Date
CQI	\$5,600
Sustainable Harvest	\$14,932
Solidaridad	\$194,085
<b>Total</b>	<b>\$214,617</b>

Resource partners Café Perú, San Martín Regional Government/PEAM, Neumann Foundation, the Municipality of Hermilio Valdizan and Program Progreso have been coordinating activities and have initiated support to program beneficiaries in a variety of ways though will not be reporting their contributions until next quarter. ACDI/VOCA has been providing leadership and technical guidance with these organizations and government programs to help prevent duplication of efforts and a sustainable development direction to the coffee sector in San Martín, Huánuco, and Ucayali.

## VII. UPCOMING ACTIVITIES FOR NEXT QUARTER

Peruvian Barista Champion Presentation & Training	Karen Pisconte, the Peru National Barista Champion will participate in Expo - Amazonica -- public presentations & barista demonstrations the 16-17th of July. July 18th -19th barista training with primary SCVC beneficiaries co-ops in Moyobamba. July 20th public presentations & demonstrations.
Participation in Fairs and Public Events	Support the participation of producer organizations in ExpoAmazonica, the Moyobamba Agriculture and Artisan Fair, and Mistura, and promotional activities in relation to the “Dia de Café”
Roaster Training	A roasting expert will travel to two different areas to train for roasting,

	<p>packaging, retailing and preparing specialty coffee. Also brewing techniques and retailing training will be addressed. Sustainable Harvest will support this CQI activity, which includes activity with coffee industry representatives in Lima, such as local roasters and organizations interest on learning more in depth roasting protocols. A second activity will take place in Moyobamba, San Martin, to invite producers, local roasters and organizations of producers interested in learning about roasting protocols for consumption. Teaching better practices in roasting will strengthen the SCVC program's effort to increase high quality coffee consumption at the regional level.</p>
<p>Training in Cupping and Quality Evaluation</p>	<p>Cupping is not a single activity; training must include knowledge of the laboratory, sample roasting, and also the production and processing – cultivation, harvest, parchment, milling, transport, all the way to roasting. To be most effective, a cupper should be well versed in finding and defining the fine flavors or defects in a cup, and also be able to point out the reasons behind what is found in each cup and to offer their suggestions to farmers for improvement. In this second training, SH will teach participants how to assess coffees for specialty markets and identify quality problems in the cup stemming from post-harvest processing and storage.</p>
<p>AGROIDEAS Business Planning</p>	<p>The program team and local consultants will continue to support Fruto de Selva, APAVAM and APROECO in securing funding through AGROIDEAS.</p>
<p>Systematic High Pruning and GAP Training and Technical Assistance</p>	<p>The technical team will continue training producer organization members in Systematic High Pruning, and Good Agriculture Practices (GAP) and providing pruning technical assistance in the region's low and mid-altitude zones. To document the producers and promoters who have volunteered to rehabilitate their farms using Systematic High Pruning farm-level surveys will be conducted. Continue pruning.</p>
<p>Fertilizing Training</p>	<p>Training on soil types and nutrient requirements, soil management and conservation, and soil fertility planning and fertilization of coffee farms with special emphasis on organic fertilizer production.</p>
<p>E-learning Courses</p>	<p>Promoters and technicians will participate in e-learning courses on Good Agriculture Practices (GAP), training-of-trainers teaching methodologies, and certification management.</p>
<p>Coffee Management Courses</p>	<p>The management teams of producer organizations will begin the Coffee Management Certificate course. The private university "La Union," based in Tarapoto, was selected to provide academic backing for the courses.</p>
<p>GIS Mapping</p>	<p>The program team will initiate GIS mapping of demonstration plots and other select farms detailing location, soil type, coffee tree types and other farm inventory and household business aspects.</p>
<p>Q Grader Training</p>	<p>Up to 20 experienced cuppers (from previous training activities, local labs, etc.) will participate in advanced cupping training/testing for Q Grader Licensure. The week-long course is rigorous, and most students find it difficult to pass all portions the first time through. During week two students will have the opportunity to retake tests and take the written examination.</p>

Barista Training	One-week for up to 10 baristas and coffee shop managers, in two locales, to improve coffee quality for local consumption and tourism. Maybe consider one in Tarapoto and one in Lima, or both in Lima. It was strongly suggested that one of these trainings take place in Moyobamba so that the primary beneficiary coops could participate and local consumers be engaged. Public & press demonstrations in Moyobamba are requested.
Traceability System Implementation with ADISA	RITS will continue to be adapted to the Peruvian context, and Sustainable Harvest will carry out its second on-site computer and RITS training in the coming quarter, building on Sustainable Harvest's visit to ADISA in May to begin the first stages of training and introduce the laptop and tablet computers. In July and August, the Sustainable Harvest IT team will dedicate significant time to software development to adapt RITS to the Peruvian context and develop the metrics tracking module in RITS.