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The Relationship Information Tracking System (RITS): Building Simple Applications to Improve Coffee Traceability, Transparency and Quality

Quarter 5 Activity Report
April 15, 2011



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Start Date of Reporting Period:	January 1, 2011
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Objectives

During the months January-March 2011, Sustainable Harvest staff focused on the task

Implementation of RITS:

- * Task 3: Technology Dissemination – After this technology has proven successful in increasing Kilicafe’s competitive advantage, Sustainable Harvest will update the application with suggestions from the cooperative members and other supply chain partners. Sustainable Harvest would then like to make this technology available to other cooperatives in Tanzania, and begin pilot programs in other regions to identify how the systems will need to be adapted to cater to the special circumstances faced by coffee farmers around the world.

Our objectives during the fifth quarter were to:

- Collaborate with potential trade partners for Kilicafe RITS groups for 2011
- To continue RITS system developments based on 2010 RITS user survey feedback
- Lay the groundwork to scale RITS to new farmer groups in 2011

Narrative Summary

After December, the coffee harvest in the northern region of Tanzania ceases, and the focus at Kilicafe shifts to successful sales and farmer payments. Therefore, in this quarter Sustainable Harvest shifted its efforts from focusing on the 2010 harvest to ensuring success in 2011 through greater volumes of transparent, high quality coffee sold through the RITS program.

Growing Market Linkages

In February, the one container of Fair Trade Kilicafe and one container of conventional Kilicafe coffee landed in the United States. On the 22nd of the month Green Mountain Coffee Roasters approved the lots for retail, rating their quality 84.5 and 83.8 respectively. Green Mountain has expressed great satisfaction in this newly founded relationship with Kilicafe stating that the coffee was exported without problem, and arrived in the United states on time with pleasing quality profiles. The roaster, a rapidly growing company, has already expressed an interest in sourcing up to ten containers from Kilicafe from their 2011 harvest, and are particularly interested in sourcing RITS coffee due to the transparency the system brings.

In March 2011, three members of Slow Foods, an Italian based farmer association which markets local food products globally, visited Messengarony washing station, one of the RITS 2010 groups, with an interest in marketing their coffee in the coming year. Mars Drinks also visited Kilicafe farmer groups, opening up a potential direct relationships with a major global retailer. Through these promising customers, each with a different market niche, Kilicafe and Sustainable Harvest will work towards growth in their direct sales for the 2011 harvest.

Incorporating User Feedback

In December 2010, Sustainable Harvest conducted a web-based survey to draw feedback from the 16 RITS users with the aim of asserting successes and identifying any further improvements

in the system that need to be made to fit Kilicafe's specifications. In January focus was in thorough data analysis of these surveys and report building for the purpose of USAID/Compete and also our RITS development team in the United States. Sustainable Harvest were also able to share these results with USAID/Compete during their visit on February 21st.

In overall conclusion, the RITS pilot in 2010 was a great success. All users believe it has improved tracking efficiency and coffee traceability and are convinced it will significantly impact quality improvement. All sixteen users stated they wanted to continue using RITS into 2011, however 44% of users lose electricity connectivity at least twice a day and 38% report internet connection losses of at least twice a day. Furthermore when asked to comment on how RITS could be improved further, 15 out of 16 users stated RITS should have the ability to record farmer delivery and payments and track other financial data as well as print receipts.



Throughout the fifth quarter, the RITS team have focused on using this data to construct system improvements. In the United States the RITS development team has incorporated farmer payments into the RITS system, whereby farmers can choose to be paid for their cherry delivery on the spot, which generates a receipt of delivery and payment, or at a later date, which generates just a receipt of delivery and the payment is automatically recorded in a multiple payment at a later date system. Kilicafe headquarter staff, including Director Geoffrey mwa Ngulumbi and the accountants were introduced to this new addition to the system and on comment were very pleased, even suggesting how the system could eventually incorporate final payments and sales information; positive that RITS would be a sustainable and useful tool into the future. Furthermore, one Star Micronics TSP143ECO printer has been purchased and is currently undergoing testing at the Sustainable Harvest headquarters. We expect to purchase one of these printers for all of the RITS pilot groups ready for use in the 2011 harvest in the coming quarter.

The RITS development team is also focusing on perfecting the RITS mobile app, for use on the iPhone or iPad, with offline capabilities. This is an important step forward in the sustainability of the RITS system. If internet disconnection occurs the groups could continue with their data entry into the RITS system on the offline application, rather than resort back to pen and paper, and when connectivity returns the washing station manger simply needs to sync the iPhone or iPad to the cloud and all data will be updated.

To overcome concerns associated with sporadic electricity connections and to enable groups not connected to the main grid to benefit from RITS, Sustainable Harvest staff this quarter have



researched renewable energy options. Since Moshi receives high levels of sun exposure, solar energy would be a successful option. We have developed connections with two solar energy providers in Tanzania, Davis and Shirtliff and Zara Solar, and continue to research ways to successfully construct a solar charger to provide for both MacBooks and printers. Sustainable Harvest will purchase and install the final systems at the wet mills in the following quarter.

Scaling RITS to New Farmer Groups

In January and February Sustainable Harvest staff visited twelve Kilicafe wet mills and, based on interest in RITS, and stability of leadership and production, decided upon three groups to include in the RITS pilot 2011; Pendo, Kishisha and Mlimani Ngarashi. From March 21st - 23rd two members from each group were invited to the Sustainable Harvest office to begin training in basic computer skills and understand more the function and benefits of the RITS system. The three day training included numerous exercises to allow trainees to become familiar with MacBooks and using the internet. With the help of Sustainable Harvest staff and two particularly deft RITS users from 2010, trainees created files and folders, navigated the keyboard, conducted internet searches and sent and received emails through their newly created washing station addresses. The individuals progressed rapidly and we are certain they will face no difficulties in applying to RITS in April's training sessions.

Before the termination of the RITS pilot in December 2011, Sustainable Harvest is determined to have provided Kilicafe with a useful, fully functioning tool that can be distributed and used by washing station manager in all 217 of the association's farmer business groups. Therefore, and with full support of Kilicafe, we decided this year to expand the RITS pilot to groups in the southern chapter of Mbinga. Boss Farijallah traveled to Mbinga on April 26th to meet with the management of six wet mills. Three final groups have been chosen to partake in this year's pilot; Mahenge, Umoja Ilela and Kihuka. Two members from each group will travel to the Sustainable Harvest office in Moshi in April to participate in a four day RITS training session. Kilicafe Mbinga staff and washing station management expressed great pleasure in our presence and due to the similarities between recording systems in the north and southern chapters, we are confident that RITS in the Mbinga will be a great success.



Chart 1: Objective, Activity, and Result

Objective	Activity	Result
Collaborate with potential trade partners for Kilicafe RITS groups for 2011	Link input suppliers with producers and link producers with buyers	<ul style="list-style-type: none"> • 2 containers of Kilicafe Green Mountain coffee approved for retail on 22nd February • Slow Foods show interest in marketing for selected Kilicafe RITS groups in 2011
To continue RITS system developments based on 2010 RITS user survey feedback	Work with developers in the USA to track data, troubleshoot problems and improve the system	<ul style="list-style-type: none"> • Payment system with RITS has been developed with a receipt printing function. USA team are working with Relevance to develop a mobile RITS application for the iPhone or iPad with offline capacities
	Improving the local environment to better accommodate for RITS technology	<ul style="list-style-type: none"> • Found solution to electricity problems through sourcing solar power. Invoices received from 2 solar power providers in Tanzania
Lay the groundwork to scale RITS to new farmer groups in 2011	Identify new groups as additions to the RITS pilot for 2011	<ul style="list-style-type: none"> • 3 groups from Kilicafe northern chapter and 3 groups from Kilicafe Mbinga chapter selected for RITS training in 2011
	Conduct trainings on: -Quality management training workshops -Wet mill management workshops	<ul style="list-style-type: none"> • 3 day training session with 6 new 2011 RITS users from the northern chapter March 21st - 23rd in basic computer use and quality improvement at the wet mill

Challenges

One challenge of the first quarter was encountered in the 2011 group selection process. TechnoServe is a non-profit organization that has a strong presence with a number of Kilicafe farmer business groups, conducting quality management training and linking buyers to producers. Whilst conducting field visits in January, Sustainable Harvest noted great potential for running successful RITS pilots in some of TechnoServe’s partner groups. Since we were eager to maintain good relationships, Sustainable Harvest staff met with TechnoServe’s Tanzanian director to discuss the potential overlap, and waited for their permission to move forward with the group selection. This additional process delayed the onset of RITS trainings until the end of March.