

**AFRICAN**

# **FINE COFFEES**

REVIEW MAGAZINE

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OPPORTUNITIES IN THE  
COFFEE VALUE CHAINS  
IN UGANDA

CREATING SUSTAINABLE  
COFFEE INDUSTRIES IN  
AFRICA

WORLD COFFEE  
RESEARCH LAUNCHES A  
COFFEE CATALOGUE

AFCA CONFERENCE  
VALUE PROPOSITION

MEET JOSEPHINE  
MUKUMBYA  
GROUP CEO OF aBi TRUST







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# A WORD FROM THE **EXECUTIVE DIRECTOR**



The 16th African Fine Coffee Conference and Exhibition (16th AFCC & E) was successfully held in Kampala Uganda at the Kampala Serena Hotel. During the 3-day event, over 1,300 delegates and Exhibitors conversed at Kampala Serena Hotel, actualized business opportunities and enjoyed a networking gold mine.

Attending the AFCC & E comes with several advantages to those within the coffee industry. Mr. Joseph Nkandu, a farmer with more than ten years of experience in the coffee industry, shares his views on the AFCA conference provide to traders, networking, learning and excellent branding experience for Uganda and Coffee companies.

Amazing presentations from experienced speakers in the coffee industry from across the globe. The opening ceremony was graced by the Executive Director of the International Coffee Organization, among other distinguished guest. Mr. Phil Schluter, Schuller S.A, gave an overview of the coffee industry under the topic of "Opportunities to Add Value to the Coffee Value chain". World Coffee Research, launched the Arabica Coffee Varieties catalogue at the 16th African Fine Coffee Conference and Exhibition. Dr Christophe

Montagnon, the Scientific Director who participated in the session titled "Emerging trend in coffee-coffee varieties, Sensory Robusta and processing" discuss the impact of Coffee.

We take this opportunity to thank our sponsors. UCDA, Abi Trust, Kygalanyi Coffee Ltd, Great Lakes, Ugacof, ETG, Mullege Plc, Tracon Plc, the Fairtrade Africa, Horizon Plc, Spedag Interfreight, the banking sector including Orient Bank, NC Bank, Citi Bank and the Centenary Bank. We also acknowledge the partnership with Uganda Tourism Board, La Marzocco and Hima Cement. To all sponsors, accept our sincere thank you for making the 16th AFCC & E, memorable.

All presentations from the 16th AFCC&E are uploaded on the AFCA website <https://afca.coffee/conference/>. Visit the link to Download the presentations.

The Coffee Industry continues to be dynamic, with rapid changes in Technology, Prices changes and new markets. The Conference continues to provide an excellent opportunity to learn and assimilate the latest in the coffee industry. We invite you to take advantage of the is unique conference, by participating effectively in the various activities held.

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## EDITORIAL TEAM

### Editors

Samuel N. Kamau  
Happy Mmila

### Associate Editor

Doriane Kaze

### Publisher

African Fine Coffees Association

### Cover Page Picture

**Josephine Mukumbya**  
Group CEO of aBi Trust





# UGANDA COFFEE POWER TALK

The **African Fine Coffees Association (AFCA)** is an Association of Coffee stake holders in eleven Eastern and Southern African Countries of **Burundi, Ethiopia, Kenya, Malawi, Rwanda, Tanzania, Uganda, Zambia Zimbabwe, South Africa and The Democratic Republic of Congo** as well as others from outside Africa. Membership includes Coffee Boards, Coffee Farmers Associations, Coffee Exporters, processors, associations, roasters, dealers, retailers, and coffee professionals – from all over the world.

The AFCA in partnership with UTZ/Rainforest alliance is hosting the first ever Uganda Coffee Power Talk, under the Theme of **WOMEN AND YOUTH PARTICIPATION IN COFFEE VALUE CHAIN** at the Pearl of Africa Hotel at Ball Room on Tuesday 27th March from 08:00am to 2:00pm. The key note speaker will be **Mr. Eduardo Sampaio with over 30 years of experience he is an expert in management of production system has an extensive knowledge on development and promotion of specialty coffee and implementation of methodology to ensure youth participation on small coffee holder farmers. He will be supported by experts from the Uganda Coffee industry.**

To confirm your participation please send an email to [secretariat@africanfinecoffees.org](mailto:secretariat@africanfinecoffees.org) or call 0793 393992.

**THIS EVENT IS POWERED BY UTZ**

# Value of the AFCA conference to Coffee Stakeholders in the world

Joseph Nnkandu, MD NUCAFE

Participating in the AFCA Conference presents many benefits which may be immediate, medium and long term and depending on the preparations that one makes prior to the conference, there is definitely a good return on the investment. It is important to know on the onset that it is only the AFCA conference that convenes under one roof a diversity of quality global community of coffee personalities and organizations in Africa.



**T**his diversity includes but not limited to scientists, researchers, farmers, traders, roasters, consumers, equipment and machinery manufacturers, policy makers, NGOs, diplomats, intergovernmental organizations, academicians, journalists, politicians, civil society organizations, students, women and men. The implication of this is that you have to get something out of the conference including among other things;

AFCA conference is indeed a network of influence. It is a conference that brings who is who in the specialty and fine coffee market segment. Interacting with specialty coffee buyers directly by farmers and origin traders and exporters is an opportunity not only to make deals but create interpersonal relationships that put humanity at the center of coffee trade. This certainly improves the image of the global coffee value chain that had for a long time seen as a curtail depriving plight and dignity of farmers. Therefore, the AFCA conference proves positively that the coffee value chain is an ecosystem that cherishes human relationship in a collaborative but competitive manner.

AFCA conference enables participants to learn trends in

the world of coffee regarding consumption, trading, and production and research. A case in point is the value that the conference puts on sustainability and gives it a whole day of deliberations. Sustainability is not something that is ease to achieve single handedly. It is something that requires understanding of how to work in partnerships in an ecosystem that requires three dimensions of sustainability; social inclusion, environmental considerations and economic progress.

Does one need a Career development in Coffee? It is again the AFCA conference that presents the world standard coffee career and professional development. The Coffee value chain presents a unique language of its own and diverse sets of skills required among actors along the entire value chain. The various presentations made by different speakers provide continuous learning and acquisition of skills for continuous improvement. It is also interesting to learn that prior to the conference different countries and companies and individual farmers and traders are able to present their coffees for national and regional taste of Harvest. This alone enables actors to put themselves voluntarily to competition to know

...prior to the conference different countries and companies and individual farmers and traders are able to present their coffees for national and regional taste of Harvest.

how they fair among peers for continuous improvement and better marketability of their coffees.

Sharing of experiences to learn from one another is another value that the AFCA conference brings to the world of coffee people. Do you want to find unique coffees from specific ecological region for example along the equator, the undulating hills and mountain ranges of Mountain Rwenzori or volcanic soils of Mountain Elgon or Lake Victoria crescent? The AFCA conference is the answer. Good ideas and conversations among likeminded people are shared. This has its own personal fulfillment and satisfaction it brings because it is from the best of the environments of deep knowledge and content of a global value chain. One gets to know what exactly customers of different countries and regions want.





# *the world's finest coffee* Origin Africa

This year AFCA has partnered with the USAID East Africa Trade and Investment Hub to present winning specialty coffees from: Kenya, Uganda, Burundi, Ethiopia, Rwanda and Tanzania



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Did You Know Coffee drinkers live longer? In May 2012, The New England Journal of Medicine published the results of an almost fourteen year study of over 400,000 people. People who drank coffee every day were significantly less likely to die than non-coffee drinkers

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Uganda Holds Its First Coffee Auction in Bid to Promote Quality. For More Information Click on the Link Below [bloomberg.com/amp/news/artic](http://bloomberg.com/amp/news/artic) ...

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The 17th AFCA Conference and Exhibition 2019 will be at Rwanda



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Meet Different Companies at AFCA Exhibition Area  
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5:15 AM - 15 Feb 2018

Think 🍰 Think 🇬🇩.

ECI's @b\_kasali showing off the Congo Coffee Atlas at @AFCA\_COFFEE conference.

Created by ECI & @ELANRDC, the Congo Coffee Atlas is a data-driven resource mapping all the actors in eastern Congo's growing coffee sector. Try it!  
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Ms. Sara Yirga, Ms. Fortunate Paska and Ms. Anneke Fermount During Sustainability Day at the 16th AFCA Conference and Exhibition at Kampala Serena Hotel. Discussing Gender, Youth and Child labour issues affecting Sustainable production. @UTZCertified



1:44 AM - 13 Mar 2018

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Honourable Moses Ali Visiting the Exhibition Area During the 16th AFCA Conference and Exhibition. @PenagosHnos @UCF\_UG @InvestEAfrica @ConservationOrg @BeanAuction



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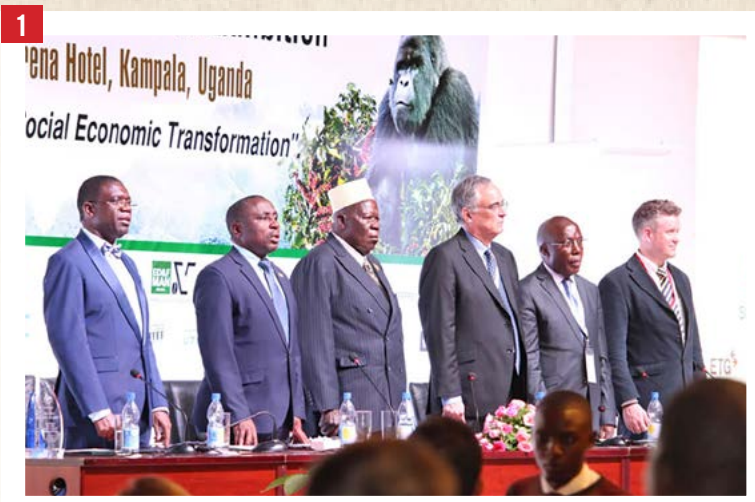
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A panelist from Brazil gives an insight about their coffee sector at the #UgCoffeePowerTalk18 @AFCA\_COFFEE @CoffeeUganda





# 16<sup>th</sup> AFCC&E PICTORIAL



1. Honourable Moses Ali during the opening ceremony of 16th AFCC&E.
2. Anna Kim chairing session: 6A during the AFCC&E.
3. A group photo of session: 7 chaired by Mattia Guglielmi.
4. Mr Evans Nakhokho from centenary bank presenting during session 3.
5. Coffee stakeholders during the 16th AFCC&E.
6. Mr. Fred Kawuma receiving a lifetime achievement award.
7. Mr Bargesh Abdullah chairing secession: 3 during the 16th AFCC&E.
8. Mr Ishak Lukenge chairman AFCA dressing coffee stakeholders during the Coffee sustainability workshop.
9. Honourable Vicent Ssempiija handling an award for the best booth during the 16th AFCC&E.
10. Honourable Moses Ali visiting penagos at the exhibition area.
11. Mr Dlno Schmitz general manager Spedag Interfreight Uganda Ltd presenting during session 6B.
12. Dr Emmanuel Niyibigira Iyamulemye Managing director UCDA receiving sponsorship award during the 16th AFCC&E.
13. Mr. Julius Kakeeto Managing director Orient bank receiving a sponsorship award.



7



8



9



10



11



12



13





# AGRICULTURAL BUSINESS INITIATIVE

aBi

The Agricultural Business Initiative (aBi) is a multi-donor entity jointly founded by the Governments of Denmark and Uganda to support private sector led agricultural development to achieve the objective of the Government of Uganda's Competitiveness and Investment Climate Strategy (CICS). aBi Trust strengthens competitiveness of the Agricultural and Agro-processing sectors through two (2) interrelated components: Value Chain Development (VCD) and Financial Services Development (FSD). This is done through implementing Partners in the categories of Small and Medium Enterprises, Farmer Organizations, Non-Governmental Organizations, Producer and Commodity Associations and other Private Companies in Agribusinesses Development.



Bushenyi DFA Nursery Bed



## Value Chain Development (VCD) Component of aBi Trust.

VCD is mandated to support private sector actors to increase their contribution to the agricultural sector by increasing resource (land, labor etc.) productivity, and market competitiveness. This is done through provision of Technical Assistance and Financial support in Six priority Value chains of Coffee, Oil seeds (sesame, groundnuts, soya bean etc.), Cereals (maize, sorghum etc.), Dairy (milk), Pulses (beans) and Horticulture. Support is also provided to other cross-cutting interventions including gender mainstreaming, green growth and Human Rights Based Approaches (HRBA).

### The Coffee Value Chain

Forty two percent (42%) of farming households in Uganda grow some coffee and the commodity has contributed an average of 30% to the country's foreign exchange earnings over the past 20 years (UBoS, 2014). It is for this reason that Coffee is not only a strategic crop for aBi but also strategic for the Government of

Uganda towards achievement of "A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country by 2040".

aBi has continued to intensively invest in addressing the challenges facing the coffee sub-sector for example low quality coffee produced by farmers, pest and disease incidences, poor post-harvest handling, lack of reliable market, limited access to improved seedlings and agro-inputs, weak institutional capacity, limited value addition and among others. Key areas of investment for the value chain can be categorized as below;

- Production and productivity Improvement
- Market Development (Collective bulking and marketing)
- Value addition and Quality Enhancement
- Coffee Export Business
- Coffee Roasting and retail Business

### Production and productivity Improvement

In an effort to address the supply

side constraints facing the coffee value chain, aBi has supported implementing partners in providing training to farmer groups in good coffee agronomic practices, sourcing and distribution of good quality planting material, production and dissemination of training materials and manuals as well as facilitating organization of field days and district coffee shows to create awareness about best practices.

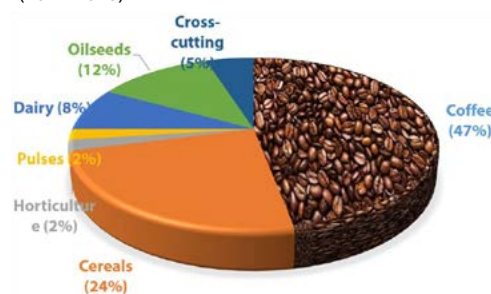
### Market Development (Collective bulking and marketing)

Most are Ugandan Coffee farmers operate on a small scale and this limits their ability to fully influence the market in their favor. To empower these farmers, aBi has supported its partners to organize them into groups and facilitate the establishment of bulking centers, marketing committees and post-harvest handling equipment at the different levels of farmer groupings. The groups are then further trained in aspects of group dynamics, leadership and governance as well as record keeping.





aBi Investments in the Supported Value Chains (2014-2018)



## Value addition and Quality Enhancement

In an effort to enhance the competitiveness of Uganda's Coffee and increased value for coffee producers, aBi has provided support to implementing partners at the levels of primary processing and secondary processing. In primary processing, support stretches from training in good harvest practices up to establishment of wet and dry processing facilities where as in Secondary Processing, agribusinesses have been supported to clean, sort, dry and grade coffee for the export market.

### Coffee Export Business

Coffee being Uganda's top foreign exchange earner, aBi has partnered with several IPs to boost their ability to meet the international export market quality requirements. In addition, these partners have been supported to participate in niche markets through certification schemes as well as participate in international marketing and B2B

events for example the Africa Fine Coffees Association (AFCA) exhibition and conferences.

### Coffee Roasting and retail Business

Ugandans consume only 3 per cent of the locally produced coffee and Experts say that if local consumption is increased to 10 per cent, Uganda will earn Shs7.7 trillion per year. To increase local consumption, aBi has supported implementing partners with coffee roasters and packaging equipment as well modern laboratories for cup tasting.

List of IPs supported by aBi in the Coffee Value Chain since 2011

No	IPs supported
1	UGACOF
2	Kawacom
3	Armajaro/Kawacom
4	Sembabule DFA
5	Ankole Coffee Producers Coop Union
6	Bushenyi DFA
7	Kyagalanyi Coffee Ltd

8	Café Africa
9	NUCAFE LTD
10	Rubanga Farmers' Cooperative
11	Kampala Domestic Stores
12	Uganda Coffee Development Authority-UCDA
13	Mbarara DFA
14	Kyenjojo DFA
15	Kasese DFA
16	HRNS
17	Rukungiri DFA
18	Keith Associates Ltd
19	Wakiso DFA
20	Mbale Farmers Association
21	Kasaali Coffee producers Cooperative Union
22	Kabarole DFA
23	Africa Coffee Academy
24	El-Cafino (U) Ltd
25	Nsangi Coffee Farmers Association
26	Katuka Development Trust
27	Royal Plants and Nurseries
28	Karo Agricultural Producers Ltd
29	International Institute of Tropical Agriculture
30	Good African Foundation

# OPPORTUNITIES TO ADD VALUE IN THE COFFEE VALUE CHAIN

Philip Schluter



I am not an expert in every field in coffee. This article is a summary of the keynote presentation given at the AFCA conference in Kampala. The aim of this presentation was to give an overview of the industry and start a discussion. I am happy to be challenged on the numbers I quote, and to have those who know more than I do at each stage in the value chain to add their expertise to the debate.

The coffee industry is often portrayed as being unfair. It juxtaposes often wealthy consumers with producers who often live in poverty. The transformation from bean to cup is sufficiently simple and transparent that the media believe that the costs of transformation are small, and like to use coffee to highlight middlemen margins. After all, in a cup of coffee sold for \$3, the actual coffee in the cup has been bought at 15 cents from the farmer.

However, the reality is not so simple. In fact, most of the commodities in the world, if compared on a similar basis would produce similar headlines. The 285 grams of cotton which makes up your shirt costs 50 cents, and the shirt is sold for \$25 or perhaps much more.

It has been argued that coffee is a neo-colonialist product which perpetuates colonial inequalities through economic rather than

political means (Andrew Rugasira argues this in his book 'A Good African Story') and that the system is loaded in favour of the northern hemisphere. I grew up in Kenya, painfully aware of how privileged I was. I went to university to study development theory, with a passion to spend my life addressing the issues which led to such inequality. Whenever I visit smallholder coffee growing communities in Africa, it is a salient reminder that I live in an extremely privileged place, and there is still a lot of work to do.

I used to believe that the have / have not divide was a north / south divide – and journalists often use coffee as a product to highlight this issue. However, a cup of coffee in a US airport now costs the same amount as it does in most airports in East Africa. A cup of coffee in a café in central Kampala costs as much as the daily wage of the person serving it. The divide is a consumer / producer divide, not necessarily a north/south divide.



AFCA member governments and governmental coffee bodies quite rightly spend a lot of time and energy trying to maximise value in country from the coffee they produce. So, I am going to do a whistle-stop tour of the coffee value chain, and discuss where the value is added, and where investment in the chain brings the best returns.

**Soil** – It all starts with land. The value of land is the opportunity



cost of using it for something else. Whilst we are a speciality coffee industry, and I will focus on that in this presentation, we also need to be realistic. We need to know the fertility of our soil, the altitude and latitude. For some, it is better to focus on high yields and volume rather than quality. Inheritance traditions in East Africa often lead to issues of small plot sizes, which preclude economies of scale. What is clear is that both climate change and urbanization are going to put pressure on arable land available for coffee production, and push up prices in the long term. Farmers may also need to look at diversification to mitigate the risks of climate change.

**Seed** – How often is cup profile the primary determinant of varietal choice? The World Coffee Research has just published a varietal catalogue for Africa, and we do well to learn the potential for each varietal. The UCDA has done great work in producing disease resistant robusta varieties, but consideration might be given to using the in-country knowledge from the flower industry in terms of propagating these varieties in a way which maintains their disease resistance.

**Agronomy** – this is the area where the most potential value increase is lost, which is why it is quite rightly the focus of many projects aimed at improving coffee income. A recent report by Tony Mugoya concluded for Arabica that following recommended agricultural practices rather than traditional practices can offer a 69% return on the extra costs involved. Just good pruning and application of fertilizer can increase yields dramatically in the space of a single season. The Global Coffee Platform report on Uganda recently concluded that there was potential to increase yields in robusta by up to 86%. Finally, persuading farmers to pick only ripe cherries, not only massively improves quality, but also improves their income. We recently asked one of our agronomists to pick

out 100 red cherries, and 100 green cherries from the same delivery and weight them. The green weighed 160 grams, and the red 216 grams, or 35% more. The increase in weight of the dry bean inside is even more dramatic. Showing farmers that by being more patient and selective in cherry picking, they can improve their income dramatically, is a simple way of capturing more value in the chain. We don't like eating under-ripe fruit – bananas, mangoes, avocados. They are only sweet and full of flavor when it is ripe. Coffee is no different.

**Post-Harvest processing** – as a speciality industry, this is where we have been too slow in sharing information. The potential to increase value through good post-harvest processing is immense. I have said before that 'PASSION PAYS'. We can taste in the cup when real care has been taken at this stage, and it adds a lot of value. If we take DRUGAR as an example. Commercial DRUGARS in December traded at an average of little over Cts 90 per lb. The same coffees processed as speciality sundried lots through careful post-harvest processing fetched Cts 230-300 Cents per lb. If 10% of the DRUGARS in Uganda had been processed and exported this way in December 2017, the additional income would have been over \$1million – or an increase of 2.3% on the country's coffee revenue. And this is revenue that finds its way to farmers. Whilst there are costs in producing this higher quality, farmer incomes for those delivering have more than doubled.

**Export** – Who gains from the premiums we have just been talking about? In speciality, value is determined by taste – but how many East African coffee farmers taste their own coffee? Training them to do so would allow them to defend their prices and ensure that premiums are evenly distributed. Access to finance, traceability and transparency are also vital in ensuring that this happens. As a whole, fierce competition amongst

exporters ensures that farmer prices as a percentage of FOB prices remain quite high in the region, but there is more to be done in equipping farmers to understand FOB prices, risk management and the world market.

**Marketing Systems** – The local in-country marketing system can promote or hinder value addition in the marketing chain. A system which does not allow for traceability, transparency and long term relationships will not allow most speciality buyers to engage with it. There is a need to ensure real and active competition in the local and export market, but any steps to protect this should not do so at the expense of the transparency and directness which allow buyers who care about the quality and provenance of their coffee to engage with the farmers who produce it.

**Marketing** – stories have value. Relationships count. Producers need to know their altitude, their varietal, and what is unique about their region. They need to promote their coffee, but also their culture and history. They need to invest in taking high quality photos. A good picture speaks volumes.

**Social Premiums and Projects** – these are not just charity. Ethically minded consumers will pay a premium for coffee which they know makes a difference to the lives of the farmers who produce it. Showing this is easier through social projects which have been supported than it is in explaining pricing. Hence, building a school with the producer community adds value to the coffee that community produces in a way that simply paying the same cost as additional price on the coffee does not. It also builds relationships and a better understanding between the people in the chain.

**Import** – It is true that – when compared to farmer incomes – import margins are good. However, when seen in the context of cost



structures in import countries, and the volumes required to cover even a minimal staff structure, they are extremely thin. With gross margins usually around 3%, with considerable risk management and knowledge required, margins are not excessive. It is an uncomfortable reality that \$10 will go a lot further in most producing countries than it will in most consuming/importing countries.

**Marketing** – yes, it is here again. Importers need to pass on the story they receive. It is their job to bring the origin to the buyer – not just the coffee, but the country, the people, the culture, the climate, the food, the flora and fauna, and the stories. Importers need to recognize that the marketing material they receive may need both digital and cultural translation to be heard in the consuming market.

**Roasting and Packaging** – Roaster gross margins are very good. However, they are deceptive for several reasons. What we tend to look at is the ‘best in class’. We look at the best brands in the world and marvel at their ability to command great prices, and sell large volumes at great margins. However, we forget two things. Firstly, they are the one in a thousand who have made it to that status. There are hundreds of others for whom their roasting business provides a subsistence income, and others who started a roasting business and never made it past the first 5 years. Those who succeed in becoming a global brand are those who are the best at what they do. They are the brilliant ones. They have usually invested decades, millions of dollars, and hours of sweat to get to where they are. Secondly, if we were to take the equivalent ‘best in class’ producers, their margins would be at least comparable, if not better.

**Marketing** – Yes, yet more marketing. The roasters spend more money promoting their brands through advertising, social media, story telling and promotions. All the materials used in this are generated at origin, and passing them down the chain benefits those producers willing to invest the time and effort to produce them to a high quality.

**Retail & Distribution** – for coffee sold by the cup in cafés, 95% of the cost of the cup is represented by the costs of running the café – primarily rent and labour costs. For coffee sold by the packet for home consumption, those selling volumes tend to sell through retail. Retailers typically take 35-40% of the sales price as their margin. Again, this looks at face value like an unreasonably large margin. Consider then that TESCO, the UK retailer, are spending \$60 million building their latest outlet near Manchester in the UK. Add to that the costs in terms of labour, lighting and refrigeration to run the store on a daily basis, and recognize that even with considerable turnover and margins, they will take a long time to repay their initial investment. Consider that

Walmart’s average net margin is in the region of 3-4%. The margin they take on a packet of coffee – or any other product they sell – is very high, but the cost of delivering the retail experience and attracting the mass market is equally high, leaving thin margins in what is an extremely competitive sector.

The cost of coffee sold through retail then looks like this:-



As an industry, we talk a lot about the cost of production. If only we were equally transparent about the Cost of Consumption and the Cost of Consumer Acquisition, we would begin to understand that these are real costs. Gross margins are high, but net margins are very thin. Coffee is a mature and competitive industry.

Finally, we have **Coffee Preparation** – This includes Barista skills, staffing, training, consumer interaction. The speciality coffee industry has added immense value through creating a consumer experience which is an affordable luxury for many. The passion and energy that goes into creating this value offers an opportunity to ensure that farmers receive better prices for their hard work – but this requires that they ask the right questions. We need to encourage an understanding of all the costs in the chain, and the perception that premiums added at one end can be passed down to those who benefit most from them.

The question remains for AFCA member countries – where should they focus their efforts to gain more value from the coffee value chain? If they have \$100’000 to invest, where will they get the greatest return. My estimates, and they are just that – estimates, are as follows:-

Investment	Spent	Benefit
Opportunity Cost	\$100 spent	Opportunity Cost
Option 1	\$100 spent	\$86 gained
Option 2	\$100 spent	\$69 gained
Option 3	\$100 spent	\$35 gained
Option 4	\$100 spent	\$200+ gained



Cost benefit analysis in traditional consuming countries

	\$100 spent	\$10? gained
	\$100 spent	\$20 gained
	\$100 spent	? gained
	\$100 spent	\$7 gained
	\$100 spent	\$25 gained

The expected returns in roasting, packaging and retail are very small compared to the returns that can be expected if the same investment is made in agronomy, harvesting, and post-harvesting processing. This is the reason why so many projects are focused on adding value in these areas. The grass may seem greener in the roasting and retail markets, but the returns are in reality less accessible in terms of the initial investment required, the incubation period before returns are seen, and in terms of the return on each dollar invested. The most attractive and efficient ways to add value are those on our doorstep in East Africa.

A brief word on promoting local consumption. It is great to develop local consumption, and capture the consumer margins at origin – it creates local competition for coffee and provides a price floor. However, as a

Ethically minded consumers will pay a premium for coffee which they know makes a difference to the lives of the farmers who produce it. Showing this is easier through social projects which have been supported than it is in explaining pricing.

producing country, serious consideration should be taken before looking at roasting locally for the export market. Local roasting for export outside the immediate region often requires air-freighting to maintain freshness. The air freight will cost more than the coffee. Worldwide consumption is estimated to be at best 3 or 4 % single origin. Hence the destination market for single origin, locally roasted products, is very limited. Finally, the costs of the infrastructure to enter the market are very high. It would make more sense to ship the coffee green to destination and use the overcapacity in consuming markets to have it toll-roasted and packaged at destination.

Finally, remember 2 things. Passion pays. At our daily cupping, we can tell that a coffee has been produced with care and passion when we taste it – and remember that the story counts. Relationships have real value. People will pay more for coffee from people they know.

COFFEE PROCESSING EQUIPMENT



Laboratory Equipment



Dry Parchment Huller



Dry Cherry Huller



Test Sieve



Moisture Meter

Small Grower Equipment



Drum Pulper



Mini Pulper (Economic)



Mini Pulper (Standard)



Mini Pulper with Gear Motor

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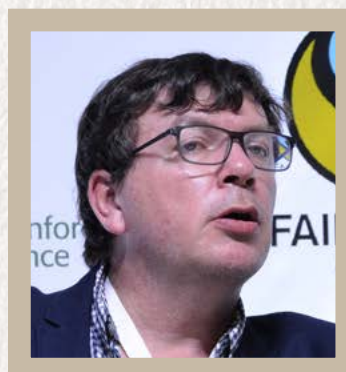
# WORLD COFFEE RESEARCH RELEASE THEIR CATALOGUE AT THE 16<sup>TH</sup> AFCC&E

Dr Christophe Montagnon



## ARABICA COFFEE VARIETIES

Includes varieties from:  
Kenya, Malawi, Rwanda, Uganda, Zambia, Zimbabwe



The catalog presents a breadth of information on each variety, from its appearance and key agronomic traits to its genetic background and intellectual property rights.

previously only covered varieties commonly found in and around Central America.

The updated catalog contains 53 total varieties, with expanded histories for many of them. The updated version introduces the following varieties: Bourbon Mayaguez 139, Bourbon Mayaguez 71, Jackson 2/1257, K7, KP423, SL28, Harrar Rwanda, Mibirizi, Nyasaland, Pop3303/21, SL14, SL34, Catimor 129, Batian, RAB C15, and Ruiru 11.

The catalog presents a breadth of information on each variety, from its appearance and key agronomic traits to its genetic background and intellectual property rights. For example, Jackson, which is cultivated primarily in Rwanda, is tall with a large bean size, has a high yield potential and grows well at high altitude, is related to Bourbon, and exists in the public domain. By providing information on this and other varieties, the catalog aims to enable those working in coffee to make informed decisions about which varieties may work best for their specific needs.

"We're very proud to be expanding the catalog to include six African countries," says Christophe Montagnon, scientific director WCR a lead author on the catalog. "The catalog is a living document, and as we continue to expand its global reach, we hope it supports more and more farmers in one of the most difficult and important decisions they make for the long-term sustainability of their farms."

The varieties catalog also includes information on which varieties are currently available through the World Coffee Research Verified program, which certifies coffee seed and nursery producers to improve the healthy, traceability and genetic purity of coffee plants. (The program is currently available in Central America.)

<https://worldcoffeeresearch.org/news/varieties-catalog-goes-global/>

### Launching in Africa

In conjunction with the online release of the expanded Arabica Coffee Varieties catalog, WCR is releasing a printed version of the catalog at this week's African Fine Coffees Association (AFCA) conference in Kampala, Uganda. Christophe Montagnon, WCR's scientific director, participated in a session titled "Emerging Trends in Coffee—Coffee Varieties, Sensory, Robusta & Processing," and the printed version will be distributed to all attendees, courtesy of UTZ/Rainforest Alliance.

The catalog supports broader efforts by WCR and its partners in Central America—and now Africa—to reimagine a coffee sector such that all farmers have access to healthy coffee plants and the tools to make good planting decisions in support of their goals.

On 14th February 2018 at Kampala Serena hotel the World Coffee Research (WCR) launched a major update to its Arabica Coffee Varieties catalog, expanding it to include varieties from six new countries: Kenya, Malawi, Rwanda, Uganda, Zambia, and Zimbabwe. The catalog

## THE WORLD COFFEE MARKET IN PERSPECTIVE:

# CAN SMALL PRODUCERS SURVIVE THE NEXT WAVE OF PRODUCTION INCREASE?

Judith Ganes, President, J Ganes Consulting, LLC



With Arabica coffee prices hovering at the same levels that they routinely traded in 30 years ago, there is much discussion about the ability of the world's coffee producers to survive yet another period of depressed prices.

**M**ost farmers are barely making ends meet with relying on diversification to other cash crops and activities to give them needed cash flow. The story of the coffee farmer is echoed throughout the world with the increased age of the typical farmer and a lack of laborers compounding the woes. These issues are evident when looking at production trends over the past two decades:

- World production is now even more highly concentrated amongst the top five producer nations.
- Countries ranked 1-10 are the vast majority that saw any production growth at all the past 20 years.
- Countries ranked 11-20 were able to see production sustained but not really increase.
- The world's smallest coffee producing countries saw their

market share continue to shrink by a percentage, but worse by actual volume.

This leaves the market with a dilemma and increased risk should the weather negatively impact one or more of the larger producer nations during the same year. At the same time, it is robbing coffee drinkers of the ability to have as diverse a selection of origins to enjoy and brings a sameness to commercial blends. This is not unique to the coffee industry, with the chocolate industry facing similar challenges. While there is opportunity for long term growth, the trouble will always be that as prices rise, the willingness to expand production is a green light for all growers and that tends to increase supply faster than demand and perpetuates the price cycle of a good year followed by a prolonged stretch of weaker values.

There is no magic bullet or fix to this dilemma. The world coffee market's function is for price discovery

and as much as those currently suffering from weakened prices would like to believe the market is somehow broken and not reflecting the realities, it actually is working as it should. The increased output by a few and green light signal to increase production triggered from higher prices a few years ago, is haunting the market today. In order to survive, farmers would benefit from a deeper appreciation of the mechanics of the world market to understand pricing better and then can prepare and adjust for this with more informed business decisions. AFCA is planning an educational series of workshops that will delve into the subject of futures and options risk management principles that will be instructed by J Ganes Consulting. A preview course was already conducted at the 16th annual conference in Kampala where attendees had a full day of skill building. Please contact the AFCA secretariat for more information and to express interest in participating in future classes.





**INTERNATIONAL  
COFFEE  
ORGANIZATION**

# INTERNATIONAL COFFEE COUNCIL OPENS IN MEXICO



**Mexico City, 9 April 2018** – The official inauguration ceremony of the 121st International Coffee Council, the governing body of the International Coffee Organization, has been held in Mexico City today. Officially launched by the Sub-Secretary Mr Jorge Armando Narváez Narváez, this is the first time the Council has met in Mexico, a country that is in the forefront in the process of modernizing its coffee sector.

**I**n his speech, the Sub-Secretary extended a warm welcome to participants and stressed the importance of regional and international cooperation for the Government of Mexico. He further emphasised “It is important to always working hand in hand with the producers, and the small producers in particular, as well as with all stakeholders in the coffee value chain to improve the quality of life of producers and to take care of the environment.”

The Chair of the Council, Ambassador Aly Touré of Côte d’Ivoire formally thanked the host country for its hospitality and welcomed attendees to what was his first Council Session serving as the newly appointed Chair.

Ambassador Touré added that: “Coffee is a growth market, providing economic benefits at each step of the global coffee chain from growers to consumers, but as a global coffee community the International Coffee Organization and its Members had an extremely important task to work together, alongside international

organizations and the private sector, to address the challenges facing the coffee sector”. He further called on delegates “to work together to ensure that the coffee sector continues to have a bright future”.

The Executive Director of the International Coffee Organization, Mr José Sette, emphasised that “Mexico is an appropriate setting to reflect on the changing world of coffee, especially with regard to coffee-producing countries. Mexico is no longer just an exporter of Mild Arabicas in bean form; the country is now a regional export hub for soluble coffee”.

He further emphasized “... imports of coffee have become increasingly important in recent years. In the domestic market, although per capita coffee consumption is still relatively low, a vibrant specialty coffee scene is emerging and prospects for increased consumption are bright. For this reason, Mexico is an interesting example of how the traditional exporter/importer and producer/consumer dichotomies

is becoming increasingly blurred. Above all, Mexico is an example of the social importance of coffee as a generator of employment and income in rural areas”.

The International Coffee Council and associated meetings, taking place from 9 to 13 April 2018 at the Hilton Reforma Hotel in Mexico City, was organized in collaboration with the Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Food, a unit of the Federal Executive Branch of the Government of Mexico. The week-long event will bring together over 200 delegates from more than 30 countries from across the globe, to debate a number of issues of crucial importance to today’s global coffee sector.

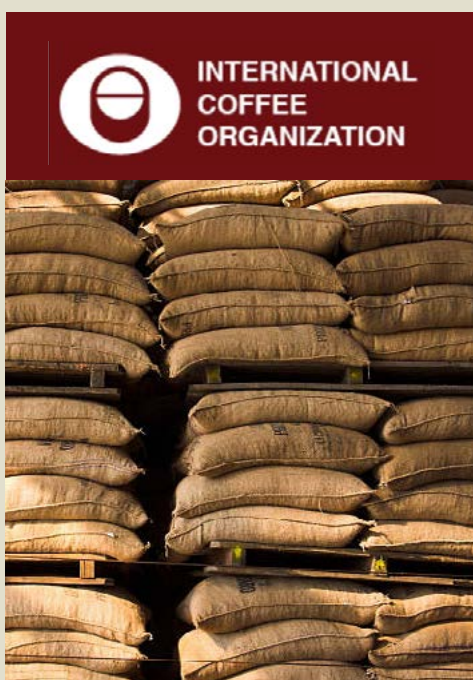
Along with dissemination workshops to share solutions to fight the devastating impact of coffee leaf rust, and to assess the health benefits of coffee consumption, delegates will discuss the challenges affecting the coffee sector in Central American countries and Mexico, as well as exciting developments to support



the sustainable development of the coffee sector, including new avenues for funding projects and mobilizing impact investment through collaborative initiatives with Governments, international organizations and financial institutions, as well as the private sector. Delegates will also receive the latest statistics and analysis on the international coffee market, including reports on coffee trade flows and the increasing role of women in the production, supply and demand of coffee.

In his closing remarks to attendees, Mr Sette concluded by stressing that:

“I would, again thank our Host, the Government of Mexico for the opportunities for all of us to visit Mexico City, the cradle of Aztec civilization and a UNESCO World Heritage Site. I look forward to a highly productive week of work with all of you.”



## ABOUT THE INTERNATIONAL COFFEE ORGANIZATION

The International Coffee Organization (ICO) is the main intergovernmental organization for coffee, bringing together exporting and importing Governments to tackle the challenges facing the world coffee sector through international cooperation. Our Members represent the Governments of 98% of world coffee production and over 83% of world consumption. We endeavour to make a positive and practical contribution to the development of a sustainable world coffee sector and to reducing poverty through the following three Strategic Objectives:

- Delivering world-class data, analysis and information to the industry and policy-makers.
- Providing a forum for dialogue between and within the public and private sectors.
- Facilitating the development of projects and promotion programmes through public-private partnerships.

More information is available at: [www.ico.org](http://www.ico.org)



**SAGARPA**  
SECRETARÍA DE AGRICULTURA,  
GANADERÍA, DESARROLLO RURAL  
PESCA Y ALIMENTACIÓN

## ABOUT SAGARPA



The Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA), is a unit from the Federal Executive Branch of the Government of Mexico, which has among its objectives promoting the execution of a policy of support, which allows producers to improve their production practices, utilizing in a more efficient manner the competitive advantages from our agricultural, livestock and fisheries sectors, and integrating the economic activities from rural areas into larger productive chains, encouraging the participation of organizations of producers with economic projects on their own, as well as with the proposal of goals and objectives for the agricultural sector within the National Development Plan.

More information is available at: <http://www.sagarpa.gob.mx>

**Further information:** Sarah Eldred, Secretariat and Communications Officer [press@ico.org](mailto:press@ico.org), +44 (0) 20 7612 0624



# INTEGRATED SENSORY ANALYSIS AND ITS IMPACT

**Darrin Daniel**, Executive Director Alliance for Coffee Excellence



for premium discovery and information sharing which discusses proper margins across the supply chain. As it pertains to roasters and the buyers who work so hard to discover top quality coffee, the cupping form (and its myriad mutations of the original forms) has established itself within nearly all quality buying units dedicated to proper analysis. Below is also an example in terms of concentration and scrutiny of a coffee in a competition. Clearly, analysis at the competition level has provided a large impact towards defining quality, specific flavor inherent to variety, region and processing methodology. A calibrated jury poised to bring coffees to the marketplace as single origin have pushed the envelope and continue to innovate how they share this with the customers.

**W**ith the birth and evolution of the specialty coffee cupping form, the industry has been able to clarify across the supply chain through the lens of quality. Since its inception and structural development in the late '90s, we have been able to establish an educational platform for sensory professionals. George Howell and Silvio Leite began the process of developing the Cup of Excellence form as well as Ted Lingle developing the SCA/CQI form, which has provided supply chain of analysis of traded coffee. It has also birthed the evolution of coffee competitions with examples such as the Cup of Excellence and Taste of Harvest. Aside from quantifying a coffee buy assigning a score that allows for coffee to be valued, it has more importantly fostered a descriptive language that establishes flavor transfer. Tasters and sensory professionals can link directly with buyers and even consumers by ascribing flavor clearly translated experience.

Cupping forms continue to provide a window in which many industry advocates and actors share the attributes of any one coffee. This should also serve as a way to communicate quality to growers who have the opportunity to better understand the coffee they are producing with the intent to improve their processes. The cupping form must continue to serve as a vehicle

New innovation has created competitions, such as the World Aeromaster Coffee competition. The competition incorporates aromatic compounds which have been matched to coffee that has been vetted by a jury with the competition requiring contestants to match flavor and aromatic signatures with the coffee that has been matched to it. These and many more regional coffee farming competitions have provided an entire new direction in coffee awareness.



# Member Profiles



## About **BASF's** Crop Protection division

With a rapidly growing population, the world is increasingly dependent on our ability to develop and maintain sustainable agriculture and healthy environments. BASF's Crop Protection division works with farmers, agricultural professionals, pest management experts and others to help make this possible. With their cooperation, BASF is able to sustain an active R&D pipeline, an innovative portfolio of products and services, and teams of experts in the lab and in the field to support customers in making their businesses succeed. In 2016, BASF's Crop Protection division generated sales of €5.6 billion. For more information, please visit us at [www.agriculture.basf.com](http://www.agriculture.basf.com) or on any of our social media channels.

BASF East Africa Ltd, the regional sales hub for the East African market, was established in Kenya in mid -2011 and is responsible for 13 countries. In 2014 a production facility to serve the construction chemicals market was inaugurated in Nairobi. BASF's Construction Chemicals division is the leading supplier of chemical systems and formulations for the construction industry in the region for more than 25 years. Continuous innovation and tailor-made solutions ensure its customers achieve greater success. In Ethiopia BASF has a representative office taking care of various industry segments but with a strong focus on our agriculture business. BASF Tanzania Ltd was established at the end of 2015 and has an office in Dar es Salaam.

### **BASF East Africa Limited**

Switchboard: +254 20 4072000  
P.O. Box 24271, Nairobi 00100  
The Pavilion, 6th Floor,  
Lower Kabete Road, Nairobi, Kenya



## Louis Dreyfus Company

Louis Dreyfus Company is a leading merchant and processor of agricultural goods. We leverage our global reach and extensive asset network to serve our customers around the world, delivering the right products to the right location, at the right time – safely, responsibly and reliably. Our activities span the entire value chain from farm to fork, across a broad range of business lines (platforms). Since 1851 our portfolio has grown to include Oilseeds, Grains, Rice, Freight, Finance, Coffee, Cotton, Sugar, Juice, Dairy and Metals. We help feed and clothe some 500 million people every year by originating, processing and transporting approximately 81 million tons of products. Structured as a matrix organization of 6 geographical regions and 11 platforms, Louis Dreyfus Company is active in over 100 countries and employs more than 21,000 people globally at peak season.







## The Village Farms Limited

The Village Farms Limited is a Malawian coffee processing and export startup. It is situated in Mzuzu, Malawi. It is a member of the Coffee Association of Malawi (CAMAL), The Specialty Coffee of Southern Africa (SCASA) and the African Fine Coffees Association (AFCA).

The aim of the company is to procure at premium prices, high quality coffee cherry and parchment, in addition to the Village Farms' own production for export. The Village Farms Ltd procures through its satellite coffee purchase stations across the coffee growing areas in northern Malawi. In order to have a greater control on the quality of the coffee, the Village Farms has established a self-financing out-grower scheme. Farmers in the out grower scheme are benefiting from high quality nurseries produced by Village Farms Ltd, access to farm input loans and extension services. The ultimate aim is for farmers to have the greatest return on their coffee which will stimulate increased production.

The Village Farms Ltd is currently exporting to South Africa. With new market connections courtesy of the 16th AFCA Conference held in Kampala, Uganda; the Village Farms Ltd plans to reach out to other markets in India, China and Europe.

The Village Farms Ltd has a total of 10 staff including 1 intern, a team that shares a great passion for coffee and the uplifting of small holder farmers.

**Contact us on:** [info@villagefarms.mw](mailto:info@villagefarms.mw) or follow us on twitter: [@villagefarmsmw](https://twitter.com/villagefarmsmw) or give us a call: +265 884 050 025 (Mr. Blessings Banda).

wamba Building, Behind Kawiruwiru House, Mzuzu, Malawi  
[info@villagefarms.mw](mailto:info@villagefarms.mw)  
twitter: [@villagefarmsmw](https://twitter.com/villagefarmsmw)  
[www.villagefarms.mw](http://www.villagefarms.mw)



## SODEPAC

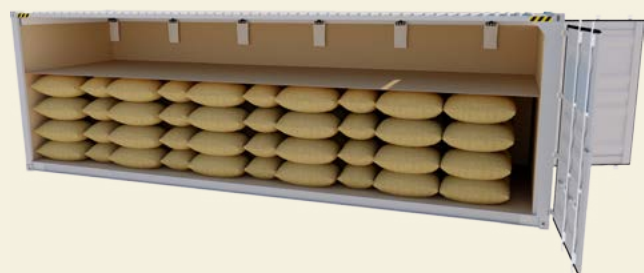
SODEPAC, the inventor of the humidity absorber and specialist in humidity treatment for 40 years, offers a range of humidity protection solutions for both industrials and the general public. Continued substantial investments in our Research and Development department enable SODEPAC to be a major player in Europe and to expand global presence. SODEPAC's rapid response and ability to develop tailor-made solutions ensure that we remain a solid partner and a major asset for your company and your customers.

With the SEKODRY® brand, SODEPAC provides a range of innovative solutions dedicated to industrial, packaging and logistic professionals, enabling them to protect their goods from humidity, odours and ethylene. SODEPAC ensures that your goods travel safe, enabling you to protect and preserve food products such as cocoa, coffee, tea, rice, fruits and vegetables, flour, mineral water, animal feed and also metallic items, canned goods, tobacco, fabrics, etc.

Rather than just relying on comparative studies that always come out in favour of those who publish them, we look to customer satisfaction and expert recommendations to underline the effectiveness of our solutions.

Indeed, SEKODRY® has been admitted best product by a panel of independent experts\* for sea transport from West Africa to Europe and Asia bearing agricultural products (cocoa). This study was particularly useful as it subjects very sensitive products to extreme climate variations.

SODEPAC operates worldwide and is the world leader for the protection of cocoa, cashew nut and coffee shipped from Western and Eastern Africa, the world's largest producers.





## Honorable Thoughts

Honorable Thoughts is a company dedicated to specialty coffee, based in Seoul, South Korea. We began our first retail store, The Chamber, in 2013 with one mission in mind: serving specialty coffee with honorable stubbornness. This means no compromise in the entire process of presenting that final cup of premium-quality coffee to the customer. We seek out specialty green beans from Africa and Latin America by participating in bean auctions and visiting local farms. Because capturing the characteristics of each bean begins from understanding the environmental contexts and farming practices, site visits and trust in those relationships are valuable to us. Back in our roasting house, we adjust the profile for each coffee to enliven the inherently delicious flavor of the bean. The final step of interacting with customers to offer appropriate methods of brewing is a joyful moment for us.

We also stick to our spirit of honorable stubbornness when sourcing ingredients for our espresso-based and non-coffee drinks. Rather than using highly processed sugars, syrups, or frozen fruits, we are always on the lookout for high-quality, natural ingredients, such as molasses, honey and organic fruits. We make in-house condiments, such as vanilla extract and various fruit preserves rather than readymade products, because we understand that the customers appreciate delicious AND healthy drinks.

Currently, The Chamber is in the process of renovating its second retail store, which is planned to accommodate automated brew bar, cold brew lab and a new roastery. The grand opening date is scheduled in April.



## Coffee world limited

Coffee world limited started in 2008. It's a coffee processing and exporting company which deals in two types of coffee i.e.

- Uganda Natural Robusta coffee
- Washed Bugishu Arabica coffee

Our head office is suited in Kawempe Bombo road, Kampala, Uganda. We have two plants where by one deals in Robusta coffee and another one is suited in Mbale, Eastern Uganda which deals in Arabica coffee, five (5KM) away from Mbale town at Namunsi Soroti Road.

Arabica coffee is grown on an altitude between 1800 – 2100 metres above sea level and it is normally grown by co-operative farmers especially in Mbale and Kapchorwa districts in Uganda.

Our mission is to raise awareness and funds for women in coffee. We also do this through sensitization and provision of funds through Crop Advance. This enables the elimination of middle men and encourages fair trade.



## 16th African Fine

14th to 16th Febr

Theme: "Sustainable Coffee



# THE GRAND OPPENING OF THE 16<sup>TH</sup> AFCA CONFERENCE AND EXHIBITION

The 16th African fine coffee conference and exhibition held from 14th to the 16th February 2018 at Victoria ballroom hall Serena hotel commenced with a delightful showcase of Ugandan dancers unveiling the beauty and cultures in Uganda.

**T**he conference with the theme sustainable coffee industry for social economic transformation was hosted by AFCA and was aimed at bringing coffee stakeholders throughout Africa and the world to discuss issues that are pertinent to coffee in the world.

The chairman organizing committee, Mr Hannington Karuhanga stressed that AFCA was born in Uganda and has its permanent home in Uganda, and this being the 3rd time Uganda

hosting the conference was timely because of the renewed zeal of many actors including the Government of Uganda and other actors in Uganda, making the conference a must-attend coffee conference in the world.

The conference attracted several delegates, exhibitors and coffee friends that included the international delegates from the 12 member countries of AFCA including Burundi, Cameroon, DRC, Ethiopia,

Uganda, Kenya, Malawi, Rwanda, Tanzania, Zambia, South Africa and Zimbabwe, the executive director of the ICO, the American Ambassador to Uganda, public and private sector representatives, the state minister for agriculture and the guest of honor the first deputy prime minister rt. Hon. Moses Ali

The vision of the AFCA founders being not just consolidated but with every year being scaled up after continual aggregation of resources and opportunities towards coffee research and coffee sustainability is one of the central interest of AFCA stressed by the AFCA board chairman and also increase in business relationships and market linkages. He



# Coffee Conference & Exhibition

February 2018 Serena Hotel, Kampala, Uganda

## Industry for Social Economic Transformation"



continued to command the support from the African governments for their goodwill in partnerships with coffee development partners including ICO, the private sector, civil societies and others towards making the coffee reforms afoot in most member countries. This is continuously making the efforts to deal with the current issues less cumbersome. The issues that were the centre of discussion throughout the conference included but not all; harmonized mitigation of climate change, improved quality of coffee produce and marketing systems, sustainability coffee productivity, the credibility of coffee, encouraging farmers to engage in coffee as a profitable business, value addition and increased consumption in Africa.

Coffee has both historical and tourism perspectives in Uganda making it a cornerstone stressed by the ED Uganda tourism board and more so Coffee being the leading export commodity in Uganda, as stated by the chairman organizing committee of the conference that the past continues to inspire us as

the present calls us to action; in Uganda the pledge is that by 2030, 20 million bags will be produced for a discerning and demanding world. The production was at 4.6 million bags in the financial year 2016- 2017 from 3.5 million bags the previous financial year shows an improvement of just 1.1 million bags. Collaborations and efforts are focused towards more coffee for the markets and welfare for the producers and these entail increasing coffee trading in Africa and increasing value addition to encouraging more consumption in Africa. These interventions will be facilitated by the All economies reforms driven by "AGENDA 263 – THE AFRICA WE WANT" and the establishment of the free trade area towards one Africa market.

It was also noted by the executive director of the ICO that coffee is an important cash crop in Africa and it provides employment and livelihood of about 7 million people. He also stressed the viability of coffee in meeting the SDG goals that have been adopted by the international

community. There is growing demand for coffee globally mostly in coffee producing countries and this growth provides opportunities economically for coffee farmers. the consumption from 1950 has risen to about 50% increase but the production in Africa has stagnated for over 2 decades; the productivity is low in many African countries as compared to other coffee producing countries and this is due to the issues that the conference covered. economic dividends are more apparent if more efforts are put in the coffee industry since coffee is one of the leading exports in Africa. And this was the root of the partnership that was signed last year between AFCA and ICO to ensure sustainable development of the African coffee industry The only two exceptions to this negative trend of decline are Ethiopia and Uganda whose production has more doubled

With the population projection of 2 billion people in Africa by 2025, if 60% take a cup of coffee per day that translates to 1.2 billion cups per day and that's 2.6 million bags



consumption. This paints a picture of the possible demand levels if all stakeholders are diligent and the conference is aimed at bringing forth ideas that will increase the penetration not just in Africa but worldwide and AFCA commits to respond to the ideas that will result from it and play its part. The speciality coffee organization representative also confirmed the commitment of his organization in increasing the quality and quantity of coffee with projects running around Africa already to improve speciality coffee and more partnerships with AFCA and other actors in Africa

AFCA promotes African coffee with the ultimate goal of more money for farmers and with each of the stakeholders playing their part diligently, this can be achieved. The US Ambassador to Uganda also confirmed that ensuring that the money is going to the right targets is a point of interest to the mission in Uganda. US mission in Kampala through the agency for international development has been a big supporter of coffee industry in Uganda and through the USAID they have helped farmers to improve their yield, increasing the acres of land under production and also access to credit. The USAID in partnership with the government of Uganda and the private sector also plan to strengthen the value chain, link coffee growers to coffee traders ensuring farmers access to competitive markets. Through the commercial section at the embassy, they encourage business to business linkages between coffee buyers in the US to coffee growers in Uganda.

The MD of UCDA commented that the Birthplace of Robusta coffee is Uganda and also challenged Ethiopia that in a few years Uganda will also be leading in Arabica coffee. The UCDA has been working in partnerships with the private sector and also the financial institutions to promote the Coffee roadmap sponsoring a motion to take the coffee to the African Union level. The coffee roadmap is aimed at

increasing the bags to 20 million bags through creating demand and value addition, increasing production and involvement. Coffee contributes to about 20% foreign exchange earnings and is very essential towards meeting Vision 2030 and most importantly transforming livelihoods.

UCDA is working with USAID to launch the coffee consumption communication strategy n coffee consumption sub-sector strategy programs so as to increase the level of consumption and communication about coffee in Uganda. As part of the program achievements Coffee consumption is growing in Uganda which is a traditional tea country

In Uganda coffee belongs to the farmer and so both private sector and government sectors are needed. The government of Uganda through UCDA is committed to Sustainable coffee production. The UCDA managing director also called upon investors not only to concentrate on production but also value addition so that Ugandans and its neighbours can also enjoy the coffee and noted that Uganda is looking to Explore other markets in Japan China and the Americas with the coffee markets already present in Russia, North Africa, Algeria

There were 2 awardees for the AFCA LIFETIME ACHIEVEMENT AWARDS including Mr Simeon Ratero, who was awarded for his Vision and support of a region coffee organization (AFCA )and other contribution to the coffee Dr. Sunday Fredrick Kawuma who was awarded being among 3 people who started Uganda Coffee Development Authority, the pioneer Executive Director and for envisioning the coffee conference today's AFCA.

The two keynote addresses included the first from Mr Schultzer Phil which emphasized value addition with emphasis on the increase in revenue and increases in value addition with attention in soil, seed, agronomy, harvest, post-harvest processing, export and market system and the second being from ABI by madam

Josephine stressing that relationships have value and stories have value

The guest of honour Rt. Honourable first deputy prime minister stressed that the achievement of sustainability social economically is a challenge and biggest danger to sustainability is quality and lack of diversification. He noted that Uganda is the home of coffee and one of the leading exporters in Africa with a market share of about 29.4%. Coffee production is estimated at 16.4% million bags in Africa with a market share of 10.6% internationally. 33 million people in Africa depend on coffee for livelihood, the majority of smallholder farmers. Africa has the most producing countries but with its big number, the production has been steadily declining 25 countries as compared to other continents. In Uganda, Coffee is a strategic crop contributing to about 42% of our farming households in Uganda farm coffee and also it has contributed 30% of the foreign exchange earnings over past 20 years

Coffee production and export has been declining despite the clear opportunities to grow, the coffee industry has undergone many changes due to several factors to economic social and political reasons. Uganda has stagnated on a production of 3.5 million bags for the last 4 decades because it has not leveraged its competitive advantage as compared to the other coffee producing nations. never the less the guest of honour was pleased to note that in the year 2016-2017 4.6 million bags worth 554 million were produced and with government strategies in line with Planting n rehabilitation the target is increasing the bags produced. To increase its export share and improve its position as leading exporter the guest of honour noted that we must invest in revamping the coffee industry, good coffee farming practices and adding value as the country is looking at strengthening the industry by putting strategies for research and policies to enable this.



# AFRICA BARISTA CHALLENGE

African Fine Coffees Association (AFCA) held the Africa Barista Challenge in Kampala Uganda from 14th to 16th February 2018 with representation from four countries which include; Uganda, Rwanda, South Africa and Kenya..

The order of the winners was;

- |  |
|--|
| 1. Dominic Kedemi - Kenya                                |
| 2. Simon Ochen - Uganda                                  |
| 3. Thomas Winston – South Africa 4. Jules Kana – Burundi |
| 4. 2. Simon Ochen - Uganda                               |

## Regional Africa Taste of Harvest (TOH) Competition

The Regional Africa Taste of Harvest Competition was held on 13th February, 2018 at the Uganda Coffee Development Authority coffee laboratory for the second time since 2013. Twenty one samples of Africa's best coffees from the 2017/2018 season were submitted for the cupping competition, and judged using the Specialty Coffee Association of America (SCAA) protocol. During this completion, coffees were categories depending on the way they are processed. This year's winner in the Washed process competition was Sasini Coffee from Kenya with 88.4 points while the winner in the Naturals Competition was DW Coffee Guji from Ethiopia with 88.25 points.

## B2B Pavillion

AFCA once again merged the Taste of Harvest Pavilion and Busines to Business (B2B) Meeting Space. The area was predominant filled with South Korean and Middle Eastern Coffee Buyers.

Here 9 buyers cupped 15 member's coffees (2 to 3 samples each).

We also held specialized cuppings for several Fairtrade coffees.

Points	Washed
88.31	Thika Coffee Mills – Tekungu
87.94	Sasini
87.81	Mullege PLC
87.38	Snap Trading
86.31	CMS – Kiunyu
Points	Naturals
88.81	DW Coffee Guji – Natural
88.63	DW Coffee Guji- Natural
86.13	Kawacom - Sipi Falls Specialty Natural Kabeywa



# THANK YOU!

Dear Delegate/Exhibitor,

On behalf of the Uganda Host Country Conference Organizing Committee and the AFCA Board of Directors, we would like to express our gratitude for your presence and participation at the 16<sup>th</sup> African Fine Coffee Conference & Exhibition (AFCC&E) which was held at the Kampala Serena Hotel 14<sup>th</sup> – 16<sup>th</sup> February 2018.

We hope and pray that you all returned to your respective destinations safely.

We believe the conference and exhibition was an overwhelming success having attracted over 900 participants from all over the world and from over 42 countries, and we trust that you found your involvement and participation both valuable and rewarding.

We would not have pulled off such an incredible conference and exhibition without your utmost support and we hope to see you at the upcoming 17<sup>th</sup> AFCC&E scheduled from 12<sup>th</sup> -15<sup>th</sup> February 2019 at the Kigali Convention Centre in Rwanda.

Please endeavour to check our conference website to view a comprehensive list of participants, conference presentations and photo gallery. (<https://afca.coffee/conference/>).

Once again, we would like to convey our deepest appreciation for your contribution and wish you good health and happiness in the years ahead.

**See you in Kigali, Rwanda  
in February 2019!**



# MY EXPERIENCE AS SPEAKER AT THE 16<sup>TH</sup> AFCC&E



**A**lthough I had personally attended to the 14th AFC C&E, in Tanzania, it was the first time that Palini & Alves attended as an exhibitor after becoming AFCA member in June of 2017. The idea of sharing the progress made in both, productivity and sustainability of *C. canephora* in Brazil, was in line with the concept adopted by Palini & Alves along with its customers, regardless size and technology level, that made it possible to achieve the leadership in coffee processing equipment manufacture in Brazil.

**T**he philosophy that guides the company's actions and development of its products is to be part of the farmer's daily activities, empowering their actions, contributing to a better quality of their products and consequently improving their livelihood and well-being.

Based on the panel's title and trying to be faithful to this principle, I tried to share with the African coffee growers present at the 16th AFC C&E, the contributions from Embrapa (Brazilian Agricultural Research Corporation) and Incaper (Technical Assistance and Rural Extension Services) among *C. canephora* in Rondônia and Espírito Santo states.

Given the importance of this magnificent continent - mainly Sub-Saharan Africa, as the potential granary of the world - initiatives to increase productivity, improve quality and small-scale farmer's empowerment, enable a better diversification of their productive activities, contributing to both food and income security. Taking Brazil as an example, less than 1% of the agricultural production area is covered by coffee, allowing the production of other crops within coffee farmers. Yet, although most of people know that it is the largest coffee producer in the world, not all know that this production is composed on an average of 25% of *C. canephora* (conilon and robusta)

*"The expected outcome from the panel, besides sharing information, is to strengthen relationship between technical institutions of producing countries..."*

and 75% of *C. arabica*.

For conilon variety, the state of Espírito Santo stands out, and if it were an isolated country would be the 3rd largest world's producer. However, its production suffered a huge crop failure during the drought of 2015 and 2016, and local coffee growers who until then had not paid much attention to best sustainable practices became heavy users of the technology developed by Incaper and are recovering their production, increasing productivity and preserving the environment.

When it comes to robusta variety, the state of Rondônia - located in the Amazon Region and with climate conditions similar to some African countries - has presented an extraordinary growth in terms of production while releasing its coffee production area to other crops and livestock.

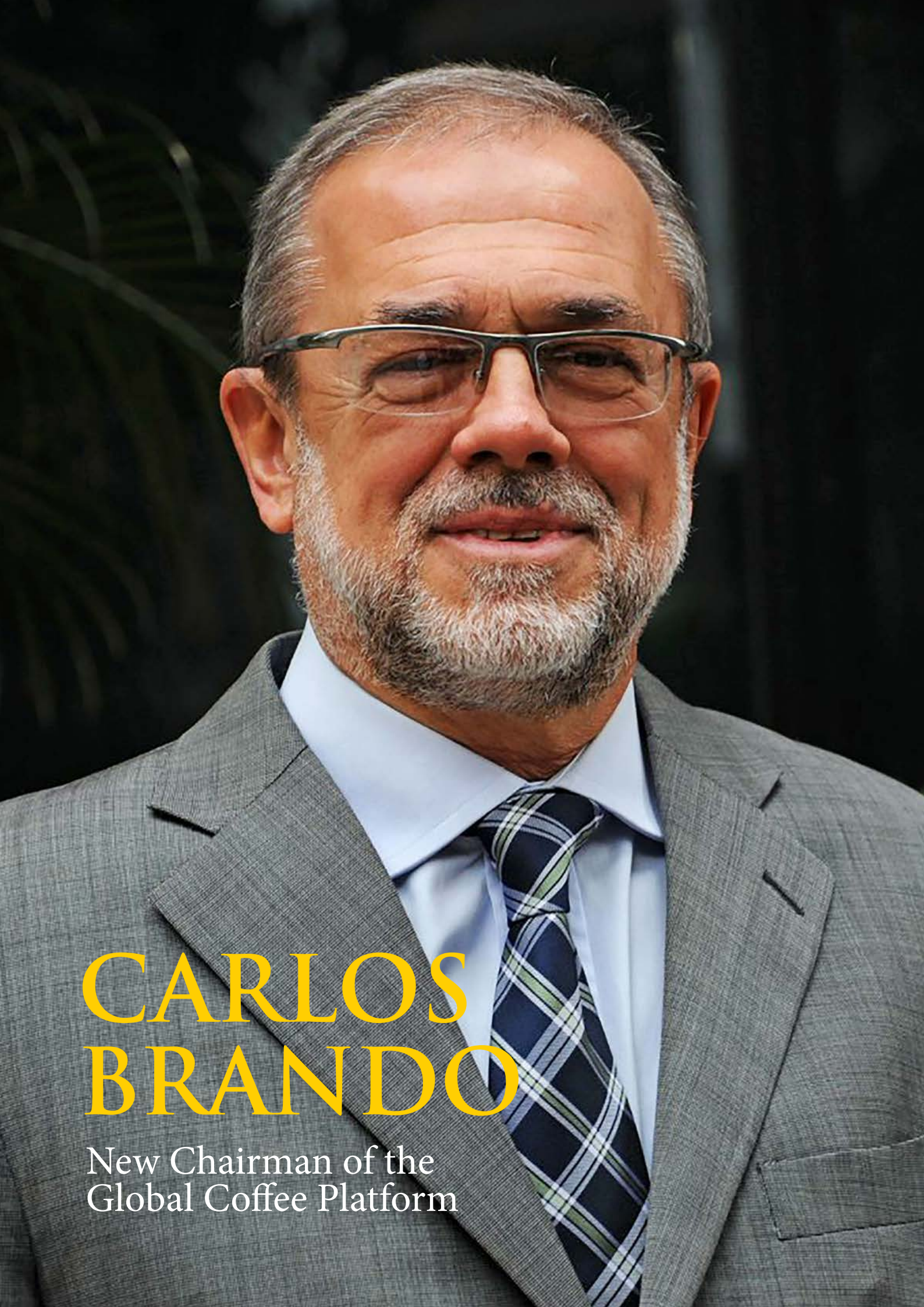
The expected outcome from the panel, besides sharing information, is to strengthen relationship between technical institutions of producing countries in order to set up a constant communication channel for diffusion of multilateral technology.

We truly believe that this is one of the AFCA's mission given the diversity of its members, the technical and commercial relevance of its events and the role of its activities at regional and global level.

Without a doubt, it was a very gratifying experience, which I hope to repeat at other times if given the opportunity.

**Sylvio Padilha – Palini & Alves Ltd Trader, Coffee Grower and Agronomist.**





# CARLOS BRANDO

New Chairman of the  
Global Coffee Platform





# GLOBAL COFFEE PLATFORM APPOINTS NEW CHAIRMAN

Representing over 150 coffee stakeholders from across the entire coffee sector, the Global Coffee Platform has appointed a new Chair of the Board, Mr. Carlos Brando.

In addition to facilitating the GCP Board's strategic governance of the multi-stakeholder organization, Mr. Brando is set to further strengthen the relationships between GCP and international donor bodies, ensuring that more and more of the \$350M spent annually on coffee sustainability is aligned with a shared sector agenda, better coordinated and therefore more effective. By doing so, Mr. Brando aims at increasing the scale at which GCP enables its members to collectively act on local priorities, increasing the availability of sustainably produced coffee and channeling the added value directly to producers.

Mr. Brando's emphasis on local action will also help further strengthen GCP's capacity to support the public-private National Coffee Platforms in various producing countries to continue to define their own priorities and lines of action as well as harmonize National Sustainability Curricula with the global reference code, GCP Baseline.

The GCP acknowledges and sincerely thanks the outgoing Chair, Mr. Ted van der Put for his formative contributions since the organization's inception.

The GCP Board currently consists of 14 members representing some of the most important actors

in the coffee sector – producer organizations such as the National Federation of Coffee Growers of Colombia (FNC) and Brazil's Coffee National Council (CNC) represented by Cooxupé, trade and industry companies such as Olam International, Volcafé, Nestlé, and Jacob Douwe Egberts, and civil society organizations such as Conservation International and Rainforest Alliance.

Carlos Brando is a civil engineer and was a Fellow in Urban and Regional Studies at MIT whose PhD Program he attended. He is the Director of P&A Marketing which has led him to consult for the International Coffee Organization (ICO), the Sustainable Trade Initiative (IDH), the World Bank and many other companies and institutions. Carlos has coordinated coffee projects in over 50 countries on 5 continents including all main coffee growing areas of Brazil. Additionally, Carlos sat on the boards of UTZ and Ipanema Coffees, is a current member of the Coffee Quality Institute's Board of Trustees, Vice-Chairman of the Santos Coffee Museum Board, that he helped to found, and the São Paulo Museum of Immigration. In 2017, Carlos received a Lifetime Achievement Award from the African Fine Coffees Association (AFCA), while in 2016 a Campinas Agronomy Institute (IAC) Award as Agribusiness Personality of the Year.



# AFRICAN FINE COFFEES REVIEW MAGAZINE

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Doriane Kaze  
Membership/Gender & Youth Coordinator  
+256787999647.  
+256414269140/1  
doriane.kaze@africanfinecoffees.org;  
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