Report

Introduction

The 5th African Coffee Sustainability forum was held at Safari Park Hotel in Nairobi, Kenya on February 11, 2015. It was financially supported by the Sustainable Coffee Programme (SCP) powered by IDH and jointly organised by the 4C Association, AFCA, SCP and Café Africa. It was held on the eve of the 12th African Fine Coffees Conference and Exhibition and attracted 167 participants from 24 countries.

One of the key notions of the 4th African Coffee Sustainability Forum in 2014 in Burundi had been that a productivity increase at farm and national levels is needed to make the sector sustainable. Only a considerable push to productivity can provide the individual farmer with a viable business case, and make farming a profitable avenue as a necessary incentive for a farmer to stay in business. However, numerous factors prevent millions of coffee farmers from raising their productivity and income levels, among them lack of knowledge and access to services, lack of organisation and access to finance. With the title "Access to Finance: the Key to Increased Productivity and Sustainability?", the sustainability forum specifically looked into the latter and, for the first time, followed a specific thematic approach. With the theme deliberately phrased as a question, the forum discussed the nexus between sustainability, productivity and access to finance, drawing on the last forum's results, and looking at the broader landscape of African coffee production on the one hand and questioning this rationale for individual farm economics on the other.

The forum was preceded by an expert workshop held on 10th February that looked into the potential of finance to improve access to inputs for East African Coffee farmers. The results of this expert workshop were reported back to a wider audience at the forum and provided the basis for a panel and working group discussions centring around the overarching theme, from different perspectives.

Minutes and Key Results

Welcome & Opening

The forum's first part "Setting the Scene: Does Sustainability equal productivity?" was facilitated by *Robert Waggwa Nsibirwa*, AFCA Treasurer and 4C Association Chairman. After words of welcome on behalf of AFCA, IDH, ICO and the 4C Association, the forum was officially opened by *Mr. Alfred Busolo*, Director General, Ministry of Agriculture, Livestock and Fisheries of Kenya on behalf of Cabinet Sectary, *Mr. Felix Koskei*.

In his opening speech, Mr. Busolo named low productivity, diseases and pests leading to low yields, limited access to affordable credit to allow for financing of agricultural inputs and farm rejuvenation, climate change impacts, high cost of inputs, and declining quality and quantity as major challenges of the Kenyan coffee industry and Africa at large. He therefore emphasized the need for a fast track implementation of sustainable practices in the African coffee sector in order to combat the impacts of climate change, low productivity of the sector and limited access to finance by value chain players, and to consider the needs of future generations. The Government of Kenya had established an enabling environment and policy for private sector engagement into development partnerships, especially towards developing mechanisms to combat the effects of climate change.

Keynote - "Why Entrepreneurship is Key to Coffee Sustainability"

Following the opening, the keynote speech was made by *Mr. Roland Weening*, President Coffee and Global Category Lead Coffee of Mondelēz International. He stated three key success factors for impact, i.e. 1. Train agronomy skills to boost productivity and lower input cost, 2. Train business skills and provide financial access, and 3. Boost numbers of female and young coffee farmers. To do so, he called for a sector-wide collective approach and cooperation and alignment with all players to address system challenges and to make change

happen at a large scale and higher pace. He therefore applauded the new partnership between the ICO, IDH and the 4C Association as an important step towards a better sector collaboration. Sustainable sourcing and industry engagement needs to look beyond certification and encourage and enable farmers' entrepreneurship through training in agronomy, financial literacy, entrepreneurship and the facilitation of finance, while especially encouraging women and youth. The Mondelēz Coffee Made Happy (CMH) Program thus aims at maximizing impact by investing directly in farmers, to enable their entrepreneurship and improve and protect farming communities and the environment.

African Coffee Production – Progress and Challenges

The keynote was followed by the presentation of an ICO document that had been specifically prepared on the occasion of the forum. It was delivered by ICO Chief Economist *Dr. Denis Seudieu*, who provided an overview on the state of the African coffee production with special emphasis on its sustainability and productivity. While world coffee production has almost doubled since the 1970s, its African share has shown an alarming negative trend, having fallen from 30% to below 15% within the same period. The African coffee production is characterized by scattered smallholder operations, with limited accessibility, extension support, profitability, access to resources, healthcare and education and the absence of incentives or the capability to adopt good agricultural practices or invest in soil quality that could lead to higher quality and productivity levels. He concluded with the appeal to move the African coffee sector from a subsistence sector to an entrepreneurial one, to provide farmers with sustainable income and long-term livelihood security.

The Roles of Public & Private Sectors and Development Partners in Sustainability

The forum's second part, "The Role of Finance & Collaboration", started off with a joint presentation of *Francis Chesang*, Production Manager at Uganda Coffee Development Authority, *Tony Mugoya*, Executive Manager of the Uganda Coffee Farmers' Alliance and *Jenny Kwan*, Senior Program Manager of IDH, facilitated by the forum's co-organizer *John Schluter*, CEO of Café Africa. The presenters provided an overview on success factors and opportunities of national-level public-private cooperation using the example of the Uganda national platform. The Uganda platform has been vital to develop a shared vision among the stakeholders and has achieved a much better coordination in the sector for pre-competitive collaboration and an improved government policy, with input from private sector. The national platform has developed a commonly agreed National Sustainability Curriculum and achieved (international) credibility, a good potential to attract funding for sustainability and the collaboration of financial institutions to engage in the coffee sector.

Key Lessons from the ICO on Coffee Sector Finance

The subsequent session addressed the questions if and how access to finance can contribute to productivity and sustainability? How to bridge the finance gap and minimize risk through collaborative action? *Mauricio Galindo*, Head of Operations of the International Coffee Organization (ICO), made a start from a global perspective by presenting the key findings of the "World Bank/ICO compendium of case studies related to improving risk management and access to finance in the coffee sector" and the "Consultative Forum on Coffee Sector Finance", an ICO-led platform between governments, donors and the finance community with the aim to foster learning and understanding on prevalent challenges and pathways to coffee sector finance. The study looks at different risk levels, namely production risk, market risk, enabling environment. It indicates a severe finance gap in coffee sector finance due to high risk exposure and lacking risk appreciation, with an estimated gap in smallholder finance amounting to 450 billion USD for both coffee and other agricultural sectors. Risk exposure and vulnerability, however, is highest at production level, and this is where interventions need to address the challenges, and at the same time, a favourable regulatory environment is crucial to create a feasible investment environment. Mauricio confirmed that access to finance is key to increased productivity and sustainability with the key question being how to mitigate risks in the coffee sector, most of all at the smallholder farmer level? He concluded that in order to improve access to finance in the coffee sector, a collaborative and holistic approach is required, incorporating various stakeholders in an integrated value chain.

Report from the Access to Finance Workshop

Complementing the thematic input part, key results of the expert finance workshop were summarized by *Dan Zook* from the Initiative for Smallholder Finance (ISF). The workshop had been jointly organized by IDH – the Sustainable Trade Initiative, Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG), the 4C Association, the ICO and AFCA with the aim to elaborate feasible models of input finance in the East African coffee sector. The workshop followed a hands-on approach and generated eight models of country-specific input finance and distribution models that shall be further refined and could be rolled out over the next weeks and months. Two exemplary finance models were presented, including a "Regional Input Finance Fund", to be fine-tuned initially for Tanzania as a multi-stakeholder input fund with first loss guarantee, combined with technical assistance on financial literacy. It Involves DFIs, input providers, local governments, guarantors, local banks, technical assistance providers. A second model presented was a mobile savings platform for Uganda, in that savings are accumulated through mobile phone based platforms at competitive interest rates to allow farmers to purchase high-quality inputs. It involves mobile application operators, input providers, and farmers.

Expert Panel Discussion

The Expert Panel Discussion, facilitated by *Serena Thomson*, Finance Alliance for Sustainable Trade (FAST), addressed the topic of finance and the business case for sustainability at farm and exporter level: What shall inclusive finance models for farmers and exporters in Africa look like? How can improved access to finance help farmers increase productivity and sustainability? On the panel were *Nancy Cheruiyot* (Coffee Development Fund Kenya), *Duncan Pollard* (Nestlé), *Mauricio Galindo* (ICO), *Dan Zook* (ISF), *Peter Veening* (Rabo Rural Fund). The discussion started with questions to the panelists, before opening up for questions and comments from the audience. Major lines and outcomes of the discussion are as follows:

Dealing with access to finance for smallholders, it is important to improve the resilience and livelihoods of the farming household as a whole that includes a consideration of other crops and (the promotion of) other sources of income, but also non-agricultural financing needs and a need for a more steady cash flow. Another important element of improved resilience is productivity increase, though the implicit aim of input finance provision itself. It is therefore crucial to accompany input finance with farmer capacity building, namely on better farm practices to raise productivity, on the efficient and correct use of farm inputs to help the envisioned impact materialize, and on financial literacy.

In order to mitigate lenders' risk, the cooperation with well-governed farmer organizations is desirable, however, the majority of farmers is unorganized, and the promotion of organization is time-intensive and costly. Hence, other models of farmer aggregation need to be sought, e.g. grouping around a processing unit. The development of farmer-owned capital could as well serve as mitigation instrument, however, farmers mostly do not have a surplus to save. Further instruments include lending on contracts, involving more value chain actors, or guarantee systems between lenders, donors, and governments. The latter are demanded to create a positive, predictable regulatory environment that allows for enforcement of contracts. Information collection and sharing (e.g. production data, credit history) via credit reference bureaus or particularly through the possibilities of mobile technology can also help lenders to engage in agricultural finance.

Agricultural finance, though associated with high cost and risk, has a huge yet largely untapped market potential. A stronger engagement of financial institutions could be promoted by value chain actors including governments, accompanied by coffee-specific capacity building, risk mitigation instruments, or even donor support to lenders.

Due to the challenge's complexity, a holistic and collaborative approach is required, engaging private sector, regulators, farmers, donors and the finance sector, with a defined role and value proposition for each actor, to ensure sufficient levels of commitment. The actors need to harmonize their efforts in developing risk sharing and mitigation arrangements, sharing information, extending capacity building of farmers and lenders, and ideally developing national strategies and curricula that include financial literacy.

To sum up, in order to improve access to finance, financial literacy, access to knowledge and information, and farmer resilience need to be addressed, holistically looking at integrated farming systems to create resilience and improved livelihoods. To overcome barriers to access to finance and improve productivity, collaboration between various stakeholders is required, in order to build more robust financing models.

Working Groups on Access to Finance

In the afternoon, after a wrap-up of the morning sessions by *Jenny Kwan* (IDH), six parallel working groups discussed individual aspects of access to finance for African coffee farmers, one of them further elaborated on the applicability of the presented finance models in a Tanzanian context. The working group chairs then reported back the results to the audience.

Group 1 - Is access to finance the solution? Which services are needed?

Facilitation: Iris van der Velden (IDH) & Serena Thomson (FAST)

Drawing on the report back from the finance workshop, this working group recapped the general question if improved and better adapted supply side of smallholder finance can help raise the productivity and profitability of smallholders. To which extent does this assumed logic mask - or even ignore - smallholder economics of risk avoidance?

The working group prioritized three crucial factors that help to ensure that a farmer with access to inputs is engaging in a profitable business. For each factor, the actors were listed that need to be involved in order to provide the required environment, along with the reasons for including these:

Most crucial factors for finance to be successful	Which actors need to be involved?	Why should the specific actors be involved?
1. Entrepreneurial skills, financial literacy, risk awareness	▪ Buyers ▪ Producer organizations ▪ Input providers ▪ Technical assistance providers ▪ Financial institutions ▪ Government extension/service officers	▪ Secure and extend market base (buyers and input providers) ▪ Improved quantity, quality & profit (producer orgs) ▪ Access to loans and saving schemes (financial institutions)
2. Favorable government policies and available information on regulatory structures	▪ Government (Ministry of Agriculture, Trade, Finance) and regulators ▪ National coffee platforms ▪ Banks and social lenders ▪ Civil society ▪ Farmer representatives ▪ Regional/international coffee organizations for lobbying	▪ Economic growth and improved livelihoods (government incl. various ministries) ▪ Influence positive policy environments (regional/international coffee organizations for lobbying)
3. Formation, strengthening and assessment of farmer organizations	▪ Independent/impartial body to assess credit worthiness (e.g. SCOPEinsight) ▪ Financial Institutions ▪ Government (for licensing and regulation) ▪ Technical Assistance Providers ▪ Coffee Buyers ▪ Coffee Insurers	▪ Create trust (credit assessment provider) ▪ Get the funds and understand if PO is considered credit-ready (financial institutions) ▪ Implementation (regulators) ▪ Provision of knowledge (Technical Assistance Providers) ▪ Risk mitigation (insurance companies)

Group 2 - What role can standards play?

Facilitation: Han de Groot (UTZ Certified), George Watene (4C Association)

The implementation of a sustainability standard fosters supply chain integration, product traceability and quality as well as data collection and monitoring within a farmer group. Standards therefore provide important prerequisites to channel finance to smallholders in terms of farmer aggregation and risk mitigation.

What are the positive 'side effects' of sustainability standard implementation that can facilitate improved access to finance?	How may sustainability standard systems become even better vehicles to facilitate smallholder finance?	What role can standards play?
▪ The internal management system (IMS) ▪ Standard elements that make farmer bankable ▪ Helps in prioritising needs ▪ Risk management in business decisions and planning ▪ Act as a reference for being better organised ▪ lower risk on unacceptable issues like child labour and deforestation	▪ Encourage farming as a business - the economic part of sustainability ▪ Systematic business knowledge in fair trade groups - some already doing it very well ▪ Voluntary addition on part of criteria to meet lenders' needs & negotiate with banks on what their requirements are ▪ Need to pick up those unique side effects ▪ Recommendation for financial literacy training needs based on audit findings	▪ Business skills are already incorporated in standards, e.g. record keeping, and the benefits of this in relation to access to finance should be amplified ▪ Act as a reference for quality, structure - consistency and data on farmers history with the standard can be shared with their permission ▪ Make an inventory on lenders needs ▪ Benchmark lenders' needs with what is already available from standards ▪ Then consider room for joint action as a voluntary project with experts

Group 3 - How can national sector platforms facilitate?

Faciliation: Francis Chesang (UCDA), John Schluter (Café Africa)

Drawing on the input presentations on the Uganda national platform experience and the report from the finance workshop, the working group looked into the potential of stakeholder collaboration in the facilitation of access to smallholder finance. Public-private sector coordination on national level has a tremendous potential to scale smallholder finance, combining regulatory measures with private efforts or through risk sharing in the provision of a public good, assuming that there is a sufficient common ground and joint interest. While agreeing that there is no universal recipe for a successful national platform, the working group discussed and listed critical success factors for platforms:

Critical success factors for national sector platforms
▪ Neutrality and transparency ▪ Clear agreement on simple objectives and goals at the start, a simple and sufficiently ambitious objective is very important ▪ A driver, someone to take the lead, is needed and participants need to be kept involved ▪ A secretariat is needed, and the secretariat needs to be respected in the industry (e.g. trust that minutes are correct). It should keep the platform to its original objective and not influence the agenda. ▪ All key stakeholders need to be involved ▪ Clear terms of reference / rules of engagement (seniority of representation, frequency & duration of meeting, etc.) ▪ Refrain from institutionalization (institutionalizing a platform might threaten several stakeholders) ▪ Funding for the secretariat and meeting logistics need to be ensured

Group 4 - Do we need donors? Where is the inherent win-win or business case for all?

Facilitation: Charles Kironde (NUCAFE), Ian Lachmund (DEG)

Many positive examples of successful channeling of finance to smallholders depend on donor funding and / or external risk mitigation. Are donors needed at all or what are exit strategies that create a viable business case for all actors involved in smallholder financing?

The group agreed that donors do play a vital role in the sector, but raised many concerns on donor engagement if it comes with a wrong approach. It was considered important that the funding approach is embedded in a real market demand scenario, in cooperation with the private sector, and that direct donor involvement in actual project implementation is minimized.

Major concerns regarding donor engagement	Positive aspects of donor engagement	Potential role of donors in input finance
▪ Requirements aren't flexible, e.g. short tenures, ticking boxes ▪ Focus on expenditure, rather than output ▪ Often no exit strategy exists ▪ In some cases, donor funding proved counter-productive, e.g. through supply chain interference ▪ They take on roles they shouldn't be doing ▪ Often lack of trust or understanding between donors and recipients, supported farmers often are not aware of the support	▪ Makes business sense for private sector, ignites commercial investment ▪ Catalyst function – proof of concept ▪ Donors can share know-how, best practices in many areas ▪ Potential to expand into other areas, e.g. empowering stakeholder engagement in the sector	▪ Accompany national policy for fertilizer application ▪ Align with the private sector and seek co-investment to leverage impact, intend to phase out (exit) ▪ Support farmer aggregation ▪ Capacity building at farmer level, seeing farmer as entrepreneurs, not recipients (farming as a business including financial literacy, fertilizer application, etc.) ▪ Share learnings and enable sector engagement on this specific topic

Group 5 - How do we integrate Gender Approaches?

Facilitation: Catherine van der Wees (Hivos), Sarah Schach (AFCA, WM Cahn)

The importance of gender-sensitive approaches, e.g. in agricultural extension, is gradually being recognized by an increasing number of coffee supply chain actors. Studies show that a consideration of gender roles, task-divisions, access to capital and power accelerates the impact of efforts and investments into agricultural value chains. However, gender-sensitive approaches can so far hardly be found in the financial service providers' product portfolios for coffee value chains.

What are implications of being gender blind?	What should be the elements of a 'gender lens' in the provision of access to finance?	What could be the interest / business case for financial service providers to develop or offer gender-sensitive financial products?
▪ Collateral – Land is owned by men, Implication - women either have no land, no title or no access to finance ▪ Micro-finance savings – group savings, women cannot take/borrow from group savings because of lack of security ▪ Most women do not have bank accounts – receive payments in	▪ Alternatives to collateral – peer rating ▪ Joint ownership to collateral assets ▪ Both parties (men and women) sign loan agreement ▪ Joint bank account or women own bank account ▪ Joint decision-making – premarital training ▪ Sharing responsibilities	▪ Good repayment rates/lower risks ▪ Good employers ▪ Efficient use of loans ▪ Product diversification ▪ Better growth of loan portfolio-for banks ▪ Lower costs ▪ Better public profiles ▪ More clients ▪ Better run banks

cash ▪ Women have less access to coffee money, make less savings and yet they have more responsibilities i.e. more to spend on (food, fees, clothing, health care etc. ▪ Women less able to be productive	▪ Quotas ▪ Gender agent in the household- increase use of credit facility ▪ Women involvement in governance ▪ Repayment history – default rate for men is high unlike women whose default rate is very minimal. ▪ Women take less risk through diversification and are patient, willing to invest small.	

Group 6 - Challenges and Opportunities from National Perspectives - Tanzania

Facilitation: Adolph Kumburu (Tanzania Coffee Board)

This group specifically looked into the realities and potentials for facilitating access to finance in Tanzania, its major actors, legal framework and supply chain structure, drawing on the results of the finance workshop. In the coffee value chain structure in Tanzania with an annual average production of 50,000 MT, parchment or green coffee is sold at farm gate price to private coffee buyers or farmer groups. 60% of the coffee passes the auction market, where green coffee is sold by farmer groups, estates, or private buyers to exporters, whereas 40% of the coffee is sold directly to roasters abroad as green coffee by farmer groups, estates, private buyers in the direct export market. 70% of the latter is robusta. The working group looked into the following questions:

- What are the specific challenges and opportunities of providing access to finance for coffee smallholders in view of the country's supply chain structure?
- What are Tanzania's important actors that need to play a role in the facilitation of access to finance?
- What could a successful model of access to finance look like in Tanzania, and what would need to be done to implement it?

Challenges	Opportunities	Actors
▪ No suitable regulatory framework or structure to support financing of famer groups particularly farm input loans or long term farm investment loans. ▪ Lack of trust/faithfulness within farmer groups (side selling) and between farmers and lenders (risk of defaulting) ▪ Inefficient farmer organizations (poor governance) and lack of registration for some ▪ Lack of savings among farmer groups which could help internal lending mechanisms or collateral for bank loans ▪ Traditional agricultural challenges (weather, lack of collateral, price volatility etc.) ▪ Difficult to develop loan structure/products for individual farmers because of small scale and low productivity ▪ High interest rates	▪ Motivate farmers through farmer groups to save so that they can start internal loan schemes at affordable interest rates (mainly for things like inputs or farmer emergencies) ▪ Developing agricultural insurance products (such as micro-insurance products for weather shocks) to increase confidence to lenders ▪ Developing/nurturing strong farmer groups that can aggregate coffee and enjoy economies of scale. ▪ Develop holistic and flexible lending schemes that would consider lending to farmers (consider cash flow of farmers with respect to cash and food crops) ▪ Financial institution with experience in coffee financing ▪ PPP	▪ Government (central and local government) ▪ Farmer organizations ▪ Private and public extension providers (agro-dealers, traders, government, banks, NGOs or cooperatives themselves etc.) ▪ Development partners (donors funding NGOs or private companies) ▪ Financial institutions ▪ Research institution (coffee specific such as TaCRI, universities etc.)

There are two possible types of finance with different type of risks, namely pre-harvest finance (at the marketing level) and input finance (at production level). Development partners should align with public and private sectors to improve the entire system required to increase productivity such as supporting long term investment (e.g. rejuvenation of coffee farms), information flow (e.g. market information for better decision making at the farm level) and improved infrastructure in the rural areas. Furthermore, the role of guarantee institutions such as PASS in Tanzania need to be strengthened, to reduce risk to lenders.
In order to implement it, a favorable sector legal framework and a joint establishment of a stakeholder platform needs to be developed that will coordinate all actors such as lenders, input suppliers and traders, and facilitate information flow particularly financial lending to farmers between the actors) with a shared vision on improving productivity through a holistic approach including the provision of finance.

Sector Collaboration – Progress of Vision 2020

Annette Pensel (4C Association and Secretary of the Vision 2020 Task Force) made a brief input presentation on the Vision 2020 process that aims to build a public-private collaboration to effectively realize its collective impact against sector challenges and vulnerabilities, ensuring the resilience and livelihoods of coffee farming communities and the industry as a whole. As key milestone towards more efficient and effective sector collaboration with a common, farmer centric agenda, the ICO, 4C Association and IDH have signed an MoU (after the forum), and all sector stakeholders are invited to join the Vision 2020 consultation meeting in May 2015. For further information contact annette.pensel@4c-coffeeassociation.org

Closing Panel

The closing panel was moderated by *Robert Waggwa Nsibirwa*. Panelists included *Nancy Cheruyiot* (Kenya Coffee Development Fund), *David Barry* (Kyagalanyi Ltd.), *Joseph Taguma* (Zambia Coffee Growers' Association & AFCA), *Ian Lachmund* (DEG), and *Paul Stewart* (Technoserve).

With regards to the provision input finance, panelists stressed the importance to collect and look at past experiences in Africa, both to learn from failures and to replicate successes. It was confirmed that sustainability and a productivity increase go hand-in-hand and that the use of inputs, especially of fertilizers, plays a key role.

In order to get there, supply chain inefficiencies need to be addressed, including marketing, logistics, communication, finance as well as farmers' skills. This is where a joint commitment of all players is needed, i.e. traders, roasters, exporters, financiers, government to address smallholder and supply chain challenges in a collaborative and coordinated manner. Specifically, traders could engage in pre-finance and capacity building, donors shall contribute to capacity building and provide funding for sector collaboration, and governments must take responsibility and facilitate finance, e.g. through the creation of a development finance fund to benefit small holder farmers, to fulfil the cash flow needs for the coffee farm on sustainable basis. Panelists stressed the essential need for a space for dialogue and listening, thus enabling exchange, understanding, agreement and finally commitment to action by different stakeholders to jointly tackle the identified challenges in the African coffee industry. "The answer lies with ourselves", as one of the panelists stated on behalf of the diverse group.
The forum was officially closed by *Mr. Fred Kawuma*, Secretary General of the Inter-African Coffee Organization (IACO).

Conclusion and Next Steps

The forum experienced a lot of interaction among participants within the panel and working group discussions and came to the following key conclusions:

- Improved access to finance is a crucial element of the drive towards increased productivity and sustainability.
- It is needed to take a more holistic view on the farming household system and its particular financing needs.
- While sustainability standards are good tools to move towards higher levels of sustainability and productivity and can play an important role to create pre-conditions of finance, one needs to go beyond certi-/verification and support farmer entrepreneurship and financial literacy.
- At the same time, agricultural literacy for bankers is needed, to improve the availability and success of financial products.
- The application of a 'gender lens' helps to maximize impact.
- A collaborative sector approach is mandatory, involving public and private sectors, donors, financial service providers, and a neutral facilitator.

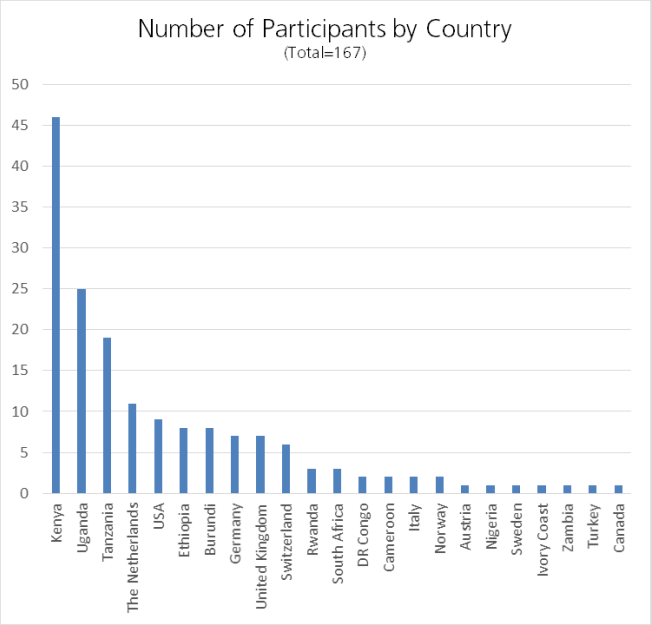
For a lot of discussions, concrete needs for follow-up among the participants were formulated. As the forum built on the expert workshop on access to inputs the day before, but addressed a wider audience, it makes sense to combine the subsequent discussions and action items of both events. The organizers as well as the Initiative for Smallholder Finance (ISF) and DEG as finance workshop co-organizers and valuable contributors to this forum, will be in contact with those organizations and participants that expressed their interest in the follow-up on country level and the further exploration of individual topics, i.e.:

- Uganda: IDH will take the lead in the discussion to further explore alternative routes to get more/better access to inputs for Ugandan coffee farmers.
- Tanzania: DEG will follow up with the workshop participants and further Tanzanian stakeholders who are involved in and signed up for the Tanzania-specific working groups. Some first internal follow up discussions on some of the envisioned initiatives in Tanzania are already ongoing. DEG and the Coffee Partnership for Tanzania (CPT) stakeholders will continue to discuss the financing models and possible next steps in the relevant Tanzanian fora.
- Kenya: The Initiative for Smallholder Finance will be in touch with participants who expressed interest in the Kenya financing models in order to arrange a follow-up conversation to discuss next steps and gauge the interests of organizations in pursuing a collaborative solution.
- Mobile Payments: IDH will be in contact with the organizations that expressed their interest in exploring possibilities for mobile payments for coffee to enable farmers to save and use part of their savings for fertilizers and out of season cash flow needs.
- Financial Literacy: AFCA will take the lead in organizing the collection of training materials, mapping of service providers and a harmonization of the materials.
- Sustainability Standards: The 4C Association will coordinate the work stream with interested organizations and participants that further looks into the contribution of standards in the facilitation of finance.

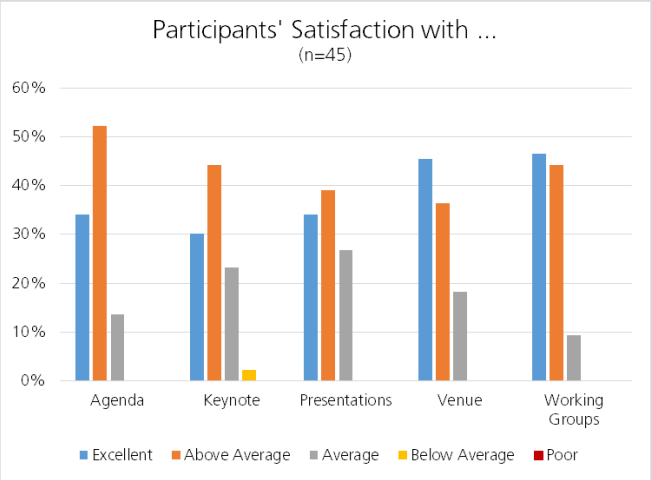
The organizers and coordinating organizations will reach out to all participants and other interested stakeholders for follow-up. Where required, the 4C Association will act as an umbrella coordinator across groups and also engage in the discussions.
The next forum is to take place in February 2016 in Dar es Salaam, Tanzania, where progress on the above action items will need to be reported.

Evaluation

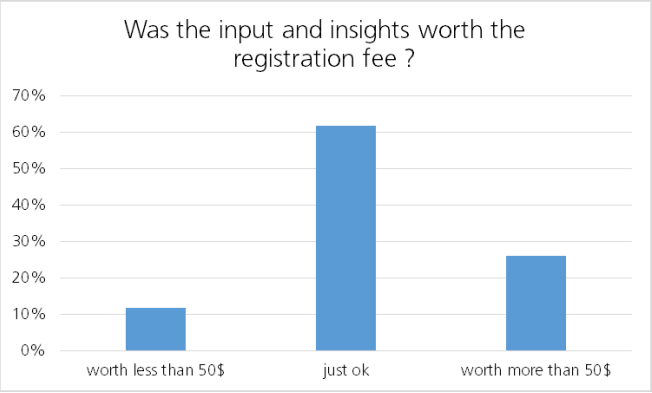
The forum attracted 167 participants from 24 countries, thereof 119 participants (71%) from Africa.



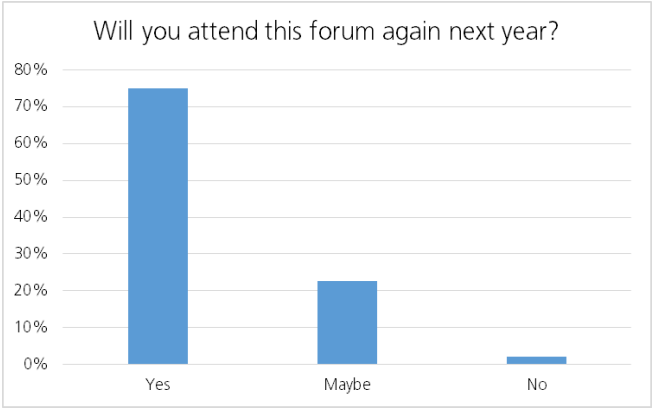
The participants' feedback was overwhelmingly positive: 81% of all ratings were 'Excellent' or 'Above Average'.



Though it came with a participation fee for the first time, most participants thought it was value for money or even more.



Most are committed to come again, others might not have finalized their travel plans yet.



"What did you enjoy or value the most about this forum?"

Group dynamics	Overall agenda (sustainability)
The input presentations	Key note speaker
The fact that we need to look more at the overall farmer situation/economics and not just focus on coffee, but also understand other sources of income/cash including other crops, diary poultry etc.	Good exchange of thoughts & ideas from a broad range of stakeholders, lots of food for thought!
Working Groups & Expert Panel	Networking
Risk Management	It was interactive!
Working Groups, discussions	New information on sustainability
Working Groups	The theme
Opportunity for focused discussion	Results of pilot project
Group Work & whole workshop presentation	Interactive discussions
Working Groups	Presentations
Presentations	Diversified participants
Networking	Group session on certification
The discussion on access to finance	Detailed content of presentations and networking opportunities
Group work	As always interaction with participants
All agenda discussed was quite useful	The overall agenda was spot on and addressed real sustainability issues.
Meeting new people in the industry	Focusing in smallholder farmers and being farmer centric. Inputs & projects for smallholder farmers.
Expert Panel discussion	Though-provoking presentations and discussion about financial services
Networking opportunities	Productivity the key to sustainable resurgence of the African coffee industry
Discussion Groups	Networking opportunities
Individual presentations and group discussion which enlightens what is happening in coffee world and ways of improving production and sustainability	Enjoyed most speakers & enjoyed working groups

"Do you have any suggestions for improving this forum?"

There is need to include more local and active players in a particular topic of discussion	More time for group discussions
Include local banks and presenters, no African bank was there	Time management
Sure, in case we have access to finance topics again in future, please tap in more representation from regional/International organizations and banks who have more experience in the region. Also have more African representatives/participants to have a much larger local context/perspective.	More room for breaks or shorter program? Realized that people were exhausted at the end
Start on time	Include more stakeholders in coffee sector
Projection of notes could be with some improvements	More time Less presentations and more Q&A + discussions
Sharing of the presentations	Hold it at every major trade event/conference
Allocate more time for working groups	Improve the projections
Better time management	I will appreciate if agenda and timetable managed a bit more carefully for the next time
Maximum time for presentations	Have booths
	Some follow up work on the ideas presented in-country
	We need to encourage more producer engagement
	Feedback from interactive or group sessions should be made

Have more time Farmers (Smallholders) to be invited to present Involve direct farmer level representative Involve more smallholders or bring them on board Keep time to allow for networking breaks Shorten the introduction I found it ok! Keep up!!	available to all participants. More time allocated for presentations & discussions Take more time for discussions May be to touch on "how the development of the other industries like real estate affect the development of coffee industry. Having less plenary sessions with multiple people (traditional set up), more innovation in discussing topics, working methodology (like in the input finance workshop) Make the program a little shorter

"What topics would you want covered next year?"

More insight on various risk management in the coffee sector What has been achieved? Delve more in into innovative financing models with concrete examples Integrated farming system, thinking at farm level, not only coffee farm Value addition Crop Insurance Improving productivity Key issues at the household level faced by coffee farming families Basic case for smallholder farmer More exchange & discussion on access to finance Collaboration of financial institutions with all levels on the value chain Diversification Hear from smallholders about training, interest rates, coffee price Certification issues influence to farmer The journey of sustainability and funding Influencing co-op/aggregator governance & value addition Exchange programs and how they impact on production Climate change impact on coffee productivity and mitigation measures How commercial entities and donors work to improve coffee farming as a livelihood	African coffee productivity and sustainability by Seudieu, ICO Coffee productivity increase from a holistic farm system perspective Advantages of sustainability standards in coffee business The role of research in sustainability Extension services to farmers Funding for mitigation options Coordinate impact and how to act after this kind of forum Conflicts and convergence, need for common code in sustainability Certification, markets, increasing productivity Micro-finance in more detail More focus approach for financial literacy and gender and youth Sustaining efforts for productivity improvement Monitoring & Evaluation of projects & inputs & fertilizers impacts on smallholder farmers How to deal with inherent risks of farming: climate, weather, market prices - things will fail, what is the farmer's safety net? Happy to help in defining this further. Right and sustainable organizational structures for smallholder coffee farmers. More in depth discussion with financial institutions, traders and governments on access to finance Follow up on gender issues, progress made in the last five years & how Africa is developing in this sector & follow up on food security for coffee farmers

About the Organizers

The **4C Association** is an open and dynamic platform that invites members and partners from public and private sectors to effectively work together on overarching, critical issues that threaten the sustainability of the coffee sector.

The **Sustainable Coffee Program** is a mainstream public/private consortium powered by IDH, major coffee industry representatives, trade and export partners, civil society organizations, governments and standard setting organizations.

The **African Fine Coffees Association (AFCA)** is a regional non-profit, non-political, member-driven association representing coffee sectors in 11 member countries.

Café Africa is a non-profit organisation created in 2006, with the aim to seize the opportunity of both the increasing global coffee demand and the Africa's production potential to contribute to the sustainable alleviation of rural poverty.

Resources

- Forum Presentations
- Final Report of 'Access to inputs for East-African coffee farmers – What role can finance play?'
- ICO Document: Sustainability of the coffee sector in Africa
- World Bank/ICO compendium of case studies related to improving risk management and access to finance in the coffee sector

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